

# New Tax Laws

The Wisconsin Legislature has enacted a number of changes to the Wisconsin tax laws. Following is an index and brief descriptions of the major individual and fiduciary income tax, corporation franchise or income tax, sales/use tax, alcohol beverage regulation, dry cleaning facility license and fee, estate tax, and other provisions. These provisions are contained in 2003 Acts 119, 128, 135, 176, 177, 183, 245, 246, 250, 255, 258, 267, 288, 289, 303 and 312.

The description for each provision indicates the sections of the statutes affected and the effective date of the new provision.

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## A. Individual and Fiduciary Income Taxes

### 1. Subtraction for Costs Related to Organ Donation (2003 Act 119, create sec. 71.05(10)(i), effective for taxable years beginning on or after January 1, 2004.)

When computing Wisconsin adjusted gross income, an individual may subtract up to \$10,000 from federal adjusted gross income if he or she (or his or her dependent who is claimed under sec. 151(c), IRC), while living, donates one or more of his or her human organs to another human being for human organ transplantation.

"Human organ" means all or part of a liver, pancreas, kidney, intestine, lung, or bone marrow. It does not mean human whole blood, blood plasma, a blood product or a blood derivative or human semen. "Human organ transplantation" means the medical procedure by which transfer of a human organ is made from the body of a person to the body of another person.

The subtraction may be claimed for only the following unreimbursed expenses that are incurred by the individual and related to the individual's organ donation:

- Travel expenses.
- Lodging expenses.
- Lost wages.

The subtraction may be claimed only once and in the taxable year in which the human organ transplantation occurs. Part-year residents or nonresidents of Wisconsin may not claim the subtraction.

### 2. Dairy Investment Credit Created (2003 Act 135, amend secs. 71.05(6)(a)15., 71.08(1)(intro.), 71.21(4), 71.26(2)(a), 71.34(1)(g), 71.45(2)(a)10., and 77.92(4) and create secs. 71.07(3n), 71.10(4)(gbm), 71.28(3n), 71.30(3)(bm), 71.47(3n), and 71.49(1)(bm), effective for taxable years beginning on or after January 1, 2004, and before January 1, 2010.)

The dairy investment credit is equal to 10% of the amount the claimant paid in the taxable year for dairy farm modernization or expansion related to the operation of the claimant's dairy farm.

"Dairy farm modernization or expansion" means the construction, the improvement, or the acquisition of buildings or facilities, or the acquisition of equipment, for dairy animal housing, confinement, animal feeding, milk production, or waste management, including the following, if used exclusively related to dairy animals:

- a. Freestall barns.
- b. Fences.
- c. Watering facilities.
- d. Feed storage and handling equipment.
- e. Milking parlors.
- f. Robotic equipment.
- g. Scales.
- h. Milk storage and cooling facilities.
- i. Bulk tanks.
- j. Manure pumping and storage facilities.
- k. Digesters.
- L. Equipment used to produce energy.

"Dairy animals" includes heifers raised as replacement dairy animals. "Dairy farm" includes a facility used to raise heifers as replacement dairy animals.

No credit may be allowed for any amount that the claimant paid for expenses that the claimant also claimed as a deduction for trade or business expenses under sec.162 of the Internal Revenue Code.

The aggregate amount of credits that a claimant may claim is \$50,000. The credit must be claimed within four years of the unextended due date of the tax return.

Partnerships, limited liability companies, and tax-option corporations may not claim the credit, but the eligibility for, and the amount of, the credit are based on their payment of expenses. A partnership, limited liability company, or tax-option corporation shall compute the amount of credit that each of its partners, members, or shareholders may claim and shall provide that information to each of them. Partners, members of limited liability companies, and shareholders of tax-option corporations may claim the credit in proportion to their ownership interest.

The amount of the computed credit must be included in the claimant's income except that credits computed by a partnership and passed through to partners shall be added to the partnership's income, and credits computed by a tax-option corporation and passed through to shareholders shall be added to the tax-option corporation's income.

If a computed credit is not entirely offset against Wisconsin income or franchise taxes otherwise due, the unused balance may be carried forward and credited against Wisconsin income or franchise taxes otherwise due for the following 15 taxable years to the extent not offset by taxes otherwise due in all intervening years between the year in which the expense was incurred and the year in which the carry-forward is claimed.

In the case of a change in ownership or business of a corporation, sec. 383 of the Internal Revenue Code applies to the carry-over of unused credits.

The Department of Revenue has full power to administer the credit and may take any action, conduct any proceeding and proceed as it is authorized in respect to income and franchise taxes. The income and franchise tax provisions relating to assessments, refunds, appeals, collection, interest, and penalties apply to the credit.

For purposes of the recycling surcharge, the definition of "net business income," with respect to a partnership, is expanded to include the dairy investment credit.

**3. Donations to Breast Cancer Research Program** (2003 Act 176, create sec. 71.10(5f), effective for taxable years beginning on or after January 1, 2004.)

Every individual filing an income tax return who has a tax liability or is entitled to a tax refund may designate on the return any amount of additional payment or any amount of a refund due that individual for the breast cancer research program. "Breast cancer research program" means the program under sec. 255.055, Wis. Stats., that provides moneys for breast cancer research to the Medical College of Milwaukee, Inc., and the University of Wisconsin Comprehensive Cancer Center and the payment of administrative expenses.

If the individual owes any tax, the individual shall remit in full the tax due and the amount designated on the return for the breast cancer research program when the individual files a tax return. If an individual who owes taxes fails to remit an amount equal to or in excess of the total actual tax due (after any error correction) and the amount designated on the return as a breast cancer research program donation, the department will reduce the amount designated to reflect the amount remitted in excess of the actual tax due (after any error correction). If the amount remitted with the return does not exceed the tax due (after any error correction), the designation is void.

If the individual still has a refund after applying the refund to any delinquency owing the department and to any offset (pursuant to secs. 71.75(9) and 71.80(3), Wis. Stats.), the department will deduct the amount designated on the return as a breast cancer research program donation from the amount of the refund. If an individual is owed a refund that does not equal or exceed the amount designated on the return as a breast cancer research donation (after any error correction and deduction for a delinquency or offset), the department will reduce the designation for the breast cancer research program to reflect the actual amount of refund (after any error correction and deduction for a delinquency or offset).

If an individual places any conditions on a designation for the breast cancer research program donation, the designation is void.

If a designation for the breast cancer research program is void, the department shall disregard the designation and determine amounts due, owed, refunded, and received without regard to the void designation.

A place must be provided on the individual income tax return for designations to the breast cancer research program.

Amounts designation for breast cancer research program donations are not subject to refund unless the taxpayer submits information to the satisfaction of the department within 18 months after the date on which taxes are due or the date on which the return is filed, whichever is later, that the amount designated is clearly in error.

**4. Subtraction Created for Certain Military Pay Received by Members of the Reserves** (2003 Act 183, create secs. 71.05(6)(b)34 and 71.07(6m)(c)4, effective for taxable years beginning on or after January 1, 2004.)

A person who is a member of a reserve component of the U.S. armed forces may subtract from federal adjusted gross income when computing Wisconsin taxable income, any amount of basic, special, and incentive pay income or compensation that is:

- Received from the federal government,
- Received after being called into active federal service or into special state service authorized by the federal Department of Defense, and
- Paid to the person for a period of time during which the person is on active duty.

A person who claims this subtraction may not claim the armed forces member credit.

**5. Angel Investment Credit Created** (2003 Act 255, amend secs. 71.05(6)(a)15 and 71.08(1)(intro.) and create secs. 71.07(5d), 71.10(4)(gx), 560.205, and nonstatutory provisions, effective for taxable years beginning on or after January 1, 2005.)

An individual may claim the angel investment credit against income tax, including the alter-

native minimum tax, due in each taxable year for two years, beginning with the taxable year in which the individual's initial investment is made. The credit is equal to 12.5% of the individual's bona fide angel investment made directly in a qualified new business venture, subject to certain limitations. The amount of credit computed must be added to the claimant's income. Unused credits may be carried forward for 15 taxable years.

A "bona fide angel investment" means a purchase of an equity interest, or any other expenditure, as determined under an administrative rule to be promulgated by the Department of Revenue, that is made by an individual, or a network of individuals, who reviews new businesses or proposed new businesses for potential investment of the individual's money.

A "qualified new business venture" means a business that is certified by the Department of Commerce. A business may be certified as provided under rules to be promulgated by the Department of Commerce or if it satisfies all of the following conditions:

- It has its headquarters in Wisconsin.
- At least 51% of the employees employed by the business are employed in Wisconsin.
- It is engaged in, or has committed to engage in, manufacturing, agriculture, or processing or assembling products and conducting research and development or developing a new product or business process.
- It is not engaged in real estate development, insurance, banking, lending, lobbying, political consulting, professional services provided by attorneys, accountants, business consultants, physicians, or health care consultants, wholesale or retail trade, leisure, hospitality, transportation, or construction.
- It has less than 100 employees.
- It has been in operation in Wisconsin for not more than 7 consecutive years.

- It has not received more than \$1,000,000 in investments that have qualified for angel investment tax credits.

The following limitations apply to the angel investment credit:

- The maximum amount of angel investment credits that may be claimed is \$30,000,000.
- The aggregate amount of tax credits that may be claimed for investments in certified businesses is \$3,000,000 per taxable year.
- The maximum amount of an individual claimant's investment that may be used as the basis for a tax credit is \$500,000 for each investment made directly in a certified business.
- A claimant who is a nonresident or part-year resident of Wisconsin and who is single or a married person filing a separate return must multiply the credit by a fraction, the numerator of which is the individual's Wisconsin adjusted gross income and the denominator of which is the individual's federal adjusted gross income.
- A claimant who is married and files a joint return, if either the claimant or the claimant's spouse or both are nonresidents or part-year residents of Wisconsin, must multiply the credit by a fraction, the numerator of which is the couple's joint Wisconsin adjusted gross income and the denominator of which is the couple's joint federal adjusted gross income.

If an investment for which the claimant claims the angel investment credit is held by the claimant for less than one year, the claimant shall pay to the Department of Revenue the amount of credit that the claimant received related to the investment.

No credit may be allowed for a taxable year unless it is claimed within four years of the unextended due date of the tax return for that taxable year.

- 6. Early Stage Seed Investment Credit Created** (2003 Act 255, amend secs. 71.05(6)(a)15 and 71.08(1)(intro.) and create secs. 71.07(5b), 71.10(4)(gwb), 560.205, and nonstatutory provisions, effective for taxable years beginning on or after January 1, 2005.)

See Item B.2.

- 7. Carryover Period for Manufacturer's Sales Tax Credit Increased** (2003 Act 267, amend sec. 71.07(3s)(c)1, effective for credits computed for taxable years beginning on or after January 1, 1998.)

The carryover period for unused manufacturer's sales tax credit is increased from 15 to 20 years.

- 8. Subtraction for College Savings Expanded** (2003 Act 289, amend sec. 71.05(6)(b)32.(intro.) and 33.(intro.), effective for taxable years beginning on or after January 1, 2004.)

The subtraction for up to \$3,000 of the amount paid into a Wisconsin college savings account or college tuition and expenses program is expanded to include amounts paid if the beneficiary of the account is the claimant's great-grandchild, niece, or nephew. Under prior law, the subtraction was available only if the beneficiary of the account was the claimant, the claimant's child who was claimed as a dependent for federal income tax purposes, or the claimant's grandchild.

## B. Corporation Franchise or Income Taxes

- 1. Dairy Investment Credit Created** (2003 Act 135, amend secs. 71.21(4), 71.26(2)(a), 71.34(1)(g), 71.45(2)(a)10., and 77.92(4) and create secs. 71.28(3n), 71.30(3)(bm), 71.47(3n), and 71.49(1)(bm), effective for taxable years beginning on or after January 1, 2004, and before January 1, 2010.)

See Item A.2.

- 2. Early Stage Seed Investment Credit Created** (2003 Act 255, amend secs. 71.21(4), 71.26(2)(a), 71.34(1)(g), 71.45(2)(a)10, and 77.92(4) and create secs. 71.28(5b), 71.30(3)(eop), 71.47(5b), 71.49(1)(eop),

560.205, and nonstatutory provisions, effective for taxable years beginning on or after January 1, 2005.)

A taxpayer may claim the early stage seed investment credit against franchise or income tax, including the alternative minimum tax, due. The credit is equal to 25% of the claimant's initial investment paid in the taxable year to a fund manager that the fund manager invests in a business certified by the Department of Commerce, subject to certain limitations. The amount of credit computed must be added to the claimant's income. Unused credits may be carried forward for 15 taxable years.

A fund manager is an investment fund manager certified by the Department of Commerce. In determining whether to certify an investment fund manager, the Department of Commerce shall consider the manager's experience in managing venture capital funds, the past performance of investment funds managed by the applicant, the expected level of investment in the investment fund to be managed by the applicant, and any other relevant factors. The Department of Commerce may certify only investment fund managers that commit to consider placing investments in certified businesses.

A business may be certified as provided under rules to be promulgated by the Department of Commerce or if it satisfies all of the following conditions:

- It has its headquarters in Wisconsin.
- At least 51% of the employees employed by the business are employed in Wisconsin.
- It is engaged in, or has committed to engage in, manufacturing, agriculture, or processing or assembling products and conducting research and development or developing a new product or business process.
- It is not engaged in real estate development, insurance, banking, lending, lobbying, political consulting, professional services provided by attorneys, accountants, business consultants, physicians, or

health care consultants, wholesale or retail trade, leisure, hospitality, transportation, or construction.

- It has less than 100 employees.
- It has been in operation in Wisconsin for not more than 7 consecutive years.
- It has not received more than \$1,000,000 in investments that have qualified for angel investment tax credits.

The following limitations apply to the early stage seed investment credit:

- The maximum amount of early stage seed investment credits that may be claimed for all taxable years combined is \$35,000,000.
- The aggregate amount of tax credits that may be claimed for investments paid to certified fund managers is \$3,500,000 per taxable year.

Partnerships, limited liability companies, and tax-option (S) corporations may not claim the credit, but the eligibility for, and the amount of, the credit are based on their payments. The entity must compute the amount of credit that each of its partners, members, or shareholders may claim and provide that information to each of them. Partners, members of limited liability companies, and shareholders of tax-option (S) corporations may claim the credit in proportion to their ownership interest or as specially allocated in their organizational documents.

No credit may be allowed for a taxable year unless it is claimed within four years of the unextended due date of the tax return for that taxable year.

### 3. Carryover Period for Manufacturer's Sales Tax Credit Increased (2003 Act 267, amend secs. 71.28(3)(c)1 and 71.47(3)(c)1, effective for credits computed by corporations, other than tax-option (S) corporations, for taxable years beginning on or after January 1, 1988.)

The carryover period for unused manufacturer's sales tax credit is increased from 15 to 20 years.

### C. Sales and Use Taxes

- 1. Exempt Clay Pigeons and Live Game Birds Sold to Hunting Preserves** (2003 Act 128, create sec. 77.54(47), effective for sales made on or after January 1, 2003.)

The sale of and the storage, use, or other consumption of clay pigeons and live game birds sold to bird hunting preserves that are licensed under sec. 169.19, Wis. Stats., are exempt from Wisconsin sales or use tax.

Prior to January 1, 2003, the department had administratively provided that sales of game birds to shooting preserves were not taxable if the shooting preserves:

- provided the birds to their customers as part of access to a recreational facility, and
- had seller's permits for the collection and reporting of sales tax on their receipts from charges made for access to a recreational facility for hunting.

### D. Alcohol Beverage Regulation

- 1. Multiple Advertising by Retail Alcohol Franchisees** (2003 Act 124, amend sec. 125.51(7), effective February 21, 2004.)

Holders of retail liquor licenses or permits that are franchisees as defined in sec. 553.03(5), Wis. Stats., may advertise separately or together, in the name of the franchisor, as defined in sec. 553.03(6), Wis. Stats.

- 2. Provisional Operators' Licenses** (2003 Act 245, renumber and amend 125.17(5)(a) and 125.17(5)(d); to amend 125.17(5)(e); and to create 125.17(5)(a)2. And 125.17(5)(d)2., effective April 28, 2004.)

A municipal governing body that issues operators' licenses shall issue a provisional operator's license to a person who, at the time of application for an operator's license and payment of the fee, files a certified copy of a valid operator's license issued by another municipality. The provisional operator's license may be revoked by the official who issued the license if the official determines that the operator's license issued by another municipality

is not valid or upon denial of the person's application for an operator's license.

- 3. Unaccompanied Underage Persons on Alcohol Beverage Licensed Premises** (2003 Act 246, create 125.07(3)(a)3r, effective April 28, 2004.)

Underage persons unaccompanied by parent, guardian, or spouse of legal drinking age may enter or be on any premises operating under an alcohol beverage license that also is a privately-owned business that exists to provide recreational fishing opportunities to the public for a fee and that is registered under s.95.60(3m) if the sale of alcohol beverages accounts for less than 30 percent of the business's gross receipts.

- 4. Transferring Wholesale/Class "A" Beer Licenses to Premises in Another Municipality Within the Same County** (2003 Act 250, amend 125.04(12)(a), 125.25(2)(b)3, 125.25(3), 125.28(2)(c)2, 125.28(3); create 125.(2)(b)4, effective April 28, 2004.)

A person who holds a Class "A" license and a wholesale beer license, both of which licenses were issued before May 5, 1994, may transfer the licenses together to another premises in a different municipality within the same county; the transfers shall be received and the validity of the transferred licenses recognized by the receiving municipality upon approval of the transfer by the receiving municipality and payment to the receiving municipality of an additional fee of \$10 for each transferred license.

- 5. Termination of Distribution Rights** (2003 Act 303, create 125.33(10), effective May 5, 2004.)

A successor beer wholesaler shall compensate a terminated beer wholesaler for the fair market value of the terminated wholesaler's distribution rights to any discontinued brand of fermented malt beverages assumed by the successor wholesaler for the same territory, less any amount paid to the terminated wholesaler by the brewer of the discontinued brand. The statute also provides exceptions to this requirement.



## E. Dry Cleaning Facility License and Fee

- Dry Cleaning Facility License Separate from Dry Cleaning License Fee** (2003 Act 312, renumber sec. 77.9961(1) to 77.9961(1)(a) and amend as renumbered, amend sec. 77.9961(title), (2) and (3), and create sec. 77.9961(1)(c) and (1m), effective May 7, 2004.)

The department will issue a dry cleaning facility license to each person who submits an application. The dry cleaning facility license does not have an expiration date.

Under prior law, the department issued a dry cleaning facility license, valid for only one year, to a person who paid the January 25 and three previous dry cleaning license fee installments and submitted a renewal form to the department.

Note: Persons who presently hold a dry cleaning facility license are not required to apply for a new license.

- Security Deposit May Be Required** (2003 Act 312, create sec. 77.9961(1)(b), effective May 7, 2004.)

The department may require a security deposit before or after issuing a dry cleaning facility license, under the same conditions as the security deposit requirement for a seller's permit under sec. 77.61(2), Wis. Stats.

- Dry Cleaning Facility License May Be Revoked** (2003 Act 312, create sec. 77.9961(1)(e), effective May 7, 2004.)

The department may revoke a dry cleaning facility license if the person fails to comply with laws or rules related to the dry cleaning license fee, is delinquent with respect to any taxes, or fails to timely file any returns when requested by the department.

- Clarify Definition of "Gross Receipts"** (2003 Act 312, create sec. 77.996(6), effective for license fee installments due after May 7, 2004.)

For purposes of determining the 1.8% dry cleaning license fee, "gross receipts" has the

same meaning as gross receipts for sales and use tax purposes under sec. 77.51(4), Wis. Stats, with the following exception. "Gross receipts" does not include the dry cleaning license fee that is passed on to customers. Under prior law, "gross receipts" was undefined, although administratively the definition in the sales and use tax law was used.

*Example:* Dry Cleaner A charges \$10.00 plus the dry cleaning license fee and Wisconsin state and county sales tax to dry clean a suit. Dry Cleaner A is liable for the 1.8% dry cleaning license fee on the \$10.00 because it is part of Dry Cleaner A's gross receipts from dry cleaning. Dry Cleaner A chooses to separately state the 1.8% license fee on its invoice. Assuming that Dry Cleaner A furnishes its dry cleaning services in a county that imposes the 1/2% county sales tax, Dry Cleaner A would charge its customer as follows:

Dry cleaning charge	\$10.00
License fee (\$10.00 X 1.8%)	<u>.18</u>
Subtotal	\$10.18
Sales tax (\$10.18 X 5.5%)	<u>.56</u>
Total charge to customer	\$10.74

- Create Definition of "Launder"** (2003 Act 312, create sec. 77.996(7), effective May 7, 2004.)

For purposes of determining if a process is dry cleaning or a laundry service, "launder" means to use water and detergent as the main process for cleaning apparel or household fabrics. Under prior law, "launder" was undefined.

- Revise Penalties** (2003 Act 312, repeal sec. 77.9961(4), amend sec. 77.9964(2), and create sec. 77.9961(1)(d), effective May 7, 2004.)

Any person who operates a dry cleaning facility without holding a valid dry cleaning facility license is subject to the same penalty as a seller operating without a valid seller's permit under sec. 77.52(12), Wis. Stats., and may be guilty of a misdemeanor. The penalty under prior law was \$5 per day for each day the person operated without a license.

Also under prior law, failure to pay the dry cleaning license fee by the installment due date resulted in a penalty of \$5 per day for

each day the installment was late, *in addition to* a late filing fee, interest and negligence penalty. This \$5 per day penalty has been repealed. However, the late filing fee, interest, and negligence penalty remain in effect as follows:

For corporations, the late filing fee is \$30. For businesses other than corporations, the late filing fee is as follows:

- \$2 when the license fee for the quarter is less than \$10.
- \$3 when the license fee for the quarter is \$10 or more, but less than \$20.
- \$5 when the license fee for the quarter is \$20 or more.
- \$30 when the return is 60 or more days late regardless of the amount of the license fee.

The total dry cleaning license fee due with a late-filed return is subject to interest at 1.5% per month until paid. If the return is filed late due to negligence, the license fee due on the return is also subject to a negligence penalty of 5% for each month or fraction of month the return is late, up to 25%.

**7. Clarify Delinquent Date for Assessments** (2003 Act 312, amend sec. 77.9964(2), effective May 7, 2004.)

An assessment by the department of dry cleaning facility license fees becomes delinquent when not paid on or before the due date stated on a notice provided to the dry cleaner in writing under sec. 71.74(10) to (12), Wis. Stats.

Although prior law provided for assessments under sec. 71.74, Wis. Stats., it was not clearly stated when the assessments became delinquent.

**8. Clarify Collection Remedies for Delinquent Fees** (2003 Act 312, amend sec. 77.9964(2), effective May 7, 2004.)

The department may use the same remedies for the collection of delinquent dry cleaning

license fees that are available for the collection of delinquent income taxes under sec. 71.91 and 71.92, Wis. Stats.

Although prior law provided for collection remedies under sec. 71.91, Wis. Stats., it was not clearly stated that all of the remedies were available under sec. 71.91 and 71.92, Wis. Stats.

**F. Estate Taxes**

**1. Imposition of the Wisconsin Estate Tax on Nonresident Decedent's Intangible Personal Property Changed** (2003 Act 258, amend sec. 72.11(2), effective for deaths occurring on or after January 1, 2005.)

The intangible personal property of nonresident decedents under the jurisdiction of the state of Wisconsin will not be subject to the imposition of the Wisconsin estate tax if:

- The decedent's residence (state, territory or district) does not tax the intangible property of Wisconsin residents under its jurisdiction, or
- The decedent's residence (state, territory or district) does not impose a tax on the transfer of property at death.

**G. Other**

**1. Definition of Debt for Purposes of Setoffs for Municipalities and Counties Expanded** (2003 Act 177, amend sec. 71.935(1)(a), effective April 21, 2004.)

Under prior law, "debt" for purposes of setoffs for municipalities and counties was defined as "a parking citation of at least \$20 that is unpaid and for which there has been no court appearance by the date specified in the citation or, if no date is specified, that is unpaid for at least 28 days and an unpaid fine, fee, restitution or forfeiture of at least \$20."

Act 177 expands the definition of "debt" to include any other debt that is at least \$20, except debt related to property taxes, if the debt has been reduced to a judgement or the municipality or county to which the debt is owed has provided the debtor reasonable notice and an

opportunity to be heard with regards to the debt.

2. **Changes to Tax Warrants and Liens on Property** (2003 Act 288, amend sec. 71.91(4), and create sec. 71.91(5)(dm), effective May 5, 2004.)

Liens related to warrants filed on or after May 5, 2004 shall remain in effect for 20 years after the filing date of the warrant. Previously, liens related to warrants filed after July 31, 1981 remained in effect until the assessment was satisfied.

The Department of Revenue may renew a lien that expires after 20 years. To be renewed, a new warrant must be filed no earlier than 180 days prior to the date the lien expires and no later than the date the lien expires. There is no limit to the number of times a lien may be renewed. If a renewal warrant is filed, the priority of the lien relates back to the original warrant filing date, and remains in effect for a period of 20 years beginning on the expiration date of the immediate preceding lien. No fee may be charged by a Clerk of Circuit Court for the filing of a renewal tax warrant.

The lien of a tax warrant filed prior to May 5, 2004 continues to be valid on an indefinite basis until it is satisfied.