

# FACT SHEET

## THE PROPERTY ASSESSMENT AND TAX PROCESS FOR TOWNS, VILLAGES, AND CITIES

Administration of the property tax takes place locally, subject to detailed statutory control established by the Legislature. The elements are simple: **identify all property** through real property listing and personal property assessing, **establish the value** of the property through assessment, **apply the tax rates** (determined by the amount of taxes levied by the taxing jurisdictions in which the property lies) to the assessed value, **compute the total taxes due** plus special assessments and charges after applying all state credits, **send tax bills to the property owners**, and **collect the payments of taxes**. After taxes have been collected, **proper amounts are distributed to the taxing jurisdictions** (school, sewerage, sanitary, TCDB, and lake management districts; the county; the State of Wisconsin, for its forestry tax; and the municipality where the property is located).

The process is shown on the next page. When reading the chart, remember that taxing jurisdictions are all the units of government that can levy a property tax, including schools and the other jurisdictions listed above. Most taxing jurisdictions include several taxation districts. Taxation districts are towns, villages, and cities. They assess property and bill and collect property taxes.

In reality, the system is confusing to many people. Some of the main sources of confusion are:

- Not understanding the assessment principles established by the State of Wisconsin, by which the work of assessors is guided. These are found in the Wisconsin Property Assessment Manual, prepared by the Wisconsin Department of Revenue.
- The fact that towns, villages and cities (the *taxation districts*), which are the primary administrators of the property tax, receive for their own purposes only a modest portion of the taxes they and the county treasurer collect. Public discontent over property taxes often focuses on the municipalities, rather than the school districts, which often receive the majority of the taxes collected.
- The meaning of equalized value, which the Wisconsin Department of Revenue establishes as the full market value of the classes of property within a taxation district (town, village, city).
- The meaning of assessed value, which the local assessor establishes as the estimated value of real and certain personal property. The assessed value is often somewhat less than full market value. State law requires that total assessed values of a town, village, or city be within 10% of equalized value at least once in any four (4) year period, or else the Department of Revenue may order a complete reassessment by an assessor of its choosing. Real property includes land, buildings, and improvements. Taxable personal property includes machinery tools and patterns, furniture, fixtures, and office equipment used in a business or for a commercial purpose. Assessors work for towns, villages, and cities.

Taxation district assessor prepares assessment roll by first Monday in April, based on January 1 value. §70.10



Tax levy certified to clerk of taxation district by taxing jurisdictions in October or November



Board of Review hearing during 30 days beginning second Monday in May. §70.47



Property tax credits certified by Wisconsin Department of Revenue (usually mid-November)



Assessment/tax roll information prepared by taxation district clerk. §70.65



County prepares tax roll and computes and prints tax bills. §59.52(15)



Taxation district clerk mails bills\* and municipal treasurer collects December and January payments.\*\* §§74.09, 74.11 & 74.12



Taxing jurisdictions paid by January 15 based on percent of total general property taxes collected as of December 31. Tax district pays state share to county. §74.23



First installments or full payments due January 31. §74.11

If full payment is delinquent, 1% interest per month and optional 1/2% per month penalty imposed as of February 1. On a delinquent second installment, interest is charged from February 1. §§74.11(7), 74.11(11) & 74.47



February settlement on or before February 20. Taxing jurisdictions receive prorated shares of collections. Pay state share to county. §74.25



County pays state on or before March 15. §74.27



Unless taxation district has adopted ordinance under §74.12, county treasurer collects second installment and delinquencies by July 31 and settles in full with taxing jurisdictions by August 20. §74.29



If taxes are unpaid, county issues tax certificates September 1. §74.57  
If certificates are unredeemed after 2 years, county may foreclose. §74.57

\* Many counties also mail out the bills after printing them.

\*\* Some counties collect all payments for taxation districts that have requested it.