

# **Assembly Republican Majority Bill Summary**

## **AB 251: Public Depositories for Property Tax Payments**

Relating to: Designating public depositories for the payment of property taxes.

By Representatives Gottlieb, Ainsworth, Bies, Gielow, Gunderson, Hines, Hundertmark, Ladwig, J. Lehman, M. Lehman, LeMahieu, McCormick, Musser, Seratti, Stone, Townsend, Vrakas, Ziegelbauer, Grothman and Petrowski; co-sponsored by Senators A. Lasee, Lazich, and Roessler.

**Date:** September 25, 2003

### **BACKGROUND**

Under current law, a taxation district treasurer may designate one or more public depositories to which taxpayers may make property tax payments in advance of the property tax levy.

### **SUMMARY OF AB 251**

Under Assembly Bill 251, a taxation district treasurer or county treasurer, as appropriate, may designate one or more public depositories to which taxpayers may make property tax payments after the property tax levy.

### **AMENDMENTS**

No amendments.

### **FISCAL EFFECT**

A fiscal estimate prepared by the Department of Revenue indicates that the bill would provide minimal municipal and county savings to the extent that fewer taxpayers would pay their taxes to the treasurer.

### **PROS**

1. Municipal and county treasurers would have the **option** of designating one or more public depositories as collecting agents for property taxes; thus, the bill allows them to decide whether such an alternative would improve the property tax collection process.
2. These designated depositories are typically financial institutions that provide taxpayers with the convenience of longer hours and immediate refunds for overpayments.
3. Taxpayers would have the ability to pay their taxes while transacting other business.

### **CONS**

1. Some municipalities or counties may decide not to designate a public depository. Taxpayers in those areas may feel they're not afforded the flexibility or convenience offered to taxpayers in areas that have designated depositories.

### **SUPPORTERS**

Rep. Mark Gottlieb, author; Sen. Alan Lasee, lead co-sponsor; the Department of Revenue, Betty Majeski, Racine County Treasurer; Curt Witynski, League of WI Municipalities.

### **OPPOSITION**

No one registered or testified against AB 251.

### **HISTORY**

Assembly Bill 251 was introduced on April 8, 2003, and referred to the Assembly Committee on Ways and Means. A public hearing was held on May 14, 2003. On May 28, 2003, the Committee voted 12-0-2 [Reps. W. Wood and Young absent] to recommend passage of AB 251.

**CONTACT:** Vicky Halverson, Office of Rep. Michael Lehman



# MARK GOTTLIEB

STATE REPRESENTATIVE • 60TH DISTRICT

**Testimony in Support of Assembly Bill 251  
Assembly Committee on Ways and Means  
Rep. Mark Gottlieb  
May 14, 2003**

Chairman Lehman and members:

Thank you for holding this hearing and giving me the opportunity to testify in favor of Assembly Bill 251.

Many cities, villages, and towns provide their citizens with the convenience of paying their property taxes at designated depositories other than the city, village, or town hall. These designated depositories are typically local financial institutions that provide taxpayers with the convenience of longer hours, immediate refund for overpayments, and the ability to pay their taxes while transacting other business.

Current law is specific in that it allows local treasurers to designate public depositories for payment of taxes prior to the setting of the tax levy. Of course, the overwhelming majority of taxpayers make their payment after the levy and tax rate have been set. Current law does not contain a specific provision to allow for this type of payment. This has created a reluctance on the part of some municipal treasurers to adopt this practice without a specific statutory grant of authority.

The effect of this bill is to clarify state statutes to allow for the designation of public depositories for the payment of property taxes after the setting of the levy, as well as before.

Thank you for considering this bill. I am happy to answer any questions.



# State of Wisconsin • DEPARTMENT OF REVENUE

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**Jim Doyle**  
Governor

**Michael L. Morgan**  
Secretary of Revenue

## Assembly Ways and Means, May 14, 2003

### **AB 251 - Designating Public Depositories for Property Taxes (Rep. Gottlieb +19, Sen. Lasee +2)**

#### *Description of Current Law and Proposed Change*

- Under current law, property taxes that are paid prior to January 31 are paid to the taxation district treasurer; after January 31, property taxes are paid to the county treasurer.
- Under the bill, the taxation district treasurer or county treasurer may designate one or more public depositories to collect property taxes. This would give taxpayers the option to pay their property taxes to a designated bank.

#### *Fairness/Tax Equity*

- The bill may result in greater flexibility and convenience for taxpayers in paying their property taxes.

#### *Impact on Economic Development*

- Minimal

#### *Administrative Impact/Fiscal Effect*

- The bill gives municipal and county treasurers the option to designate banks as collecting agents for property taxes; thus, the bill allows them to decide whether such an alternative would improve administration of property tax collections.
- The bill would provide minimal municipal and county savings to the extent that fewer taxpayers would pay their taxes to the treasurer.

#### *DOR Position*

Support.

Prepared by: Rebecca Boldt, 266-6785  
May 5, 2003

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**Vote Record**

**Committee on Ways and Means**

Date: 5/28/03

Moved by: Lothian

Seconded by: Ziegelbauer

AB 251 SB \_\_\_\_\_ Clearinghouse Rule \_\_\_\_\_  
 AJR \_\_\_\_\_ SJR \_\_\_\_\_ Appointment \_\_\_\_\_  
 AR \_\_\_\_\_ SR \_\_\_\_\_ Other \_\_\_\_\_

A/S Amdt \_\_\_\_\_  
 A/S Amdt \_\_\_\_\_ to A/S Amdt \_\_\_\_\_  
 A/S Sub Amdt \_\_\_\_\_  
 A/S Amdt \_\_\_\_\_ to A/S Sub Amdt \_\_\_\_\_  
 A/S Amdt \_\_\_\_\_ to A/S Amdt \_\_\_\_\_ to A/S Sub Amdt \_\_\_\_\_

Be recommended for:  
 Passage     Adoption     Confirmation     Concurrence     Indefinite Postponement  
 Introduction     Rejection     Tabling     Nonconcurrency

<u>Committee Member</u>	<u>Aye</u>	<u>No</u>	<u>Absent</u>	<u>Not Voting</u>
<b>Representative Michael Lehman</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Representative Jeffrey Wood</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Representative Stephen Nass</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Representative Eugene Hahn</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Representative Frank Lasee</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Representative Suzanne Jeskewitz</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Representative Samantha Kerkman</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Representative Thomas Lothian</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Representative Wayne Wood</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Representative Leon Young</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Representative Terese Berceau</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Representative Robert Ziegelbauer</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Representative Johnnie Morris</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Representative Tom Hebl</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Totals:</b>	<u>12</u>	<u>0</u>	<u>2</u>	_____

**Vote Record**

**Committee on Ways and Means**

Date: 5/28/03

Moved by: Lothian

Seconded by: Ziegelbauer

AB 251 SB \_\_\_\_\_ Clearinghouse Rule \_\_\_\_\_  
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Totals: 12 0 2 \_\_\_\_\_