



WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

2013 Wisconsin Act 222
[2013 Assembly Bill 598]

**Levy Limit and Interest Charged
on Special Assessments**

Local Levy Limits

Background

With certain exceptions, a city, village, town, or county (political subdivision) may not increase its levy by a percentage that exceeds its “valuation factor,” which is defined as the greater of either zero percent or the percentage change in the political subdivision’s equalized value due to new construction, less improvements removed. One exception provides that the levy limit does not apply to the amount that a political subdivision levies to make up any revenue shortfall for debt service on a revenue bond issued by the political subdivision.

2013 Wisconsin Act 222

2013 Wisconsin Act 222 (hereinafter, “the Act”) creates an exception to the levy limit, similar to the exception for revenue bonds, for the amount that a political subdivision levies to make up any revenue shortfall for the debt service on a special assessment B bond issued to fund a public improvement.

Payment of Special Assessments

Background

Certain local governmental units can impose a special assessment that to pay for public improvements. Under prior law, if payment through installments was allowed, each installment must have included a proportionate part of the principal of the special assessment. In addition, the local governmental unit could impose interest on the unpaid balance of the special assessment.

This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature’s Web site at: <http://www.legis.wisconsin.gov>.

2013 Wisconsin Act 222

Under the Act, installment payments on special assessments are structured by the local governmental unit's governing body. The governing body also sets the interest rate, which may include an administrative fee of up to two percent. Once the interest rate is set, the rate may not change during the course of the installment payments.

Effective date: This Act went into effect on April 10, 2014.

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