Young, Tracey

Subject: FW: Personal Property Tax Follow-Up
Attachments: PPT hours.xlsx

Jessica and Larry,

Below you will see the answers to your questions about personal property tax. Let me know if you need any other information.

1. the cost to the state and local governments to process PPT returns;

    a. This is not information that we regularly collect. We contacted some of the bigger contract assessors and full time municipal assessors to try and get an idea of the time they spend on PPT assessment. At this time we only have partial information.

2. the upfront costs to the Department of Revenue (DOR) for training, publications, computer programs, etc. if PPT were repealed;

    b. We estimate that we would incur one-time costs of $163,510.

3. the cost savings to DOR if PPT were repealed;

    c. Indeterminate. Savings realized from a reduction in current workload, may be offset by new questions and appeals related to whether something is real property or personal property.

4. the amount of revenue collected on PPT statewide, divided into categories of types of personal property; (5) the amount of revenue collected on PPT in each municipality (and, if possible, divided into categories of types of personal property); and

    d.

5. the average amount of PPT owed per business. Approximately $1250/personal property account. The number of businesses could be much less than the number of accounts, but we do not have a way of knowing the exact number of businesses.

You also asked about the process for personal property tax assessment. The biggest procedural difference between personal property assessment and real property assessment is that personal property relies initially on self-reporting. By March 1, non-residential taxpayers must submit the Statement of Personal Property form to their local assessor (manufacturers submit it to DOR). Assessors are advised in the Wisconsin Property Assessment Manual to audit the report. They are not required to accept the values reported. Personal property tax due is sent on a separate bill from the real property, though they are sent around the same time in December. While real property taxes may be paid in installments, generally personal property tax must be paid in full by January 31. Finally, delinquent personal property tax becomes a tax lien against the person, while real property tax delinquencies are lien against the property.

I hope this is helpful. Let me know if you have any questions.

Nate Ristow

Municipality	Staff Time Hours	# of Accounts	Total PP Value	Revenue	% of Budget or TIme
Madison	3100	4,784	$618,000,000	$15,000,000	5% of Budget
Milwaukee	N/A				
Racine	2000	2000 est	$110,000,000		one full time staff 95%
Muskego	500	520	$32,000,000		10% -15% of Staff Time
Appleton	1271	1900	$120,000,000		63% of one full time staff 9% of other full time staff
Town Data					
Tennessen, Scott	6-10 hrs maintenance	24 hrs starting in new community (town) all based on average 30 PP accounts			