

Wisconsin Towns Association

MIKE KOLES, EXECUTIVE DIRECTOR

Carol Nawrocki, Senior Legal Counsel Lee Turonie, Legal Counsel/Lobbyist
W7686 County Road MMM, Shawano, Wisconsin 54166-6086

Shawano Office

Ph: 715-526-3157

Fax: 715-524-3917

wtowns@frontiernet.net

To: Legislative Council Steering Committee for Personal Property Tax
From: Lee Turonie, Wisconsin Towns Association
Date: September 3, 2014
Re: Changing Personal Property Tax Policy

Good morning Chairperson Stroebel and members of the steering committee. My name is Lee Turonie. I am Legal Counsel & registered to lobby for the Wisconsin Towns Association (WTA). WTA provides advocacy for its approximately 1250 town and 18 village members. Thank you for inviting me to participate in the symposium on personal property tax. My comments are few in addition to the others that this symposium has already heard both today and at its earlier meetings.

1. Although the elimination of personal property taxes would affect most towns on average far less than many cities it is still a significant issue in these times of very tight budgets and for a few towns, some newly expanded TIF authority per 2013 Wis. Act 193.

2. WTA would also express concern at increasing the burden for residential taxpayers that the elimination of personal property taxes would entail without the creation of a state aid payment to make up for such an elimination. This would likely make any public engagement concerning levy limits with these same members of the public a more difficult proposition than it is at this time since they would see their taxes rise without, from their perspective, any appreciable relation to services received.

3. Local municipalities such as towns and villages serve as the taxation district authority responsible for local tax collection and Board of Review proceedings. Our member officials would readily acknowledge that there is some burden associated with the collection of delinquent personal property taxes. This is largely because the sole remedy for delinquent personal property taxes is to bring an action in small claims court. Wis. Stat. § 74.55. (In contrast, delinquent taxes and charges for real property are usually placed directly on the real property's tax bill.)

Delinquent amounts are often rather small. Furthermore the interest and penalties on delinquent personal property taxes are also small at only 1% per month. To compound how small those are, the current statute only allows counties and cities, but not towns and villages, to add an additional 0.5% interest per month. § 74.47.

Thank you for the invitation to testify at this symposium and for considering WTA's concerns.