

Fiscal Estimate - 2003 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 03-0951/2	Introduction Number AB-54
Subject	
Sale of tax delinquent real property below the appraised value	
Fiscal Effect	
State: <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs	
Local: <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input checked="" type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input checked="" type="checkbox"/> Counties <input checked="" type="checkbox"/> Others <u>City of Milwaukee</u> <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
Fund Sources Affected Affected Ch. 20 Appropriations <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	
Agency/Prepared By	Authorized Signature
DOR/ Rebecca Boldt (608) 266-6785	Dennis Collier (608) 266-5773
Date	
2/26/2003	

Fiscal Estimate Narratives
DOR 2/26/2003

LRB Number 03-0951/2	Introduction Number AB-54	Estimate Type Original
Subject Sale of tax delinquent real property below the appraised value		

Assumptions Used in Arriving at Fiscal Estimate

Under current law, the City of Milwaukee and counties that sell tax delinquent property must use a competitive bidding process and may only accept bids for tax delinquent property at or above the property's appraised value.

Under the bill, a county or the City of Milwaukee may only accept bids for tax delinquent property at or above the property's appraised value in the first attempt to sell the property. In subsequent attempts to sell the property, these local governments may accept bids for any amount. The county finance committee must approve any sale of property for less than the property's appraised value. No property can be sold for less than the highest bid unless the county finance committee prepares a written statement that explains the reasons for accepting a lower bid.

The bill may result in reduced proceeds from tax delinquent sales to the extent that property is sold at lower than its appraised value. As a result, any net proceeds distributed to former owners of homestead property may be reduced. To the extent that counties and the City of Milwaukee can sell property that would not sell for its appraised value, the bill would result in reduced costs related to maintenance, management and insurance required for delinquent property. In addition, the bill may expedite the return of properties to the tax roll.

The bill is not expected to affect a significant number of tax delinquent sales; thus the fiscal effect on counties and the City of Milwaukee is minimal. The bill has no state fiscal effect.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

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Subject			
Sale of tax delinquent real property below the appraised value			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$		
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$		\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
	Increased Rev	Decreased Rev	
GPR Taxes	\$		\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues	\$		\$
NET ANNUALIZED FISCAL IMPACT			
	<u>State</u>	<u>Local</u>	
NET CHANGE IN COSTS	\$		\$See
NET CHANGE IN REVENUE	\$		\$See
Agency/Prepared By		Authorized Signature	Date
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