AN ACT to amend 74.11 (7), 74.12 (7) and 74.12 (8); and to create 74.01 (8) of the statutes; relating to: late payments of property tax installments.

Analysis by the Legislative Reference Bureau

Under current law, installment payments of property taxes that are paid after the due date are delinquent and are, therefore, subject to interest and penalties. Under this bill, installment payments of property taxes that are paid within five working days from the due date are not delinquent, but are subject to interest at the rate of 1% per month or fraction of a month, calculated from the due date to the date on which the payments are paid.

For further information see the local fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 74.01 (8) of the statutes is created to read:

74.01 (8) “Working day” has the meaning given in s. 227.01 (14).

SECTION 2. 74.11 (7) of the statutes is amended to read:

74.11 (7) DELINQUENT FIRST INSTALLMENT. If the first installment of taxes on real property or improvements on leased land is not paid on or before January 31, the
entire amount of the taxes remaining unpaid is delinquent as of February 1, except
that, if the installment is paid within 5 working days from the day it is due, that
installment is not delinquent and does not render the unpaid balance delinquent.

Instead, the installment shall be collected, together with interest on the unpaid
installment at the applicable rate under s. 74.47 (1), from February 1.

SECTION 3. 74.12 (7) of the statutes is amended to read:

74.12 (7) DELINQUENT FIRST INSTALLMENT. If the first installment of real
property taxes, personal property taxes on improvements on leased land or special
assessments to which an installment option pertains is not paid on or before January
31, the entire amount of the remaining unpaid taxes or special assessments to which
an installment option pertains on that parcel is delinquent as of February 1, except
that, if the installment is paid within 5 working days from the day it is due, that
installment is not delinquent and does not render the unpaid balance delinquent.

Instead, the installment shall be collected, together with interest on the unpaid
installment at the applicable rate under s. 74.47 (1), from February 1.

SECTION 4. 74.12 (8) of the statutes is amended to read:

74.12 (8) DELINQUENT 2ND OR SUBSEQUENT INSTALLMENT. If the 2nd or any
subsequent installment payment of real property taxes, personal property taxes on
improvements on leased land or special assessments to which an installment option
pertains is not paid by the due date specified in the ordinance, the entire amount of
the remaining unpaid taxes or special assessments to which an installment option
pertains on that parcel is delinquent as of the first day of the month after the
payment is due and interest and penalties are due under sub. (10), except that, if the
installment is not the final installment of the year and is paid within 5 working days
from the day it is due, that installment is not delinquent and does not render the
unpaid balance delinquent. Instead, the installment shall be collected, together with
interest on the unpaid installment at the applicable rate under s. 74.47 (1), from the
day after the installment is due.

SECTION 5. Initial applicability.

(1) This act first applies to taxes based on the assessment as of the January 1
after publication.

(END)