

Fiscal Estimate - 2021 Session

☒ Original ☐ Updated ☐ Corrected ☐ Supplemental

LRB Number 21-4326/2		Introduction Number AB-0610	
Description prohibiting certain property tax assessment practices			
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"/> Decrease Existing Appropriations		<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriations		<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget	
		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
		<input type="checkbox"/> Decrease Costs	
Local:			
<input checked="" 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 type="checkbox"/> Decrease Costs		4. <input type="checkbox"/> Decrease Revenue	
<input 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 type="checkbox"/> Counties		<input type="checkbox"/> Others	
<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/ Craig Steinfeldt (608) 266-5705		Ann DeGarmo (608) 266-7179	
		Date	
		10/18/2021	

Fiscal Estimate Narratives

DOR 10/18/2021

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Description prohibiting certain property tax assessment practices					

Assumptions Used in Arriving at Fiscal Estimate

Under the bill assessors may not do any of the following: use mortgages or bank appraisals, or any portion thereof, to determine the assessed value, use projected rents and other future or anticipated benefits to determine fair market value, use list and asking prices or rents to determine fair market value, use price trends to determine fair market value in order to increase the value of multiple properties by a general amount or percentage, and consider the value of a club house, swimming pool, or other amenity that is part of a multifamily property when assessing the multifamily property if the club house receives minimal or no rental income, regardless of whether the club house is located on a separate lot. The bill also provides that when there is an inconsistency or ambiguity between the Wisconsin Property Assessment Manual and a statute, the statute controls the practices of the assessor.

Current law and the Wisconsin Property Assessment Manual provide that property valuation be based national and international appraisal standards and practices. The bill may result in non-uniform Wisconsin property assessments thereby creating an indeterminate property tax shift between taxable properties. The department cannot absorb one-time administrative costs of \$44,900 for training and publication updates.

The bill could result in value and revenue reductions for tax incremental districts.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2021 Session

Detailed Estimate of Annual Fiscal Effect

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Description prohibiting certain property tax assessment practices		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): \$44,900		
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	\$	\$
NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By DOR/ Craig Steinfeldt (608) 266-5705		
Authorized Signature Ann DeGarmo (608) 266-7179		Date 10/18/2021