



WISCONSIN LEGISLATIVE COUNCIL
ACT MEMO

2013 Wisconsin Act 87
[2013 Assembly Bill 415]

Method of Collecting Costs for
Razing a Building

BACKGROUND

Payments to Municipalities During the August Tax Settlement Process

During the August tax settlement process, a county treasurer, on or before August 20, is *required* to, among other obligations, pay in full to the treasurer of a town, village, or city (hereinafter, “municipality”) unpaid *special taxes*¹ which have not been previously paid to, or retained by, the proper treasurer. However, regarding unpaid *special assessments*,² a county board *may*, by resolution, direct the county treasurer to also pay in full all unpaid amounts to the proper municipal treasurer that are on the municipality’s tax roll.

Payments for Razing Buildings

The governing body of a town, city, or village (hereinafter, “municipality”) may issue an order to raze a building that is old, dilapidated, dangerous, or out of repair and consequently is dangerous, unsafe, unsanitary, or otherwise unfit for human habitation and is unreasonable to repair. If the owner does not comply with the order within the prescribed time, the municipality may proceed to raze the building itself.

A municipality may charge the cost of razing the building in full or in part against the real estate upon which the building is located. *Under prior law*, if the cost was charged upon the real estate, it became a lien and could be assessed and collected as a *special tax*. If the owner did not pay the amount

¹ A “special charge” is defined as “an amount entered in the tax roll as a charge against real property to compensate for all or part of the cost to a public body of providing services to the property [and] includes any interest and penalties assessed for nonpayment of the special charge before it is placed on the tax roll” [s. 74.01 (4), Stats.]

² A “special assessment is defined as “an amount entered in the tax roll as an assessment against real property to compensate for all or part of the costs of public work or improvements which benefit the property” [s. 74.01 (3), Stats.]

This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature’s Web site at: <http://www.legis.wisconsin.gov>.

due, the county treasurer was required to pay all of the unpaid special taxes to the municipality during the August settlement process, even though it was the municipality, and not the county, that razed the building.

2013 WISCONSIN ACT 87

2013 Wisconsin Act 87 (hereinafter, “the Act”) expressly prohibits the cost of razing a building from being assessed and collected as a special tax. Instead, the Act specifies that the cost of razing the building may be assessed and collected as a *special charge*. This gives a county board the discretion to decide for itself whether or not the county will pay any unpaid costs to the municipality for razing a building.

Effective date: December 15, 2013

Prepared by: Melissa Schmidt, Senior Staff Attorney

January 8, 2014

MS:ty