



## 2001 ASSEMBLY BILL 335

April 18, 2001 - Introduced by Representatives M. LEHMAN, STARZYK, POWERS, BLACK, FREESE, WARD, ALBERS, LOEFFELHOLZ, MUSSER, PETTIS, KESTELL, TOWNSEND and HAHN, cosponsored by Senators HARSDORF, DARLING, GROBSCHMIDT and ROSENZWEIG. Referred to Committee on Ways and Means.

1     **AN ACT** *to renumber and amend* 74.11 (7) and 74.12 (7); *to amend* 74.11 (7)  
2           (title), 74.11 (8), 74.12 (7) (title), 74.12 (8), 74.47 (title) and 74.47 (1); and *to*  
3           **create** 74.11 (7) (b) and 74.12 (7) (b) of the statutes; **relating to:** late  
4           installment payments of property taxes.

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### *Analysis by the Legislative Reference Bureau*

Under current law, a person who owes property taxes may either pay the taxes in full no later than January 31 or in two equal installments with the first installment to be paid no later than January 31 and the second installment to be paid no later than July 31. Payments not received on the due date are considered delinquent and are subject to interest and penalties.

Under this bill, a governing body of a unit of government to which property taxes are to be paid may, by ordinance, provide that a first property tax installment that is not paid by January 31 is not delinquent, but is still subject to interest and penalties, if the installment is paid no later than three business days after January 31, the taxpayer made timely property tax payments in each of the previous five years, and the taxpayer paid property taxes by installments in the previous year. Under the bill, a governing body of a unit of government to which property taxes are to be paid may, by ordinance, provide that a late second property tax installment is not delinquent but is subject to interest and penalties.

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

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

1           **SECTION 1.** 74.11 (7) (title) of the statutes is amended to read:

2           74.11 (7) (title) DELINQUENT OR LATE FIRST INSTALLMENT.

3           **SECTION 2.** 74.11 (7) of the statutes is renumbered 74.11 (7) (a) and amended  
4 to read:

5           74.11 (7) (a) ~~If Except as provided in par. (b), if the first instalment~~ installment  
6 of taxes on real property or improvements on leased land is not paid on or before  
7 January 31, the entire amount of the taxes remaining unpaid is delinquent as of  
8 February 1.

9           **SECTION 3.** 74.11 (7) (b) of the statutes is created to read:

10           74.11 (7) (b) The governing body of a unit of government to which the taxes are  
11 to be paid under par. (a) may authorize, by ordinance, that a payment under par. (a)  
12 that is received no later than 3 business days after January 31 is not delinquent and  
13 does not render the balance delinquent, if the taxpayer made timely property tax  
14 payments in each of the previous 5 years and the taxpayer made payments under  
15 sub. (2) (b) in the previous year. A governing body shall collect interest and penalties  
16 charged from February 1 on any payment made under this paragraph based on the  
17 full amount of the taxes due.

18           **SECTION 4.** 74.11 (8) of the statutes is amended to read:

19           74.11 (8) DELINQUENT OR LATE 2ND INSTALLMENT. If the 2nd ~~instalment~~  
20 installment of taxes on real property or improvements on leased land is not paid on  
21 or before July 31, the entire amount of the taxes remaining unpaid is delinquent as

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1 of August 1 and interest and penalties are due under sub. (11), except that if the  
2 governing body of the unit of government to which taxes are to be paid so authorizes  
3 by ordinance and if the first installment was timely paid the 2nd installment is not  
4 delinquent, but the installment shall be collected, together with interest and  
5 penalties on the unpaid installment at the applicable rate under s. 74.47 (1), from  
6 July 31.

7 **SECTION 5.** 74.12 (7) (title) of the statutes is amended to read:

8 74.12 (7) (title) DELINQUENT FIRST OR LATE INSTALLMENT.

9 **SECTION 6.** 74.12 (7) of the statutes is renumbered 74.12 (7) (a) and amended  
10 to read:

11 74.12 (7) (a) ~~If~~ Except as provided in par. (b), if the first instalment installment  
12 of real property taxes, personal property taxes on improvements on leased land or  
13 special assessments to which an instalment installment option pertains is not paid  
14 on or before January 31, the entire amount of the remaining unpaid taxes or special  
15 assessments to which an instalment installment option pertains on that parcel is  
16 delinquent as of February 1.

17 **SECTION 7.** 74.12 (7) (b) of the statutes is created to read:

18 74.12 (7) (b) The governing body of a unit of government to which the taxes are  
19 to be paid under par. (a) may authorize, by ordinance, that a payment under par. (a)  
20 that is received no later than 3 business days after January 31 is not delinquent and  
21 does not render the balance delinquent, if the taxpayer made timely property tax  
22 payments in each of the previous 5 years and the taxpayer made payments under  
23 sub. (2) (b) in the previous year. A governing body shall collect interest and penalties  
24 charged from February 1 on any payment made under this paragraph based on the  
25 full amount of the taxes due.

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

2           74.12 (8) ~~DELINQUENT OR LATE 2ND OR SUBSEQUENT INSTALLMENT.~~ If the 2nd or any  
3 subsequent ~~instalment~~ installment payment of real property taxes, personal  
4 property taxes on improvements on leased land or special assessments to which an  
5 ~~instalment~~ installment option pertains is not paid by the due date specified in the  
6 ordinance, the entire amount of the remaining unpaid taxes or special assessments  
7 to which an ~~instalment~~ installment option pertains on that parcel is delinquent as  
8 of the first day of the month after the payment is due and interest and penalties are  
9 due under sub. (10), except that if the governing body of the unit of government to  
10 which the taxes are to be paid so authorizes by ordinance and if all of the previous  
11 installments were timely paid the installment that is not timely paid is not  
12 delinquent and does not render the unpaid balance delinquent, but the installment  
13 shall be collected, together with interest and penalties on the unpaid installment at  
14 the applicable rate under s. 74.47 (1), from the day after the installment is due.

15           **SECTION 9.** 74.47 (title) of the statutes is amended to read:

16           **74.47 (title) Interest and penalty on delinquent or late amounts.**

17           **SECTION 10.** 74.47 (1) of the statutes is amended to read:

18           74.47 (1) INTEREST. The interest rate on delinquent and late general property  
19 taxes, special charges, special assessments and special taxes included in the tax roll  
20 for collection is one percent per month or fraction of a month.

21           **SECTION 11. Initial applicability.**

22           (1) This act first applies to taxes based on the assessment as of January 1, 2001.

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(END)