



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-0485/4
EKL:amn

2019 SENATE BILL 95

March 15, 2019 - Introduced by JOINT LEGISLATIVE COUNCIL. Referred to Committee on Agriculture, Revenue and Financial Institutions.

1 **AN ACT to amend** 38.16 (3) (bg) 1., 66.0602 (3) (e) 9., 74.41 (4) and 121.91 (4) (q)
2 1.; and **to create** 70.056 of the statutes; **relating to:** cost-sharing assistance
3 for property tax assessments.

Analysis by the Legislative Reference Bureau

This bill is explained in the NOTES provided by the Joint Legislative Council in the bill.

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

JOINT LEGISLATIVE COUNCIL PREFATORY NOTE: This bill was prepared for the Joint Legislative Council Study Committee on Property Tax Assessment Practices. Under current law, when a taxpayer appeals a property tax assessment, costs of defending the assessment are borne by the municipality serving as the taxation district. If a taxpayer succeeds in the appeal and is awarded a refund, the department of revenue determines the proportionate share of the refund relating to taxes levied by each taxation jurisdiction (e.g., counties, school districts, and technical college districts) and the taxation district may charge back and recover those amounts from each taxation jurisdiction. Generally, interest may not be charged back or recovered by the taxation district. Additionally, costs of defending the assessment may not be charged back or recovered.

Under the bill, a taxation district may convene a joint board of assessment, consisting of representatives of the taxation district, as well as the county, school district, and technical college district that have power to levy taxes on a property subject to assessment. Generally, the board must convene prior to the date on which the assessment

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of property is required to be completed. Once convened, the board may vote to share costs related to the assessment of a property, including costs of hiring expert help to assess the property, as well as costs of defending the assessment before the board of review, department of revenue, or tax appeals commission, or in any court action. If a joint board of assessment approves any motion for cost-sharing, costs described in the motion must be proportionately charged back and recovered from each taxation jurisdiction in the same manner that refunded taxes are charged back and recovered under current law. Failure of the board to approve any cost-sharing motion does not affect the authority of the taxation district to independently hire expert assessment help or defend an assessment before a board of review, department of revenue, or tax appeals commission, or in court.

The bill also modifies current law to generally require interest to be charged back to all taxing jurisdictions. Under s. 74.41 (4), Stats., the department of revenue must determine the amount of rescinded or refunded taxes to be charged back to, and collected from, each taxing jurisdiction for which taxes were collected by a taxation district. Under current law, the amount determined does not include any interest. Under the bill, that amount must include interest.

1 **SECTION 1.** 38.16 (3) (bg) 1. of the statutes is amended to read:

2 38.16 (3) (bg) 1. The limit otherwise applicable to a district board under this
3 subsection is increased by an amount equal to the amount of any refunded or
4 rescinded property taxes paid by the district board in the year of the levy as
5 determined by the department under s. 74.41 and the political subdivision's share
6 of any costs under s. 70.056.

7 **SECTION 2.** 66.0602 (3) (e) 9. of the statutes is amended to read:

8 66.0602 (3) (e) 9. The political subdivision's share of any refund or rescission
9 determined by the department of revenue and certified under s. 74.41 (5) and the
10 political subdivision's share of any costs under s. 70.056.

11 **SECTION 3.** 70.056 of the statutes is created to read:

12 **70.056 Joint board of assessment.** (1) The governing body of a taxation
13 district may adopt a resolution to convene a joint board of assessment to seek
14 assistance with the costs of any of the following for an assessment of real or personal
15 property:

16 (a) Hiring expert assessment help under s. 70.055.

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1 (b) Defending a challenge to the assessment before a board of review, the
2 department of revenue, or the tax appeals commission.

3 (c) Defending a challenge to the assessment in any court action.

4 **(2)** The joint board of assessment shall consist of one representative chosen by
5 the taxation district, one representative chosen by the school district that has power
6 to levy taxes on the property, one representative chosen by the technical college
7 district that has power to levy taxes on the property, and one representative chosen
8 by the county that has power to levy taxes on the property. Within 5 days of
9 approving the resolution under sub. (1), the taxation district shall notify the other
10 taxing jurisdictions of the approval. Within 10 days of the notification, each taxing
11 jurisdiction shall appoint its representative to the board. A taxing jurisdiction may
12 replace its representative to the board at any time. The representative from the
13 taxation district shall serve as the board's chairperson, and the taxation district shall
14 provide administrative support for the board.

15 **(4)** Prior to the date on which the assessment of property is required to be
16 completed under this chapter, the chairperson shall call a meeting of the joint board
17 of assessment. At least 7 days prior to the meeting, the taxation district shall provide
18 the board with information about the property that includes the name of the property
19 owner, a description of the property, the amount of the assessment, and the
20 information described in s. 70.47 (8) (h). The board may request additional
21 information from the taxation district. At the meeting, the taxation district shall
22 make a motion to the board for the sharing of any costs described in sub. (1) and the
23 board shall vote on the motion. If the board approves the motion by a vote of a
24 majority of all members of the board, the costs described in the motion shall be
25 proportionally shared by the jurisdictions in the same manner that rescinded and

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1 refunded taxes are charged back to, and collected from, taxing jurisdictions under s.
2 74.41 (4). Regardless of whether the board approves the motion, nothing in this
3 subsection affects the authority of a taxation district to hire expert assessment help
4 or defend an assessment of property before a board of review, the department of
5 revenue, or the tax appeals commission, or in court.

6 (5) Once the joint board of assessment is convened under sub. (1) and its
7 members are appointed under sub. (2), the board shall continue to exist and consider
8 motions for cost-sharing assistance from the taxation district unless the board
9 disbands by majority vote.

10 (6) This section does not apply to a taxation district located within a county that
11 has a county assessor system under s. 70.99.

12 (7) Nothing in this section authorizes a taxing jurisdiction that participates in
13 the sharing of costs under sub. (4) to intervene in any proceeding.

14 **SECTION 4.** 74.41 (4) of the statutes is amended to read:

15 74.41 (4) CHARGE-BACK AMOUNT DETERMINED. The department of revenue shall,
16 by the November 15 following submission of the form under sub. (1), determine the
17 amount of rescinded or refunded taxes to be charged back to, and collected from, each
18 taxing jurisdiction for which taxes were collected by the taxation district and
19 determine the amount of taxes collected under s. 74.33 to be shared with each taxing
20 jurisdiction for which taxes were collected by the taxation district. ~~Except for~~
21 ~~interest on refunds under s. 70.511 (2) (b) that is paid with respect to property that~~
22 ~~was assessed under s. 70.995 and that is not paid by the department of~~
23 ~~administration under s. 70.511 (2) (bm), the~~ The amount determined may not shall
24 include any interest. The determination of the department of revenue under this
25 subsection is reviewable only under s. 227.53.

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1 **SECTION 5.** 121.91 (4) (q) 1. of the statutes is amended to read:

2 121.91 (4) (q) 1. The limit otherwise applicable to a school district under sub.
3 (2m) is increased by an amount equal to the amount of any refunded or rescinded
4 property taxes paid by the school board in the year of the levy as determined by the
5 department of revenue under s. 74.41 and the political subdivision's share of any
6 costs under s. 70.056.

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(END)