

# State of Misconsin 2011 - 2012 LEGISLATURE



### PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

1 AN ACT *to create* 70.57 (1b) of the statutes; **relating to:** determining equalized property values.

### Analysis by the Legislative Reference Bureau

Under current law, annually, the Department of Revenue (DOR) determines the full value of the property of each county and taxation district and, on August 15, notifies each county and taxation district of that value. This property valuation is known as "equalized value." DOR determines the equalized value of all property in the state to ensure, generally, that the property is being assessed at its full value. If DOR makes an error in determining the equalized value of the property of any county or taxation district, DOR, generally, corrects the error by adjusting the county's or taxation district's equalized value in the year after the year in which DOR made the error.

Under this bill, on or before August 1, DOR must provide each county and taxation district a preliminary determination of its equalized value. If a county or taxation district discovers an error in DOR's determination that would result in the overvaluation or undervaluation of the property located in the county or taxation district, the county or taxation district must notify DOR of the error no later than August 14. Under the bill, DOR must correct any such error so that the equalized value determination that is submitted to the county or taxation district on August 15 is correct.

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For further information see the *state and 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.** 70.57 (1b) of the statutes is created to read:

70.57 **(1b)** On or before August 1 of each year, the department of revenue shall provide each county and taxation district a preliminary determination of its equalized value, including a list of the amounts used to make that determination. If a county or taxation district discovers a clerical, arithmetic, transpositional, or similar error in the department's determination that would result in the overvaluation or undervaluation of the property located in the county or taxation district, the county or taxation district shall notify the department of the error no later than August 14. The department shall correct any error reported under this subsection as provided in sub. (1) (d) and the correction shall be reflected in the equalized value provided to the county or taxation district under sub. (1m).

#### **SECTION 2. Initial applicability.**

(1) This act first applies to the property tax assessments as of January 1, 2012.

14 (END)