



## 2021 SENATE BILL 142

February 24, 2021 - Introduced by Senators BEWLEY, AGARD, CARPENTER, ERPENBACH, JOHNSON, LARSON, PFAFF, RINGHAND, ROYS, SMITH and WIRCH, cosponsored by Representatives HINTZ, ANDERSON, ANDRACA, BALDEH, BILLINGS, BOWEN, BROSTOFF, CABRERA, CONLEY, CONSIDINE, DOYLE, DRAKE, EMERSON, GOYKE, HAYWOOD, HEBL, HESSELBEIN, HONG, MCGUIRE, B. MEYERS, MILROY, MOORE OMOKUNDE, L. MYERS, NEUBAUER, OHNSTAD, ORTIZ-VELEZ, POPE, RIEMER, S. RODRIGUEZ, SHANKLAND, SHELTON, SINICKI, SNODGRASS, SPREITZER, STUBBS, SUBECK, VINING and VRUWINK. Referred to Committee on Government Operations, Legal Review and Consumer Protection.

- 1     **AN ACT to amend** 70.511 (2) (a), 74.35 (5) (c) and 74.37 (4) (b) of the statutes;  
2             **relating to:** waiving interest and penalties for late payment of property taxes  
3             and the timely filing requirement for claims to recover property taxes.

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### *Analysis by the Legislative Reference Bureau*

This bill allows municipalities to temporarily waive the interest and penalties on late property tax payments and temporarily waives the timely filing requirement for claims to recover property taxes.

#### ***Interest and penalties on late property tax payments***

Under current law, a late installment payment of property taxes is subject to interest and penalties, with the interest accruing from February 1 of the year in which the taxes are due. For property taxes payable in 2020, if an installment payment due after April 1, 2020, is late, current law allows a municipality to temporarily waive the interest and penalties in cases of hardship. The entire amount due must be paid no later than October 1, 2020, and both the county and municipality must adopt resolutions authorizing the waiver.

The bill allows municipalities to similarly waive interest and penalties on late installment payments of property taxes payable in 2021. Under the bill, for an installment payment due after January 1, 2021, that is late, a municipality may waive the interest and penalties if the municipality makes a general or case-by-case finding of hardship and the total amount due is paid no later than October 1, 2021. A municipality may waive the interest and penalties only if the county first adopts a resolution authorizing the waiver and establishing criteria for determining

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hardship and the municipality then adopts a similar resolution. Under the bill, interest and penalties will accrue from October 1, 2021, for any property taxes payable in 2021 that are delinquent after that date.

The bill requires a county that adopts a waiver resolution to settle the taxes, interest, and penalties collected before August 1, 2021, on August 20, 2021, and to settle the remaining unpaid taxes, interest, and penalties on September 20, 2021. The August 20, 2021, settlement must be distributed proportionally to the underlying taxing jurisdictions.

***Filing claims to recover property taxes***

Current law allows a person to file a claim to recover the unlawful imposition of property taxes, a claim for the excessive assessment of property taxes, or a claim to recover property taxes paid in protest due to an outstanding contested assessment. However, no person may file a claim unless the person has paid his or her property taxes on time. Current law provides an exception from this requirement for taxes due and payable in 2020 if paid by October 1, 2020, or a later applicable installment date.

The bill creates a similar exception for property taxes due and payable in 2021. Under the bill, the timely payment requirement does not apply to these taxes if paid by October 1, 2021, or a later applicable installment date.

For further information see the state 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.** 70.511 (2) (a) of the statutes is amended to read:

2           70.511 (2) (a) If the reviewing authority has not made a determination prior  
3 to the time of the tax levy with respect to a particular objection to the amount,  
4 valuation or taxability of property, the tax levy on the property or person shall be  
5 based on the contested assessed value of the property. A tax bill shall be sent to, and  
6 paid by, the person subject to the tax levy as though there had been no objection filed,  
7 except that the payment shall be considered to be made under protest. The entire  
8 tax bill shall be paid when due under s. 74.11, 74.12 or 74.87 even though the  
9 reviewing authority has reduced the assessment prior to the time for full payment  
10 of the tax billed. The requirement to pay a tax timely under this paragraph does not

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1 apply to taxes due and payable in 2020 if paid by October 1, 2020, or by any  
2 installment date for which taxes are due after October 1, 2020, nor to taxes due and  
3 payable in 2021 if paid by October 1, 2021, or by any installment date for which taxes  
4 are due after October 1, 2021.

5 **SECTION 2.** 74.35 (5) (c) of the statutes is amended to read:

6 74.35 (5) (c) No claim may be filed or maintained under this section unless the  
7 tax for which the claim is filed, or any authorized installment payment of the tax, is  
8 timely paid under s. 74.11, 74.12 or 74.87. This paragraph does not apply to taxes  
9 due and payable in 2020 if paid by October 1, 2020, or by any installment date for  
10 which taxes are due after October 1, 2020, nor to taxes due and payable in 2021 if paid  
11 by October 1, 2021, or by any installment date for which taxes are due after October  
12 1, 2021.

13 **SECTION 3.** 74.37 (4) (b) of the statutes is amended to read:

14 74.37 (4) (b) No claim or action for an excessive assessment may be brought or  
15 maintained under this section unless the tax for which the claim is filed, or any  
16 authorized installment of the tax, is timely paid under s. 74.11 or 74.12. This  
17 paragraph does not apply to taxes due and payable in 2020 if paid by October 1, 2020,  
18 or by any installment date for which taxes are due after October 1, 2020, nor to taxes  
19 due and payable in 2021 if paid by October 1, 2021, or by any installment date for  
20 which taxes are due after October 1, 2021.

21 **SECTION 4. Nonstatutory provisions.**

22 (1) INTEREST AND PENALTIES ON LATE PROPERTY TAX PAYMENTS. Notwithstanding  
23 ss. 74.11, 74.12, and 74.87, for property taxes payable in 2021, after making a general  
24 or case-by-case finding of hardship, a taxation district may provide that an  
25 installment payment that is due and payable after January 1, 2021, and is received

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1 after its due date shall not accrue interest or penalties if the total amount due and  
2 payable in 2021 is paid on or before October 1, 2021. Interest and penalties shall  
3 accrue from October 1, 2021, for any property taxes payable in 2021 that are  
4 delinquent after October 1, 2021. A taxation district may not waive interest and  
5 penalties as provided in this subsection unless the county board of the county where  
6 the taxation district is located first adopts a resolution authorizing such waiver and  
7 establishing criteria for determining hardship, and the taxation district  
8 subsequently adopts a similar resolution. A county that has adopted a resolution  
9 authorizing the waiver of interest and penalties under this subsection shall settle  
10 any taxes, interest, and penalties collected on or before July 31, 2021, on August 20,  
11 2021, as provided under s. 74.29 (1), and settle the remaining unpaid taxes, interest,  
12 and penalties on September 20, 2021. The August 20, 2021, settlement shall be  
13 distributed proportionally to the underlying taxing jurisdictions.

14 (END)