

2008 PROPOSED BUDGET – DELINQUENT TAX FUND
Summary by Legislative Reference Bureau – Research & Analysis Section

The Delinquent Tax Fund was an appropriation account in the City's General Fund that was used to absorb losses on the sale of tax-deed properties foreclosed on by the City prior to July 1, 2001. Because there are now so few properties that fit this description, **the Delinquent Tax Fund is eliminated in the 2008 Budget.** Delinquent taxes on tax-deed properties acquired by the City after July 1, 2001, are funded by City debt, including \$16.2 million in borrowing in the 2008 Proposed Budget.

The Delinquent Tax Fund should not be confused with the County Delinquent Tax Fund, which the City uses to purchase Milwaukee County's delinquent personal property and real estate taxes at the close of the current tax collection period each February or during the installment collection cycle. The City thereby acquires the right to keep any delinquent County taxes, plus interest and penalties, subsequently collected. The 2008 Proposed Budget includes \$10.3 million for the County Delinquent Tax Fund.

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