Town Revenue Sources

WTA Videos 2012

Atty. Lee Turonie

Property Tax Levy

- 1. Set by the town electors, unless delegated to the town board. §§ 60.10(1)(a) & 60.10(2)(a).
- 2. Levy limit § 66.0602: 0% over the last year's levy.
 - a. Can exceed limit with special procedures.
 - b. One-time (2011) carry-over of 0.5% option, but can lower levy limit when any pre-2005 debt is paid off. Not recommended for most.
 - c. Improperly exceeding the limit leads to the withholding of municipal aid.

Special Assessment s. 66.0703

- 1. Levy upon property in a limited and determinable area for special benefits conferred.
- 2. Applicable to municipal public works or improvements to infrastructure.
- 3. Can do a portion of or the entire cost of a project, including direct and indirect costs.
- 4. Procedure in a nutshell: preliminary board resolution; a report; proper notice; public hearing; final board resolution; proper notice.
- 5. A special assessment is a lien against the property.

Special Charge s. 66.0627

- 1. Impose a special charge for services currently rendered; not future services.
- 2. Applicable to services to property: e.g., snow removal, garbage collection, etc.
- 3. Can special charge a portion of or the entire cost of the service.
- 4. Town board discretion to provide the manner of notice.
 - a. Except for street tarring and the repair of sidewalks, curbs or gutters that require more extensive notice.
- 5. A special charge is a lien against the property.

Special Charge s. 66.0627

- BUT new law effective July 2, 2013!
 - Wis. Stat. s. 66.0602(2m)(b), the levy limit law.
 - For NEW fees adopted since the effective date OR INCREASES to existing fees for these "covered services" only:
 - Garbage collection, fire protection, snow plowing, street sweeping & storm water management
 - The levy limit will be reduced by an equal amount!
 Thus, beginning or raising such fees will not avoid a decline in the levy limit.
 - UNLESS such new or increased fee is approved in a referendum. s. 66.0602(2m)(b)4.
 - However, this rule ONLY applies to "covered services" already provided on July 2, 2013 and funded in whole or in part by the levy. Services provided for the very first time since July 2, 2013 will thus not be affected.

Statutory Fees

- 1. Alcohol licenses. See "Chapter 125" in the Town Law Forms. E.g., Class A and B liquor licenses from \$50 to \$500.
- 2. Dog licenses. Town can set by resolution at level to pay for all dog licensing, regulating and impounding activities of the previous year. § 174.05(3).
- 3. Cigarette and tobacco products license from \$5 to \$100. § 134.65.
- 4. Soda license at \$5. § 66.0433.
- 5. Large livestock facility at up to \$1,000. ATCP § 51.30(4).

Discretionary Fees

1. Must bear a reasonable relationship to the service for which the fee is imposed. § 66.0628. l.e., you can charge your costs but not make a profit.

2. E.g., driveway permit; building permit; zoning permit; etc.

Other Fees & Taxes

1. Room Tax § 66.0615

Up to 8% charged on lodging. At least 70% of amount collected has to be spent on tourism promotion and development.

2. Impact Fees § 66.0617

Ordinance can impose fees on developers to pay for the capitol costs necessary to accommodate public facilities needed due to the land's new development.

Other Fees & Taxes

3. Wheel Tax § 341.35

Impose by ordinance additional registration fees for vehicles not more than 8,000 pounds that are customarily kept in the jurisdiction. Fees must be used for transportation purposes.

4. Park Fees in Lieu of Land Dedication § 236.45(6)

As a condition of plat approval impose fees for the acquisition or initial improvement of land for public parks.

Debt & Finance

- 1. Debt (an exception to the levy limit):
 - a. Bank promissory note for up to 10 years is a town board decision. Longer needs elector approval.
 - b. Municipal bonding requires elector approval.
- 2. Tax Increment Finance District § 60.85:
 - a. Only for: agricultural, forestry, manufacturing and tourism projects of specific types noted in the statute.
 - b. TIF area property taxes go to special fund that finance the project.
 - c. TIF area's taxes are not contributing to the general tax base.

Pass on Costs of Emergency Services

- 1. Fire § 60.55. Must have a resolution or ordinance.
 - a. Only fire calls to real property, such as land and/or a building, can be placed on a parcel's tax bill if unpaid.
 - b. Fire calls to highways, \$200 County and \$500 State reimbursements possible. § 60.557. Must first try to collect from individual's insurance and the individual.
 - c. A lawsuit is the only possible collection for amounts unpaid.
- 2. Ambulance § 60.565. Must have a resolution or ordinance.
 - a. A lawsuit is the only possible collection for amounts unpaid.

Maximize Aid Formulas

1. GTA 85% on a three-year average per § 86.30.

2. Bridge Aid per § 82.08.

3. 2% fire dues.

4. Payments in Lieu of Taxes (PILT) for government-owned lands.

Grants

1. Dawn Vick at the Dept. of Administration: (608) 266-7043, dawn.vick@wisconsin.gov

2. U.S. Dept. of Agriculture Rural Development: http://www.rurdev.usda.gov/WI/programs/nonprofits.htm

3. Wisconsin State Energy Office http://energyindependence.wi.gov/

Other Sources

- 1. Donations & Fundraisers:
 - a. Donations to towns are tax deductible. See IRS Publication 526.
 - b. State Gaming Commission requires a raffle license.

- 2. Get Public Support to Initiate a New Revenue Source.
 - a. Public Hearings, etc.
 - b. Elector meetings.

The End

• There are a variety of possible revenue sources.

Thank you for watching.