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# **DOR 2013 Update**

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Wisconsin Towns Association

Middleton

October 29, 2013



# Presenters

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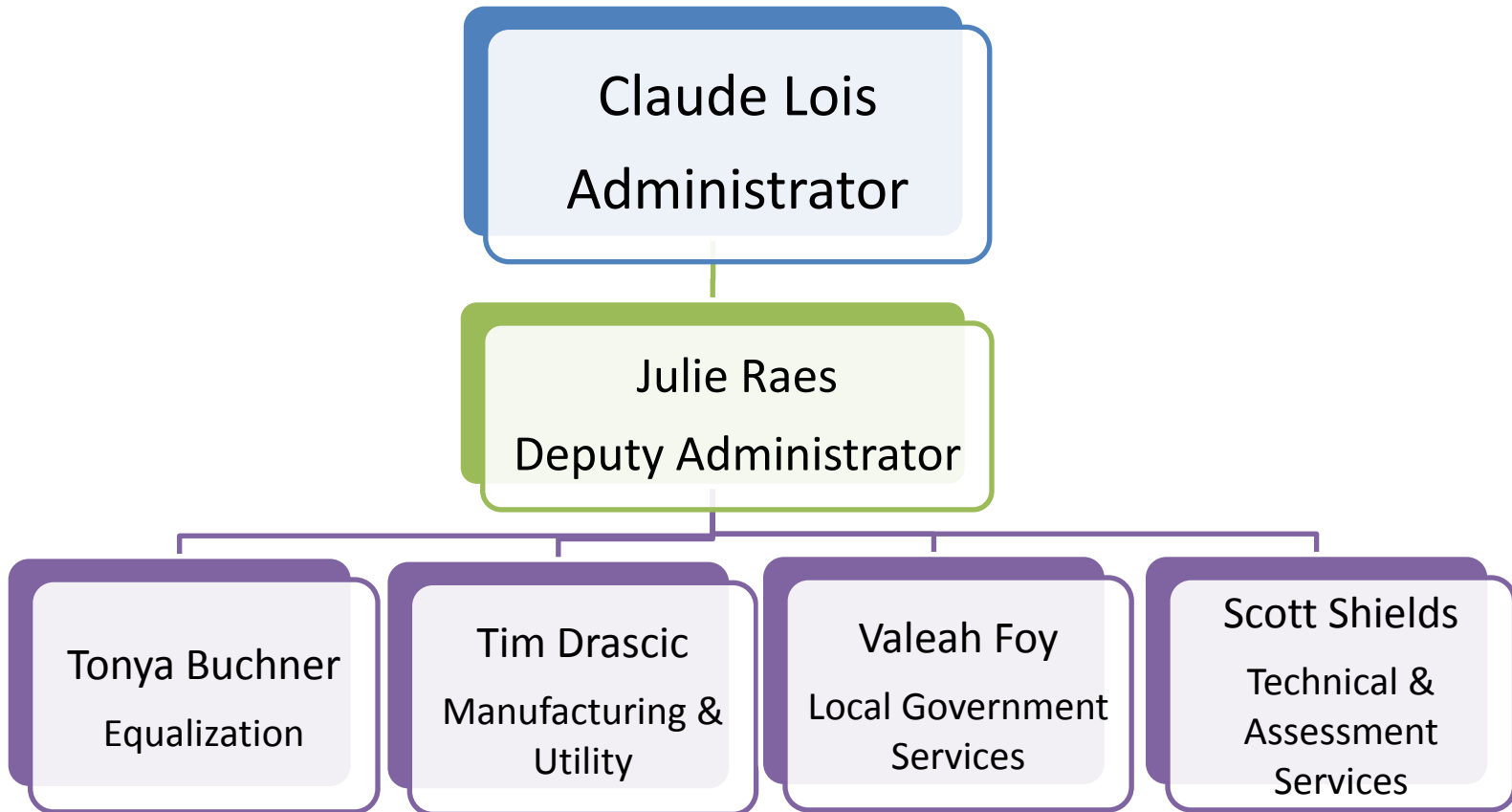
# Topics of Discussion

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- Division of State & Local Finance
  - Technical & Assessment Services
  - Manufacturing
  - Equalization
  - Local Government Services
- Assessment Overview & Timeline
- Annual Assessment Report (AAR)
- Assessor School Dates
- Assessment Contracts

# Division of State & Local Finance

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# Assessment Overview & Timeline

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- Determined by Municipal Assessor
- Value on January 1 for each taxable parcel of Real Estate and Personal Property (Sec. 70.10)
  - Status on January 1, 2013 = 2013 assessment
  - 2013 assessment on December 2013 tax bill
  - Changes during 2013 do not impact 2013 tax bill
- Assessment Roll (all parcels)
  - Allocates or distributes taxes within municipality
  - Levy is applied directly against value to determine tax due
- Accurate assessed values ensure fairness across properties within municipality



# Assessment Overview & Timeline (cont.)

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- Municipal Assessor
  - Typically contracted for 1, 2 or 3 years
  - Certified with State at Assessor 1, 2 or 3 level
- Parcel by parcel development
  - Discover, list, value
  - Value based on sales, cost & income approaches
  - Collects – deeds/transfer documents, building permits, field information, market information
- Property Record Data (electronic for 2013)
  - Lists physical features of land and improvements.
  - Building sketches and photos (2015)
  - Development of assessed value
  - Public record



# Assessment Overview & Timeline (cont.)

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- Residential–Class 1, land & improvements – market value
- Commercial–Class 2, land & improvements – market value
- Manufacturing–Class 3, land & improvements – market value (DOR assessed)
- Agricultural–Class 4, land - use-value
- Undeveloped–Class 5, land - 50% of market value
- Agricultural Forest–Class 5m, land – 50% of market value
- Forest–Class 6, land – market value
- Other–Class 7, (Agricultural site and improvements) – market value
- Personal Property – market value



# Assessment Overview & Timeline (cont.)

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- Assessment Compliance:
  - All major classes of property have levels of assessment (90% - 110%)
  - Major class is at least 5% of total equalized value
  - DOR monitors compliance
- Non-Compliance results in:
  - 4 consecutive years: DOR notifies district
  - 5 consecutive years: DOR sends assessor training notice
  - 6 consecutive years: DOR conducts assessor training
  - 7 consecutive years: DOR supervised assessment in year 8





# Assessment Overview & Timeline (cont.)

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- Timeline - Dependent upon scope:
- WPAM page 4-2 “Annual Assessor Requirements by Assessment Type”
  - Full Revaluation
  - Exterior Revaluation
  - Interim Market Update
  - Annual Review/ Maintenance



# Assessment Overview & Timeline (cont.)

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- Full Revaluation
  - Complete interior & exterior inspections, all property revalued to full value & new property record cards created
  - Appropriate: PRC is outdated / inaccurate, poor uniformity
- Exterior Revaluation
  - Complete exterior inspections, all property revalued to full value, and update property record cards as necessary
  - Appropriate: Most PRC info verified by exterior inspection & full revaluation completed within past 6-9 years

# Assessment Overview & Timeline (cont.)

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- Interim Market Update
  - Inspect buildings with changes, all property revalued to either full value or aggregate level of assessment as determined by sales analysis, update PRCs as necessary
  - Appropriate: PRC reliable, full revaluation within past 5 years
- Annual Review/ Maintenance
  - Appropriate: PRC reliable & revaluation within past 5 years
  - Annual Duties:
    - Inspections: new construction, annexations, exemptions (review current & new requests), demolitions, or remodeling (permits)
    - Re-inspect & review all sales, legal description changes, e.g. splits, & zoning changes to update parcel attributes
    - Analyze sales to determine level of assessment - develop assessments at same “assessment level %”
    - Review classifications: eligibility for ag, ag forest & undeveloped

# Assessment Overview & Timeline (cont.)

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- Prior to January 1:
  - Assessor: certified & oath (70.05, Art. IV Sec. 28, 19.01, 60.31)
  - Apply WPAM, attend DOR Training (73.03(2a), 70.32, 70.34, 73.06)
  - Uniformity between real & personal property (70.345)
  - Before revaluation: Municipality publishes website notice (70.05) with dates, authority of assessor to enter, post 3 places if no website
  - Obtain forms (PRCs, Notices, Personal Property, etc.) (70.09(3))
  - Distribute Personal Property forms
  - Acquire maps, building permits, zoning, market data, etc.
  - Review Transfer Returns: validate, verify, conduct ratio studies (69.63, 77.265)
- Field Work (June to April)
  - Review Classifications (70.32, Tax 18)
  - View & value real estate & personal property (70.32, 70.34)



# Assessment Overview & Timeline (cont.)

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- January to April:
  - DOR notifies properties assessed as Manufacturing (70.995)
  - Correct errors of preceding year (70.43)
  - Assess omitted property (70.44)
  - Review Personal Property Forms – due March 1 (70.35)
  - Mail notices of changed assessment (70.365)
- Sales information:
  - 2/14 – data due from assessors for Prelim Report
  - 2/19 – DOR posts prelim reports for assessor review
  - 3/14 – data due from assessors to be included in final
  - 4/30 – Final sales report posted to DOR website
- First Monday in April: assessment completed (70.10)
- On or before May 1: Report exempt computers to DOR (79.095)



# Assessment Overview & Timeline (cont.)

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- May: Delivery of assessment roll to clerk for open examination (70.45) – open book
- First Monday of May: Delivery of roll to clerk with all sworn statements, Assessor signs affidavit (70.49)
- May: Clerk to examine roll (70.52)
- 30-Day period beginning 2nd Monday of May: BOR (70.47)
- Clerk to prepare statement of assessments (70.53)
- After BOR: Discovery of palpable errors by clerk / treasurer (70.73(1m))

# Assessment Overview & Timeline (cont.)

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- 2nd Monday of June:
  - Assessors submit Municipal Assessment Report & TID Assessment Report to DOR (73.03(5) & 66.1105(6)(a))
  - Provides new construction information: real & buildings on leased land (levy limits)
- August 1: DOR publishes preliminary Equalized Values
- August 15: DOR publishes final Equalized Values (70.57)
- November 1: DOR determination of assessment compliance (70.05)
- 15 days prior to County Board Meeting: DOR publishes statistical reports (73.06(5))



# Assessment Overview & Timeline (cont.)

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## Certifying Values

- Municipal: certificates published in September (8/15 values)
- County: certificates published in September, total of all municipal pieces within the county (8/15 values)
- School: Determined by using values from SOA. Percent to total. Estimates use previous years SOA. October 1
- Technical College – Total of schools values located within the technical college. October 1
- Special Districts: Calculated using the SOA, October 15





# Annual Assessment Report (AAR)

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- 2013 - Each Assessor must submit one:
  - DOR – 30 days after Board of Review
  - Municipality – at Board of Review
  - Use DOR template or similar format & sequence
  - DOR will review each & provide letter:
    - compliant with DOR template
    - report completeness
    - changes needed for 2014
- 2014 - Assessors will file AAR for each municipality
  - Group of 9 assessors & WI Towns Association have worked with DOR to develop initial & current versions of AAR
  - DOR will accept other formats such as Word
  - Must provide same set of information as DOR template & in same order as DOR template



# Assessor School Dates & Locations

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- Milwaukee – Nov 4
  - Waukesha County Tech, 800 Main St, Richard T. Anderson Education Center
- Eau Claire – Nov 5
  - Plaza Hotel, 1202 W. Clairemont Avenue, Two Rivers Banquet Room
- Wausau – Nov 6
  - North Central Tech, 1000 West Campus Drive, Auditorium in Center for Health Sciences Building (Room 1004)
- Green Bay – Nov 7
  - The Marq, 3177 French Road , De Pere
- Madison – Nov 11
  - American Family Training Center Building A, 6000 American Parkway, Auditorium
- 9:00 AM to Noon
- <http://www.revenue.wi.gov/training/assess/index.html>

# Additional Information

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- Wisconsin Property Assessment Manual:
  - <http://www.revenue.wi.gov/html/govpub.html#property>
- Publications:
  - <http://www.revenue.wi.gov/html/pubs.html>
- Reports:
  - <http://www.revenue.wi.gov/report/index.html>
- Common questions:
  - <http://www.revenue.wi.gov/faqs/index-pt.html>
- Email lists:
  - <http://www.revenue.wi.gov/html/lists.html>



# Thank you

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- Questions/comments/suggestions?