



Wisconsin Property Taxes: Relief Needed

In 2011, homeowners were suffering from a collapsed housing market and a period of time where property taxes had increased on their homes. After Governor Scott Walker and a reform-minded legislature took office, they were able to provide much-needed relief to homeowners. Unfortunately, Wisconsinites have seen an increase in their property taxes this year, an issue legislative leadership has identified as a potential priority with an eye toward further cuts in property taxes. Wisconsin and other states considering property tax issues should look toward the record of Governor Walker and the legislature on cutting property taxes and putting homeowners first.

Recent Rankings Show That Despite Progress, Additional Action Is Needed.

The 2019 Tax Foundation Rankings rate Wisconsin with the “6th highest average property tax rate on owner-occupied housing and the 14th highest property tax collections per capita.”¹

Personal finance experts, *Kiplinger* ranks Wisconsin as one of the worst states for retirees in 2019. Kiplinger rated Wisconsin as the 4th worst state in the nation for retirees and listed high property taxes as one of the principal driving forces.²

The Record of Gov. Walker & The Legislature On Property Taxes

Over his time in office, Walker and the legislature provided the hard-working taxpayers of Wisconsin with several tax reforms that saved taxpayers more than \$5 Billion in property tax relief over a ten-year time period beginning in 2011.³ “Prior to Governor Walker taking office, property taxes on a typical home had increased 27 percent over a decade.”⁴

Wisconsin property tax bills for a median valued home were lower after eight years under Walker than when he took office.⁵

¹ Katherine Loughead, “Testimony: Wisconsin’s Property Tax System and its Implications For Revenue Stability, Opportunity, and Growth,” [Tax Foundation](#), 10/24/19

² Rocky Mengle, “10 Least Tax Friendly States for Retirees - 2019,” [Kiplinger](#), 11/5/19

³ Sean Moran, “Tax Law Changes Since 2011,” [Wisconsin Legislative Fiscal Bureau](#), 9/17/19

⁴ Wisconsin Department of Revenue, [Wisconsin's Property Taxes at Historic Low](#), Accessed 1/9/20

⁵ Property Taxes Level in Wisconsin, Informational Paper 13, [Wisconsin Legislative Fiscal Bureau](#), January 2019

In 2018 under the leadership of Governor Walker and the legislature, Wisconsin removed the state forestry tax from the property tax levy. The Forestry Mill Tax was nearly one hundred years old⁶ and cost taxpayers. For example, this tax "generated approximately \$83 million in fiscal year 2015-16."⁷

When faced with a surplus during Gov. Walker's term in office, Walker and the legislature drove \$406 million to property tax relief. The proposal was announced as part of Walker's "Blueprint for Prosperity,"⁸ which endeavored to "return the vast majority of the new surplus directly to the hard-working taxpayers of Wisconsin."⁹

Why Wisconsin Needs to Act Today

Some Wisconsin homeowners are seeing the largest annual property tax increase in more than a decade. The 4.5 percent increase on the December 2019 tax bills, represents the largest year-over-year increase since 2009.¹⁰

State Department of Revenue¹¹ and Legislative Fiscal Bureau reports indicate that "general fund taxes will be higher than the previous estimates"¹² and Wisconsin is facing the potential of a surplus.

Reduce The Property Tax Burden On Homeowners

Remove the tax levy from property tax bills by investing in technical colleges. The Wisconsin Technical College System (WTCS) relies heavily on property taxes, with nearly \$450 million (28.5%) coming from property taxpayers in 2017-18.¹³ Driving projected surplus revenue into the WTCS would reduce the burden on property taxpayers in Wisconsin.

Reduce the burden of property taxes on seniors through an increase in the Homestead Property Tax Credit. With over half of the recipients over 55 and more than 33 percent over 65, an investment of surplus revenue to the Homestead Tax Credit would provide property tax relief to those Wisconsinites in need.¹⁴

⁶ Wisconsin State Forest Funding Amendment, Question 2, [Ballotpedia](#), 11/4/1924

⁷ Legislative Fiscal Bureau, "[Comparative Summary of Provisions, 2017 Wisconsin Act 59](#)," November 2017

⁸ State of Wisconsin, [2013 Wisconsin Act 145](#), 3/25/14

⁹ Governor Scott Walker, "[2014 State of the State Address: A Blueprint for Prosperity](#)." *BizTimes*.

¹⁰ Associated Press, "School Districts Fuel Biggest Property Tax Hike Since 2009," *US News*, 12/19/19

¹¹ Wisconsin Department of Revenue, [Memo From Revenue Secretary Peter Barca](#), 5/14/19

¹² Legislative Fiscal Bureau, [Updated Revenue Estimates](#), 5/15/19

¹³ Legislative Fiscal Bureau, "[Wisconsin Technical College System, Informational Paper 31](#)," January 2019

¹⁴ Legislative Fiscal Bureau, "[Homestead Tax Credit, Informational Paper 22](#)," January 2019