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Contact: Richard G. Sheil or Todd A. Berry
(608) 255-4581 or wistax@wistax.org**Study Details 10-Year Property Tax Trends**
Fast-Growing Municipalities Show Greatest Levy Increases

MADISON—From 1992 to 2002, municipal property taxes levied by the state's largest 220 cities and villages rose 69.8%, or an average of 5.4% annually, to \$1.40 billion, according to a new study from the Wisconsin Taxpayers Alliance (WISTAX), a nonprofit, nonpartisan organization dedicated to government research and citizen education.

From 1992 to 2002, nine of the state's cities and villages with 2002 populations over 2,000 held their local property tax increases to the rate of inflation (28.2%) or less, including three of the state's largest cities: Appleton, Milwaukee and Racine. Another four held their levy increases to the rate of their population growth plus inflation. Thirty-eight cities and villages had levy increases that were less than twice the inflation rate, while 73, still less than a third, had increases less than three times inflation.

For comparative purposes, personal income during the period rose 64.1%, or an average of 5.1% annually, WISTAX noted.

Over the decade, more than half the municipalities (127) had levy increases between 50% and 150%. Local levies more than doubled in nearly half the municipalities (108) and more than tripled in 36. Levies in the 147 cities studied rose 65.3%, while those in the 73 villages more than doubled (105.1%).

Some of the highest percentage increases in levies occurred in the 83 municipalities with 2002 populations between 4,000 and 12,000, a group that includes some of the fastest-growing cities and villages in the state. From 1992 to 2002, levies increased an average of 110.0% in this group. Levies more than tripled in nearly one-fourth (18) of these municipalities.

Thirty-five cities and villages had increases in total net property tax levies (which include municipal, county, school district and technical college property taxes) below inflation during the period, while three saw their net levies fall (the village of West Milwaukee and the cities of Racine and Park Falls). Net levies more than doubled in 26 municipalities and more than tripled in three (the villages of Cottage Grove, Jackson and Wrightstown). All of the municipalities studied saw their net rates fall.

From 1992-93 to 2002-03, the average municipal property tax rate for the 220 municipalities fell from \$8.76 in 1992-93 to \$8.09 in 1997-98 to \$7.71 in 2002-03. The municipal rate is calculated by dividing the municipal levy by the municipality's property value, excluding property in tax incremental financing (TIF) districts. Municipal rates declined in 126 of the 220 municipalities, as increases in property values outpaced

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levy increases during the period. However, declining tax rates generally do not indicate that property tax payments by property owners within the municipality are falling. Localities with rising property values will be able to reduce their tax rates and still receive the same amount, or more, in property tax revenue.

Note to Editor: The following paragraph can be adapted for all cities and villages above 2,000 population from the table in the Facts and Figures section at www.wistax.org.

In 2002, property values in the (city or village) of _____ (col. 1) totalled \$ _____ (col. 6), (up/down) _____% (col. 7) from 1992. This percentage change ranked _____ (col. 8) among the state's 220 largest cities and villages. In 2002, property tax levies in _____ (col. 1) totalled \$ _____ (col. 9), (up/down) _____% (col. 10) from 1992. This percentage change ranked _____ (col. 11) among the state's 220 largest cities and villages. In 2002-03, the (city or village) rate was \$ _____ (col. 12), which ranked _____ (col. 13) in the group, WISTAX said.

Net property tax levies in _____ (col. 1) totalled \$ _____ (col. 16) in 2002, (up/down) _____% (col. 17) from 1992. This percentage change ranked _____ (col. 18) among the state's 220 largest cities and villages. In 2002-03, the (city or village) net tax rate was \$ _____ (col. 19), which ranked _____ (col. 20) in the group.

Among the municipalities studied, the fast-growing village of Plover in Portage county had the highest percentage increase (736.5%) in municipal levies, from 1992 to 2002, reaching \$3.9 million. From 1997 to 2002, Plover also had the highest levy increase (162.8%) in the group. One of the principal reasons for the increase is that the village levied substantially to raise funds to retire debt in TIF districts during the period. Equalized property values in the village rose significantly during both periods. Over the decade, property values (including property in TIF districts) increased 147.7%, reaching \$574.0 million. This percentage increase ranked 53rd in the group. From 1992-93 to 2002-03, the village's rate more than tripled, from \$2.23 per \$1,000 of property value to \$6.88. This percentage increase (208.0%) was highest in the group. From 1997-98 to 2002-03, Plover's percentage increase in its village rate (57.4%) also ranked first.

Besides Plover, only six municipalities had percentage increases in municipal levies over the decade that were more than three times the rate of increase in their property values: the cities of Barron, Brillion, Chetek and Delavan; and the villages of Elm Grove and Howards Grove. All had large increases in their municipal tax rates: Howards Grove (161.3%, second-highest increase in the group); Delavan (87.8%, third highest); Brillion (66.0%, fifth); Chetek (62.4%, sixth); Elm Grove (39.7%, 15th); and Barron (23.8%, 35th).

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(Editors Note: An electronic version of this release is also available at www.wistax.org.)