

Why should the City of Madison collect property tax in four installments?

1. Taxpayers will have the option of spreading out their payments.
2. It will result in a simpler payment process for the taxpayer. ALL payments will be made to the City Treasurer. Only Madison taxpayers who are more than 6 months delinquent will have to deal with the county treasurer's office.
3. Taxpayers who go delinquent on their taxes would be charged 1.0% per month; this compares to the current charge they incur from Dane County of 1.5%.
4. The City of Madison will recognize new revenue as a result of the interest charged on delinquent taxes. This is estimated to be approximately \$200,000 per year.
5. The city will earn some additional revenue as a result of interest earned on the collections during the period from February through July. At today's record low level of interest rates, it is estimated this total will be less than \$10,000. If rates return to their historical levels, this amount could increase to six figures. Dane County will lose some revenue as a result of this change. Although the county treasurer opposes this proposal, I think that office will see some benefit.
6. The workload the county currently has related to the collection of the second half of property tax payments will be reduced by 45%.
7. Rather than mailing 55,000 reminder notices in the spring, the county will only need to mail 33,000 with accompanying cost savings. The final benefit results from the revenue shift from county to city.
8. For every 3 dollars currently collected by the county from delinquents, 2 dollars would be collected by the city, but 1 dollar would stay in the taxpayer's pocket.

Municipalities with Three or More Installments for Property Tax Payments

There are 38 municipalities in Wisconsin with population in excess of 20,000. Three are in Dane County (Madison, Sun Prairie, and Fitchburg). Seven have contracted with their county treasurer to collect taxes on their behalf (Green Bay, Eau Claire, Janesville, Sheboygan, Fond du Lac, Superior, and DePere). The following 22 municipalities use 3 or more installments:

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| 1. Milwaukee | 12. Beloit |
| 2. Kenosha | 13. Greenfield |
| 3. Racine | 14. Franklin |
| 4. Appleton | 15. Oak Creek |
| 5. Waukesha | 16. Manitowoc |
| 6. Oshkosh | 17. West Bend |
| 7. West Allis | 18. Stevens Point |
| 8. LaCrosse | 19. Neenah |
| 9. Wauwatosa | 20. Muskego |
| 10. New Berlin | 21. Watertown |
| 11. Wausau | 22. South Milwaukee |

The following 6 municipalities collect via 2 installments:

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| 1. Brookfield | 4. Caledonia |
| 2. Menomonee Falls | 5. Mequon |
| 3. Mount Pleasant | 6. Grand Chute |