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A resolution by Supervisors Taylor and Czarnezki, waiving interest and penalties on delinquent real property tax installment payments pursuant to 2019 Wisconsin Act 185 to provide relief to Milwaukee County property owners during the SARS-CoV-2/COVID-19 Pandemic, by recommending adoption of the following:

A RESOLUTION

WHEREAS, the novel coronavirus, Severe Acute Respiratory Syndrome Coronavirus Disease (COVID-19), emerged in December 2019, and has caused a global pandemic, killing approximately 250,000 people in the span of a few months by early May, including 60,000 in the United States (U.S.); and

WHEREAS, amidst growing evidence of a public health crisis, on January 31, 2020, the U.S. Department of Health and Human Services declared a Public Health Emergency, the World Health Organization declared COVID-19 a pandemic on March 11, 2020, and State of Wisconsin (the State) Governor Evers declared a public health emergency on March 12, 2020, the date of the first confirmed COVID-19 diagnosis in Milwaukee County (the County); and

WHEREAS, the Milwaukee County Executive declared a local public health emergency due to COVID-19 on March 13, 2020; and

WHEREAS, on March 17, 2020, many County municipalities began restricting food and beverage sales within their borders, affecting many low wage workers and small businesses; and

WHEREAS, on April 16, 2020, the State Department of Health Services Secretary-designee Andrea Palm extended a modified Safer at Home Order set to expire on April 24, 2020, which requires all in the State to remain in their residences except for limited circumstances until May 26, 2020; and

WHEREAS, the COVID-19 pandemic has created extreme economic hardship for many individuals and businesses in the County and across the U.S., including approximately 10 to 12 percent of the American workforce on unemployment insurance during the latter half of April, as reported by the U.S. Department of Labor; and

WHEREAS, those eligible for unemployment insurance receive only a fraction of their normal income, and many workers may not be eligible for unemployment benefits; and

43 WHEREAS, the *Federal Reserve* found in its May 2019, “Report on the
44 Economic Well-Being of U.S. Households in 2018,” that approximately 40 percent of
45 Americans did not have the cash-on-hand to cover an emergency expense of only
46 \$400; and
47

48 WHEREAS, Sections 74.11, 74.12, and 74.87, Wisconsin State Statutes (State
49 Statutes), among other things, require and specify rules regarding interest and penalties
50 relating to delinquent real property tax installment payments; and
51

52 WHEREAS, the State Legislature passed, and Governor Evers signed into law
53 as a relief effort for COVID-19, 2019 Wisconsin Act 185 (Act 185), which among other
54 things, in Section 105(25), enables county boards to, by resolution, allow their
55 municipalities to temporarily waive interest and penalty fees from delinquent real
56 property tax installment payments in spite of Sections 74.11, 74.12, and 74.87, State
57 Statutes, for installment payments on real property taxes due after April 1, 2020, and
58 will last until October 1, 2020; after which interest will accrue on any delinquent
59 payments; and
60

61 WHEREAS, pursuant to Act 185, subsequent to County approval of a resolution
62 invoking Section 105(25) of Act 185, the municipalities must individually pass
63 resolutions invoking Act 185 for the waiver of real property tax interest and penalties to
64 take effect; and
65

66 WHEREAS, Act 185 authorizes local governments to either provide waivers
67 uniformly or on an individual hardship basis, but the Wisconsin Counties Association
68 recommends not waiving interest and penalties case-by-case, as it would produce
69 administrative difficulty and may be subject to legal challenges; and
70

71 WHEREAS, at its meeting on May 14, 2020, the Committee of the Whole
72 reviewed File No. 20-366, a report from the Office of the Comptroller and the Office of
73 the Treasurer on Act 185, and the potential cost to the County including a requirement
74 to upgrade the current tax collection software to properly account for payments and any
75 waivers of penalty and interest; and
76

77 WHEREAS, this is a trying time for County residents and much of the world, and
78 the Milwaukee County Board of Supervisors and County Executive are doing their part
79 to provide relief to fellow citizens; and
80

81 WHEREAS, the Committee on Finance and Audit, at its meeting of May 21,
82 2020, recommended adoption of File No. 20-398 (vote 7-0); now, therefore,
83

84 BE IT RESOLVED, pursuant to Section 105(25), 2019 Wisconsin Act 185,
85 (Act 185) the Milwaukee County Board of Supervisors finds and authorizes the
86 following:

- 87
88 1. Because of the Coronavirus Disease (COVID-19) pandemic, the various Federal
89 laws and regulations implemented as a result of the COVID-19 pandemic, the
90 various emergency orders and regulations implemented by state and local
91 governments, and Act 185, the County Board finds that all property tax payers
92 are experiencing hardship as that term is used in Section 105(25) of Act 185.
93
- 94 2. A taxation district is authorized to waive interest and penalties for property taxes
95 payable in 2020 for an installment payment that is due and payable after April 1,
96 2020. This Resolution authorizes a taxation district to waive interest and
97 penalties as provided in Section 105(25) of Act 185 for all property taxpayers in
98 the taxation district such that if a taxation district authorizes the waiver under
99 Section 105(25) of Act 185, it must offer the waiver to all property taxpayers in
100 the taxation district. Notwithstanding the foregoing, nothing in this Resolution
101 authorizes a taxation district to waive interest and penalties for property taxes
102 payable in 2020 for an installment payment that was due and payable prior to
103 April 1, 2020, except as otherwise permitted under applicable law.
104
- 105 3. The terms of Section 6.06 - Interest and Penalty on Overdue and Delinquent
106 Taxes, Milwaukee County Code of General Ordinance (MCGO), which imposes a
107 penalty on delinquent property tax payments, are hereby modified for purposes
108 of implementing the terms of this Resolution and Section 105(25) of Act 185.
109
- 110 4. As provided under Section 105(25) of Act 185, Milwaukee County (the County)
111 shall deviate from the settlement procedure set forth in Section 74.29, Wisconsin
112 State Statutes (State Statutes) and, instead the County shall settle property
113 taxes, interest, and penalties collected on or before July 31, 2020, on August 20,
114 2020, as provided under Section 74.29(1), State Statutes, and settle the
115 remaining unpaid taxes, interest, and penalties on September 20, 2020. The
116 August 20, 2020, settlement shall be distributed proportionally to the underlying
117 taxing jurisdictions according to payments collected on or before July 31, 2020.
118
- 119 5. Notwithstanding Section 74.57, State Statutes, the County Treasurer is
120 authorized, but not required, to omit from the tax certificate delivered to the
121 County on September 1, 2020, all parcels of real property for which a taxation
122 district has waived interest and penalties as provided in this Resolution.
123

124 6. The County Treasurer is directed to consult with the Wisconsin Department of
125 Revenue, all taxation districts in the County, and corporation counsel regarding
126 the implementation of this Resolution and the procedures associated with, or
127 contemplated by, this Resolution.

128
129 7. Other County officers are authorized and directed to assist the County Treasurer
130 in the interpretation, application, and implementation of this Resolution and
131 Section 105(25) of Act 185.

132 ; and

133
134 BE IT FURTHER RESOLVED, the City of Milwaukee (the City), as a First Class
135 City, is responsible for administering its own delinquent property tax payments, per
136 Sections 74.81 through 74.84, State Statutes, but like the other 18 municipalities in the
137 County still requires the County to adopt this Resolution to extend the benefits available
138 under Section 105(25) of Act 185 to their taxpayers by separate resolution; and

139
140 BE IT FURTHER RESOLVED, the County Treasurer is authorized to execute a
141 new agreement with LandNav for the latest software, which will permit the tracking of
142 any waivers of penalty and interest and shall be offered without charge to all county
143 municipalities (except the City, which administers its own delinquent taxes); and

144
145 BE IT FURTHER RESOLVED, that the estimated cost to implement the new
146 software is \$200,000 and shall be charged against Coronavirus Aid, Relief, and
147 Economic Security Act funding received by the County, and the Department of
148 Administrative Services and the Office of the Comptroller are authorized and directed to
149 process the requisite fund transfer to the appropriate accounts; and

150
151 BE IT FURTHER RESOLVED, that any municipality (except the City, which
152 administers its own delinquent taxes) that adopts a resolution to waive penalty and
153 interest on delinquent property tax installment payments, as permitted under Act 185
154 and authorized by this Resolution, must upgrade to the new LandNav software so that
155 the provisions of the law can be properly administered; and

156
157 BE IT FURTHER RESOLVED, that all actions hereto taken by the County Board
158 and other appropriate public officers and agents of the County with respect to the
159 matters contemplated under this Resolution are hereby ratified, confirmed, and
160 approved.

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srb
05/21/2020
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