

CHAPTER 307  
 COMMISSIONER OF ASSESSMENTS

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**307-1. Commissioner of Assessments; Ownership Records.** The commissioner of assessments shall maintain ownership records of all property in the city and make proper reports in regard to these duties to any such office, department, bureau, division or unit. In addition, the commissioner shall report to the department of neighborhood services all changes in the use of vacant and improved parcels and all requests to subdivide or consolidate parcels.

**307-1.5. Special Deputy.** The commissioner of assessments may designate as a special deputy commissioner of assessments a competent person within his or her office to act for and in his or her stead in specified matters without additional compensation. Such an appointment shall be in writing and copies filed in the city clerk's office setting forth the specific acts the special deputy is authorized to perform in the name of the commissioner of assessments. Such authority may be revoked and amended in the same manner. Within the scope of his or her specified authority, the special deputy may perform any and all acts required of the commissioner of assessments. The commissioner of assessments shall be responsible for all acts of any special deputy. The special deputy shall, before entering upon his or her duties, take the oath required of city officers.

**307-2. Tax-Exempt Property Report. 1. FORM TO BE FILED.** By March 31 of each even-numbered year, the owner of each parcel of tax-exempt property shall obtain from and return to the commissioner of assessments a form, as provided in s. 70.337, Wis. Stats., concerning the characteristics of the tax-exempt property.

**2. FILING FEE.** In order to recover costs associated with distributing and reviewing the form and processing the form for the Wisconsin department of revenue, the commissioner of assessments is authorized to assess and collect the fee specified in s. 81-124, as permitted under s. 70.337(5), Wis. Stats.

a. The fee shall be paid at the time of filing the form.

b. If the fee is not paid at the time of filing the form, the commissioner of assessments is authorized to add the fee to the tax bill as a special charge.

c. The fee does not apply to a church that is required to file a tax-exempt property report.

**307-2.5. Partially-Taxed Property Report.**

**1. FORM TO BE FILED.** By March 15 of each year, the owner of a parcel of tax-exempt property that was used in the most recently ended taxable year in a trade or business for which the owner of the property was subject to taxation shall file with the commissioner of assessments a form, as provided in s. 70.339, Wis. Stats., concerning the characteristics of the property.

**2. FAILURE TO FILE; PENALTY.** A person who fails to file a statement within 30 days after notification, as provided in s. 70.339 (3), Wis. Stats., shall forfeit \$10 for each succeeding day on which the form is not received by the commissioner of assessments, but not more than \$500. This fee may be added to the property tax bill as a special charge.

**307-3. Objections To Manufacturing Property Assessments. 1. AUTHORITY.**

Pursuant to the authority granted under s. 70.995(8)(d), Wis. Stats., the commissioner of assessments is authorized to file an objection with the state board of assessors to the amount, valuation or taxability of any specific manufacturing property within the city.

**2. FORM TO BE FILED.** The commissioner of assessments shall file a written report to the common council on an annual basis the status of any objections filed under this section.

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**307-4. Board of Review. 1. CREATION.** There is created a board of review under s. 70.46, Wis. Stats., consisting of 9 members appointed by the mayor for 5-year terms and confirmed by the common council. Members shall be city residents and may not occupy any public office or be publicly employed. Members shall be compensated for their services as determined by the common council.

**2. DUTIES.** The board shall perform the duties prescribed for the board in ch. 70, Wis. Stats. The commissioner of assessments shall staff the board.

**3. PANELS.** At the discretion of the chair of the board of review, the board of review may sit in panels of at least 3 members each under the following terms and conditions:

a. The presence of 3 board of review members shall constitute a quorum.

b. The chair shall assign the members to panels and, as so far as practicable, rotate the membership of the panels.

c. The chair shall preside over any panel of which he is a member and shall designate the presiding members of other panels.

d. Each panel shall perform its duties independently of the other.

**307-5. Confidentiality of Income and Expense Information.** Whenever the assessor, in the performance of his or her duties, requests and obtains income and expense information pursuant to s. 70.47(7)(af), Wis. Stats., or any successor statute thereto, then, such income and expense information that is provided to the assessor shall be held by the assessor on a confidential basis, except, however, that said information may be revealed to and used by persons in the discharge of duties imposed by law; in the discharge of duties imposed by office including, but not limited to, use by the assessor in performance of official duties of the assessor's office and use by the board of review in performance of its official duties; or pursuant to order of a court. Income and expense information provided to the assessor under s. 70.47(7)(af), Wis. Stats., unless a court determines that it is inaccurate, is, per s. 70.47(7)(af), Wis. Stats., not subject to the right of inspection and copying under s. 19.35(1), Wis. Stats.

**307-6. Service Charges for Inspection and Appraisal.** In order to recover costs associated with inspection and appraisal of new construction, remodeling and additions, the commissioner of assessments is authorized to assess and collect service charges for providing inspections and appraisals.

**307-7. Fair Share Payment in Lieu of Taxes Program. 1. PURPOSE.** There is created a fair share payment in lieu of taxes program in which the city seeks voluntary payments from owners of tax-exempt properties in recognition of the services those properties receive from the city. Payments received through this program are intended to diversify the city's revenue sources, compensate the city for lost revenues resulting from the large and growing portion of the city's land area that is tax-exempt, and reduce the subsidy of service provision to tax-exempt properties by owners of taxable properties. By creating this program, the city seeks to generate the additional revenues needed to maintain the high level of services it provides to residents, businesses and visitors, even during times of limited financial resources and challenging city budgets.

**2. DEFINITIONS.** In this section:

a. "Commissioner" means the commissioner of assessments.

b. "Owner" means a tax-exempt organization or institution that owns or intends to acquire real property in the city of Milwaukee.

c. "PILOT" means a fair share payment in lieu of taxes.

**3. ADMINISTRATIVE AUTHORITY.** The commissioner of assessments is authorized and directed to carry out the program established in this section, with assistance to be provided by other city departments as noted.

**4. PROCEDURE.** a. Initiation. The procedure described in this subsection shall be initiated by the commissioner whenever the commissioner receives a new application for property tax exemption or whenever the department of city development notifies the commissioner that an owner has demonstrated its intent to expand, improve, replace or acquire a facility, as evidenced by an application for a building permit, certificate of occupancy, zoning change, special use permit or variance.

b. Communication With Tax-Exempt Owner. The commissioner shall contact the owner regarding the possibility of a voluntary agreement to make payments in lieu of taxes to the city. As part of this communication, the commissioner shall provide the owner with a "new PILOT project profile form" on which the owner is asked to provide the information about the tax-exempt institution and its existing and proposed facilities that is necessary for development of a PILOT.

c. Submission Requirements. The commissioner shall ask the owner to submit both the new PILOT project profile form and the master plan for the project.

d. Discussion Between City and Owner Representatives. Once the owner submits the new PILOT project profile form and a project master plan showing both existing and proposed facilities, the commissioner shall discuss the formulation of a PILOT agreement and the amount of the annual payment with the owner.

e. Guidelines for Establishing PILOT Amount. The PILOT amount shall be based on the value of the entire tax-exempt property, including both existing facilities and new construction, and the amount of tax revenue the city forgoes because of the tax-exempt status of the property. In establishing the PILOT amount, the commissioner shall employ the following guidelines, while recognizing that each institution and property has unique characteristics that may make adjustments necessary:

e-1. Value. The commissioner shall estimate the value of the entire tax-exempt property, including both existing facilities and new construction, using standard appraisal methodologies that the commissioner deems most appropriate.

e-2. Calculation of PILOT Amount. The suggested PILOT amount shall be calculated by multiplying the value of the owner's property by the city's current tax rate and dividing by 1,000. The tax rates of other local taxing jurisdictions, including but not limited to Milwaukee county, Milwaukee public schools, Milwaukee area technical college and Milwaukee metropolitan sewerage district, shall not be included when performing this calculation.

f. PILOT Agreement. Once the owner has agreed in principle to make a PILOT, the commissioner shall draft a PILOT agreement between the city and the owner. If the owner's tax-exempt property contains multiple buildings or facilities and the owner anticipates multiple alterations to these buildings or facilities, the agreement may take the form of a comprehensive agreement that applies to all buildings and facilities on the property. The provisions of a PILOT agreement may include, but shall not be limited to, the following:

f-1. The parties agree that the city will provide the owner's property with public services typically funded by the property tax, such as fire and police protection, street maintenance and street lighting.

f-2. The owner of the tax-exempt property understands that it may still be subject to special assessments, special charges, special taxes or fees charged by the city pursuant to the city's statutory authority.

f-3. The owner agrees to pay an annual PILOT for the tax-exempt property. The method of calculating the PILOT shall be specified, as shall the technique for annually adjusting the PILOT for inflation.

f-4. The owner shall pay the entire PILOT on or before January 31 of the year following the tax year for which the PILOT was calculated. Alternatively, the owner may pay one-tenth of the PILOT on or before January 31, with another one-tenth being paid in each of the following 9 months.

f-5. The city may use the PILOT revenues for whatever purposes it deems appropriate.

f-6. The owner shall make a good-faith effort to satisfy its PILOT obligations. In the event of non-payment or partial payment, the city shall not place a tax lien on the property. Nor shall the tax-exempt status of the owner's property be affected by the owner's non-payment or partial payment of the PILOT.

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f-7. The city reserves the right to grant or deny the owner's application for tax-exempt status, pursuant to s. 70.11, Wis. Stats. If the city grants tax-exempt status, the city may review, reconsider and, if necessary, alter that tax-exempt status each January. If part or all of the property does not qualify for tax-exempt status, the impact on the PILOT shall be specified.

f-8. The agreement shall be for a period of 5 years. It shall be automatically terminated upon the loss of tax-exempt status by the owner's property. The agreement may also be terminated if either party gives the other party 30 days written notice of termination. Upon termination, the owner shall remain liable for any outstanding PILOT payments due and payable under the agreement.

f-9. The owner shall agree to allow the city to inspect its property upon reasonable written request and to allow the city to inspect documents that are relevant to exemption and valuation determinations.

f-10. The agreement shall be considered void from the date of its execution if the owner does not become the holder of legal title to the property by December 31 of the first tax year to which the PILOT would apply or if the commissioner determines that the property is not tax-exempt.

f-11. If the agreement is not terminated prior to the date that is 5 years after the date of execution of the agreement, the agreement is automatically renewed for another 5-year period, with the same terms and conditions as the original agreement unless either party notifies the other of a request to change those terms and conditions.

g. Execution of Agreement. The PILOT agreement shall be executed when the owner of the tax-exempt property, the commissioner, the comptroller, the mayor, the city clerk and the city attorney have signed the document that has been drafted pursuant to par. f.

In addition, common council approval shall be required for any PILOT agreement in which the initial annual payment is at least \$100,000.

5. FAIR SHARE PROGRAM AWARENESS CAMPAIGN. The commissioner shall develop, implement and continuously maintain a campaign to create awareness of the fair share payment in lieu of taxes program among both property owners requesting exemption from property taxes and current owners of tax-exempt properties.

6. IMPACT OF PROGRAM PARTICIPATION ON TAX-EXEMPT STATUS. The decision of the owner of a tax-exempt property to participate or not participate in the fair share payment in lieu of taxes program shall have no effect on the property's tax-exempt status.

7. PAYMENTS RECEIVED. The comptroller shall treat all PILOT payments received by the city as general fund revenues.

**For the legislative history of chapter 307, contact the Municipal Research Library.**