

2020 RES-020

AUTHORIZING A TAXATION DISTRICT TO WAIVE INTEREST AND PENALTIES ON PROPERTY TAX PAYMENT INSTALLMENTS DUE ON OR AFTER APRIL 1, 2020

In December, 2019, a novel strain of coronavirus known as COVID-19 was detected, and COVID-19 has continued to spread throughout the world, including to the United States and the State of Wisconsin (“COVID-19 Pandemic”).

In response to the COVID-19 Pandemic the federal government, state governments, and local governments are working together to contain the further spread of the disease and treat existing cases. On January 31, 2020, the United States Department of Health and Human Services declared a Public Health Emergency, on March 11, 2020, the World Health Organization declared COVID-19 a pandemic, on March 12, 2020 the Governor of the State of Wisconsin declared a Health Emergency in the State, and on March 16, 2020 Dane County (the “County”) declared a state of emergency under authority granted by Wis. Stats. Chap. 323.

The federal government has enacted various laws and regulations in response to the COVID-19 Pandemic including, without limitation, the Families First Coronavirus Response Act and the Coronavirus Aid, Relief, and Economic Security Act. On March 24, 2020, Secretary-designee Andrea Palm of the Wisconsin Department of Health Services issued Emergency Order #12, Safer at Home Order (“Safer at Home Order”) requiring that everyone in Wisconsin stay at their home or place of residence except in limited circumstances until April 24, 2020. On April 16, 2020, Secretary-designee Palm extended the Safer at Home Order, with certain modifications, to May 26, 2020, pursuant to Emergency Order #28.

The federal, state, local and individual responses to the COVID-19 Pandemic and the uncertainty as to the effectiveness of those responses in mitigating the duration of the COVID-19 Pandemic have created economic hardship and uncertainty in the County’s business community, households throughout the County and for every County property taxpayer. Prominent economists have predicted record level unemployment rates for the coming months and this prediction suggests that County residents will also experience record level unemployment rates in the coming months, and an unprecedented number of businesses and employers throughout the State and in the County have been required to suspend operations.

In response to the COVID-19 Pandemic, the various federal laws and regulations implemented as a result of the COVID-19 Pandemic, and the various emergency orders and regulations implemented by state and local governments, on April 15, 2020, the Wisconsin Legislature enacted 2019 Wisconsin Act 185 (“Act 185”), which Governor Evers signed on April 16, 2020. Section 105(25) of Act 185 authorizes, among other things, the County to adopt a resolution enabling taxation districts in the County to waive interest and penalties on 2020 property tax installment payments due and payable after April 1, 2020, until October 1, 2020. A resolution authorizing the above referenced waiver must also establish criteria for determining hardship that would qualify a property tax payer for the waiver. The County’s authorization for a taxation

46 district to implement the above referenced waiver is contingent upon a taxation district adopting
47 a resolution in similar form and content as to the County’s resolution.
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49 Dane County Ordinance s. 26.24 imposes a penalty on delinquent general property taxes,
50 special assessments, special charges and special taxes in the amount of 0.5% per month of
51 fraction of the month.
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53 This Resolution is intended to (1) serve as the County’s enabling resolution
54 for purposes of Section 105(25) of Act 185; (2) authorize any taxation district located in the
55 County to waive interest and penalties on installment payments of property taxes due and
56 payable after April 1, 2020, in a manner consistent with Act 185 provided the taxation district
57 adopts a similar resolution and otherwise satisfies all conditions precedent to waiver contained in
58 Act 185 and this Resolution; and (3) declare that all property taxpayers in the County are
59 experiencing hardship as a result of the economic conditions associated with the COVID-19
60 Pandemic, the various federal laws and regulations implemented as a result of the COVID-19
61 Pandemic, the various emergency orders and regulations implemented by state and local
62 governments, and Act 185. While the plain language of Section 105(25) of Act 185 allows for
63 either a general or a “case-by-case” finding of hardship to qualify for the above referenced
64 waiver of interest and penalties, the County intends by this Resolution to authorize a taxation
65 district to waive interest and penalties for all property taxpayers in the County otherwise eligible
66 for waiver under Section 105(25) of Act 185 on a finding of general hardship based upon the
67 economic conditions described in this Resolution, which the Board determines has adversely
68 affected all taxpayers in the County. This Resolution is not intended to be construed as
69 authorizing any sort of “case-by-case” finding of hardship by a taxation district. Finally, this
70 Resolution is intended to allow a taxation district to waive the penalty imposed by Dane County
71 Ordinance s. 26.24 for property taxpayers qualifying for the waiver of interest and penalties as
72 provided in Section 105(25) of Act 185 and this Resolution.
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74 **NOW THEREFORE BE IT RESOLVED** that pursuant to Section 105(25) of Act 185, the Board
75 hereby finds and authorizes the following:

76 1. Because of the COVID-19 Pandemic, the various federal laws and regulations implemented as
77 a result of the COVID-19 Pandemic, the various emergency orders and regulations implemented
78 by state and local governments, and Act 185, the

79 Board finds that all property taxpayers are experiencing hardship as that term is used in Section
80 105(25) of Act 185.

81 2. A taxation district is authorized to waive interest and penalties for property taxes payable in
82 2020 for an installment payment that is due and payable after April 1,
83 2020. This Resolution authorizes a taxation district to waive interest and penalties as provided in
84 Section 105(25) of Act 185 for all property taxpayers in the taxation district such that if a
85 taxation district authorizes the waiver under Section 105(25) of Act 185, it must offer the waiver
86 to all property taxpayers in the taxation district.

87 Notwithstanding the foregoing, nothing in this Resolution authorizes a taxation district to waive
88 interest and penalties for property taxes payable in 2020 for an installment payment that was due
89 and payable prior to April 1, 2020, except as otherwise permitted under applicable law.

- 90 3. The terms of Dane County Ordinance s. 26,24 imposing a penalty on delinquent property tax
91 payments are hereby modified for purposes of implementing the terms of this Resolution and
92 Section 105(25) of Act 185.
- 93 4. As provided under Section 105(25) of Act 185, the County shall deviate from the settlement
94 procedure set forth in Wis. Stat. § 74.29 and, instead the County shall settle property taxes,
95 interest and penalties collected on or before July 31, 2020, on
96 August 20, 2020, as provided under Wis. Stat. § 74.29(1), and on or before September 20, 2020
97 settle the remaining unpaid taxes, interest, and penalties. The August 20, 2020, settlement shall
98 be distributed proportionally to the underlying taxing jurisdictions according to payments
99 collected on or before July 31, 2020.
- 100 5. Notwithstanding Wis. Stat. § 74.57, the County Treasurer is authorized, but not required, to
101 omit from the tax certificate delivered to the County on September 1,
102 2020, all parcels of real property for which a taxation district has waived interest and penalties as
103 provided in this Resolution.
- 104 6. The County Treasurer is directed to consult with the Wisconsin Department of
105 Revenue, all taxation districts in the County, and corporation counsel regarding the
106 implementation of this Resolution and the procedures associated with, or contemplated by, this
107 Resolution.
- 108 7. Other County officers are authorized and directed to assist the Treasurer in the interpretation,
109 application and implementation of this Resolution and Section
110 105(25) of Act 185.
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