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Did You Know. . .Florence Facts

Property Tax Levies 101 (shared 07-09-26)

Over the last five weeks the Florence Facts articles addressed assessors, your property assessment, the board of review and assessment levels, ratios and revaluations. **Did you know that those articles went into so much detail because it is actually your assessment that equates directly to how much you pay in taxes?** The tax levy is distributed across all of the properties within the Town based on their assessed values.

Did you know that property taxes are determined by multiple individual levies? A property tax levy is the total amount of money a local government requires from property owners to fund public services for a given year. **Did you know that there are four different individual levies that makeup the overall Town of Florence levy?** When you look at your property tax bill, you will see each individual taxing jurisdiction listed on it: Florence County, School District of Florence County, Town of Florence and the VTAE district, which is the tech school, NWTC. Each jurisdiction is subject to different statutes and legislation which impact how their levies are set.

Did you know that the levy limits for municipalities were first set in 2006, but they became permanent in 2011 with provisions of 2011 Wisconsin Act 32? Since that time there have been some modifications made to the levy limit by the Legislature. One of the provisions specifies the amount that the levy can increase each year. The Town is only permitted to increase the levy based on the percentage change for net new construction. The levy is based on a number of different factors including: the prior year's levy, population and equalized value of the taxable property in the Town, net new construction, fee revenue adjustments, and the TIF district impacts. Specifically:

- the prior year's levy means the amount of the tax levy from the year before
- population: a population estimate is given to the Town in the fall of each year from the Department of Administration
- equalized value in Wisconsin is the state's standardized estimate of total taxable property value in a municipality, used to ensure fair distribution of taxes and state aid.
- net new construction is the amount of new building construction and land improvements in a municipality or county during the prior year, minus the value of any demolition or destruction of buildings and removal of land improvements
- fee revenue adjustments would be considered a reduction in the levy due to a special fee or charge being placed on the tax bills; typically this fee was covered (at least in part) by the levy in 2013
- an example of a fee revenue adjustment impacted the levy for the Town of Florence in 2024 as the levy was reduced to the garbage charge being added to the tax bills
- Florence has a TIF district, short for Tax Increment Finance district
- the TIF district is a designated area where Florence County collects the increase in property tax revenue from rising property values within the TIF and then reinvests it into redevelopment projects

Did you know that just as property assessments took many weeks to cover the topics in the Did You Know Florence Facts articles, property taxes and levies will take multiple articles to fully cover the topics? Next week's article will cover a more information on the levy and jump into the mill rates and how those impact the tax bill.