



MEMORANDUM

To: City of Menasha Common Council

From: Peggy Steend, ^{PS} Director of Administrative Services

Date: January 6, 2014

RE: RESOLUTION R-2-14 – Resolution Approving a Partial Property Tax Rescission / Refund

BACKGROUND

Per Wisconsin State Statutes, the removal of Property Taxes needs to be authorized by the Common Council. Statutes enumerate specific conditions under which a rescission/refund is appropriate and necessary. There is currently one property that, due to an error in the legal description, was incorrectly charged for the 2012 tax year. Therefore, the taxes that were overcharged need to be rescinded and refunded.

ANALYSIS

Below are the details and reason that this property is being presented for partial rescission and refund. In addition, the specific condition as outlined by State Statutes is included:

Parcel #1-00549-00 / Dawn Gooding / 637 Milwaukee Street - \$73.37 – *(State Statute 74.33 (a) – A clerical error has been made in the description of the property or in the computation of the tax.)* – the legal description for the property was not correct, resulting in a higher than actual overall property value; however, the City was not notified in a timely manner. Therefore, our records were not correct. This has been verified by the Assessor and the correction has been made.

FISCAL IMPACT

The impact of the above rescission/refund is likely a bad debt expense for the City in the amount of \$73.37. While there is a formal process that would allow the City to notify the Department of Revenue (DOR) of the rescission later this year, there are rules in place that cause small amounts such as this to be funded by the taxing entity (the City of Menasha). However, if there are other rescissions throughout the year, and the statutory dollar threshold is met (\$500 or more per any single property or a total of \$5,000 or more for the entire tax district), we will complete the statutory submittal and make the request to be reimbursed by the other taxing entities for their prorated shares.

RECOMMENDATION

Staff recommends that Council authorize this resolution to partially rescind and refund the above noted taxes as outlined.

RESOLUTION R-2-14

Resolution Approving a Partial Property Tax Rescission / Refund

Introduced by Mayor Merkes

Whereas, the following property taxes were assessed improperly, per Wisconsin State Statutes §74.33 (1) (a), and partial rescission and refund of the tax due is appropriate:

Dawn Gooding
637 Milwaukee Street
Menasha, WI 54952
(ID #1-00549-00)

\$73.37

THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the City of Menasha that the proper City Officials are hereby authorized and directed to rescind and refund the sum of \$73.37.

BE IT FURTHER RESOLVED that the proper City Officials are authorized and directed to seek compensation from the other taxing entities, if applicable, per Wisconsin State Statutes §74.41.

Passed and approved this _____ day of January, 2014

Donald Merkes, Mayor

Deborah A. Galeazzi, City Clerk