

A LACK OF PROPERTY TAX BILL TRANSPARENCY NEEDS TO BE CORRECTED

Case Study: Steve and Tricia Aeschlimann are facing a \$3900 tax penalty that should have been \$191.

The Aeschlimanns were recently advised by their DNR forester that there was a problem with how their land had been enrolled in the Managed Forest Law. Following his advice they proceeded to withdraw 5 acres from the program to fix the problem. They were told the estimated penalty would be a few hundred dollars given the land they would be withdrawing was agricultural, land that should have been valued as AG and then taxed at about \$3/acre.

Problem with MFL corrected or was it?

The DNR submitted information to DOR which calculated the withdrawal penalty to be \$3900. This withdrawal penalty was calculated based upon the fact the land had been improperly classified as Productive Forest rather than Agricultural. Had the DNR forester or the Aeschlimanns been provided basic information on how their land was broken down into the different classifications, they would have known that first they needed to take steps to get the assessment corrected.

How could the DNR forester or the Aeschlimanns have known their land was incorrectly assessed before withdrawal? They could not.

Like all landowners who have mixed land uses on a tax parcel, or who have land enrolled in the Managed Forest Law, they were never provided detailed information on how the assessor had broken their land down into different classifications.

Lack of transparency in rural property taxation: Landowners should be given information on how their land is classified and valued.

Although landowners ultimately have responsibility to review and correct assessments made in error by the assessor, they are not provided information on how their land is classified and valued, only receiving a general value of their land with their tax bill.

When the DOR was asked how landowners can find this information the advice given was that they can find this information on county websites or by calling their assessor. However, even if a landowner can navigate to the detailed information describing classification on county websites, it still does not show how lands in the MFL are classified.

The problem of property tax transparency needs to be corrected. Landowners must be provided with information that shows how their land is assessed and taxed.

How can the Aeschlimann's problem be corrected?

- 1) Can the Department of Revenue acknowledge that an error in assessment was made and calculate a correct withdrawal fee?
- 2) Given that an error had been made by the DNR when the land was initially enrolled, could the land be allowed to remain in the program until it expires in 2026?
- 3) Could the DNR cancel the current withdrawal request and ask the Aeschlimanns to submit a new request, one which would then have the withdrawal tax being properly calculated?
- 4) Would Dane County and the Town of Vermont (the units of government which would receive the tax penalty) be willing to forgive the inaccurate penalty and simply receive the correct penalty?
- 5) Other solutions?

Preventing future Problems is simple – Let landowners know how their land is classified on property tax bills

Show the land classification breakdown with tax bills as shown in this example or provide it in a stand-alone insert.