

RESOLUTION NO. 3-2023

AGENDA NO. I-3

RESOLUTION

Initiated By:

Melissa Nagel
Register of Deeds

Drafted By:

Michal J. Peterson
Asst. Corporation Counsel

Submitted By:

Finance Committee

Date Drafted:

December 9, 2022

**RESOLUTION SUPPORTING REQUEST FOR REVISION OF §77.24 WIS.STATS.
REGARDING DIVISION OF REAL ESTATE TRANSFER FEES**

WHEREAS, the collection by counties of a real estate transfer fee was mandated by the State of Wisconsin in 1969, and included a requirement that counties remit 50% of all transfer fees collected to the State; **and**,

WHEREAS, in 1981 the State amended §77.24 Wis.Stats. regarding “Division of Fees” to require that counties remit 80% of all transfer fees collected to the State; **and**,

WHEREAS, the County through the Register of Deeds office assumes the annual operating costs of recording all real estate transfers occurring in Crawford County, including the collection of real estate transfer fees; **and**,

WHEREAS, in 2021 Crawford County collected **\$295,861.00** in real estate transfer fees with the County’s 20% retained share totaling **\$59,172.00**, and the remaining **\$236,689.00** being remitted to the State; **and**,

WHEREAS, Crawford County real estate transfer fee collections as averaged over the past five years totaled **\$1,524,455.00** of which the County retained **\$304,891.00** and the State was remitted **\$1,219,564.00**; **and**,

WHEREAS, in 2021 the State of Wisconsin has built up a budget surplus of approximately \$2.5 billion dollars, while many Wisconsin counties continue to struggle financially due to the ever-increasing costs of providing county government services in an inflationary economy, coupled with the financial restrictions imposed by State mandated levy limits; **and**,

WHEREAS, in an effort to financially assist all Wisconsin Counties, Crawford County requests that the State of Wisconsin revise the §77.24 Wis.Stats. real estate transfer fee share formula to again allow Wisconsin Counties to retain 50% of all total real estate transfer fees collected, with 50% to be remitted to the State.

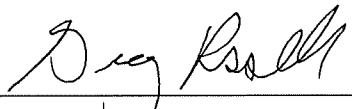
NOW THEREFORE, BE IT RESOLVED, that the Crawford County Board of Supervisors does hereby request that the State of Wisconsin revise §77.24 Wis.Stats. regarding “Division of Fees” to again allow Wisconsin Counties to retain 50% of all real estate transfer fees collect, with 50% remitted to the State ; **and**

BE IT FURTHER RESOLVED, that a copy of this Resolution be sent to Governor Tony Evers, the representatives of Crawford County in the State Senate and Assembly and the Wisconsin Counties Association (Contact Information on attached Exhibit “A”).

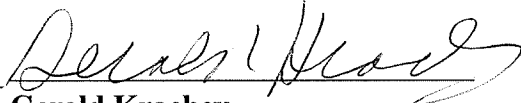
Dated this 21st day of December, 2022.



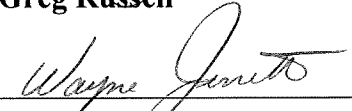
Gary Koch, Chairman



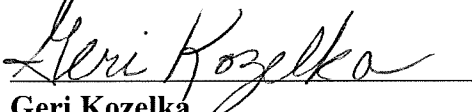
Greg Russell



Gerald Krachey

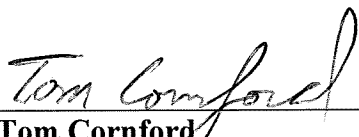


Wayne Jerrett



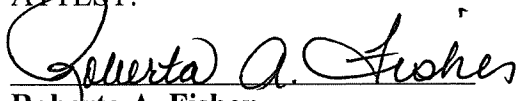
Geri Kozelka

Passed and approved this 21st day of February, 2022.



Tom Cornford
County Board Chairman

ATTEST:



Roberta A. Fisher
County Clerk

CONTACT INFORMATION

Tony Evers
Governor, State of Wisconsin
115 East Capitol
Madison, WI 53702

Wisconsin State Senate
P.O. Box 7882
Madison, WI 53707-7882

Wisconsin State Assembly
P.O. Box 8952
Madison, WI 53708-8953

Wisconsin Counties Association
Attn: Sarah Diedrick-Kasdorf
22 E. Mifflin Street, Suite 900
Madison, WI 53703
diedrick@wicounties.org

Wisconsin Dept. of Revenue Fact Sheet: Transfer Fees and Division of Fees

- The Register of Deeds (ROD) offices collect and process all transfer returns and fees for the Wisconsin Dept. of Revenue (WDOR).
- Current statutes dictate the transfer fees we collect and how those fees are split:
Wis. Stats. 77.22(1) – transfer fee imposed at the rate of 30 cents for each \$100 of value.
Wis. Stats. 77.24 - the division of fees between the county (20%) and state (80%).
- There have been two division of fees since the WDOR started collecting them 1969:
 October 1969 - August 1981; \$1.00 per \$1,000 of real estate, split 50/50
 September 1981 - Present; \$3.00 per \$1,000 of real estate, split 80/20
- It's been 41 years since any changes have been made to the rate or division of fees.
- The ROD offices work directly with the public and our business partners on a daily basis, at our counters, on the phone and through email correspondence.
- The ROD offices educate the public and our business partners on how to access and navigate the WDOR site and the electronic transfer receipt that is required with any conveyance document.
- The ROD offices check each receipt for accuracy and collect any transfer fees that are due at the time the document is presented for recording.
- In 2021, the State of Wisconsin built up a \$2.5 billion budget surplus.
- Any additional increase to the division of fees above the 20% as required in ss. 77.24 would result in more money going back to the county.
- Any increase to the division of fees above the 20% would help support our constituents, county budgets, services and programs.
- Any increase to the division of fees would not incur any additional costs to the public or our business partners during the recording process.

This example shows the difference in fees collected and splits based on a sale of \$100,000.00:

	<u>Transfer Fee collected</u>	<u>State Share</u>	<u>County Share</u>
Prior to Aug. 1981	\$100.00	\$50.00 (50%)	\$50.00 (50%)
After Sept. 1981	\$300.00	\$240.00 (80%)	\$60.00 (20%)
Difference	\$200.00	\$190.00	\$10.00

Here are the fees Crawford County has collected over the last 5 years. These numbers show the difference between a 50/50 split and the current division of fees at 80/20.

<u>(Your County)</u>	<u>Year</u>	<u>Total Fees</u>	<u>Proposed Resolution split</u>		<u>Current statute split</u>	
			<u>State 50%</u>	<u>County 50%</u>	<u>State 80%</u>	<u>County 20%</u>
	2017	\$346,864.20	\$173,432.10	\$173,432.10	\$ 277,491.36	\$69,372.84
	2018	\$384,232.80	\$192,116.40	\$192,116.40	\$307,386.24	\$76,846.56
	2019	\$236,063.10	\$118,031.55	\$118,031.55	\$188,850.48	\$47,212.62
	2020	\$260,433.90	\$130,216.95	\$130,216.95	\$208,347.12	\$52,086.78
	2021	\$295,861.15	\$147,930.75	\$140,930.75	\$236,689.20	\$59,172.30
	Totals	\$1,523,455.10	\$761,727.55	\$761,727.55	\$1,218,764.10	\$304,691.10
					Revenue Difference	\$(457,036.45)