

Resolution 19-23

Request the State of Wisconsin to Address Concerns of Act 216, Relating to Distributing the Proceeds from the Sale of Tax Delinquent Property to the Former Owner

WHEREAS, under the previous State law addressing sale of tax delinquent property, counties retained the net proceeds from the sale unless the property was the homestead of the former owner(s) and the former owner(s) requested such payment; and

WHEREAS, before a tax delinquent property is foreclosed upon, the property must be delinquent for a minimum of three years; and

WHEREAS, before a tax delinquent property is foreclosed upon, the owner receives notice of the pending action and is given the opportunity to pay the back taxes, including the potential for a payment plan; and

WHEREAS, if the sale of the tax delinquent property does not cover the past due taxes, other associated costs and costs of processing the foreclosure, the county taxpayers are ultimately responsible to absorb the loss; and

WHEREAS, Act 216 purportedly requires a county to pay the net proceeds of the sale of tax delinquent property to any former owner, regardless of whether the former owner requests the payment and regardless of whether the former owner used the property as his or her homestead, and hold such proceeds for five years if the former owner does not request payment; and

WHEREAS, the Act further attempts to require a county to pay off any lien placed on the property at the time of the foreclosure sale, notwithstanding the fact that all liens are discharged at the time of the foreclosure judgment, causing confusion for counties and courts; and

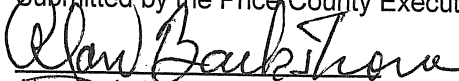
WHEREAS, the Act is further imprudent for the following reasons:

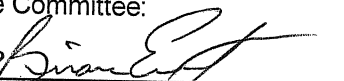
1. most often in tax foreclosure cases, property owners are not responsive;
2. it shifts the risk of loss onto the county causing the county to have an incentive to NOT exercise its authority to foreclosure, leading to many blighted properties throughout the county;
3. the Act purported to cause counties to act as realtors for private parties;
4. the Act requires treasurers to make complex ownership decisions between parties, tenants-in-common; LLCs, corporations and decedents' estates.

NOW THEREFORE BE IT RESOLVED that the Price County Board of Supervisors urges the Legislature to repeal the changes implemented by Act 216, or, in the alternative, to modify the law to take away the risk to counties and consider a provision to place any proceeds from the sale of tax delinquent properties in a segregated account established by the county to be used for clean-up of blighted properties; and

BE IT FURTHER RESOLVED, that a copy of this resolution be sent to Governor Tony Evers, Legislators representing Price County, the Wisconsin Counties Association and all Wisconsin Counties.

Submitted by the Price County Executive Committee:


Alan Barkstrom, Chair


Brian Ernst


Jeff Hallstrand


Paula Houdek

excused
Larry Palecek

Reviewed by County Administrator:


Nicholas Trimmer

Adopted by the Price County Board of Supervisors this 16th day of May 2023.


Jeff Hallstrand, County Board Vice-chair


Jean Gottwald, County Clerk