

BASIC LOGIC IN THE TAX DISTRICT TREASURER'S SETTLEMENT SHEET

HIGHLIGHTS

LOTTERY AND GAMING AND FIRST DOLLAR CREDITS

Lottery and gaming credit and the first dollar credit should not be treated as a collection at February settlement but rather as postponed taxes. Report separately on lines 12 and 21 respectively.

These credits should be treated as a collection at August settlement and included with school levy tax credit applied (line 11, column E) on line B of Section 2.

SETTLE FOR THE TAX ROLL

To learn the exact overrun/underrun, compare the tax roll summary totals of gross general property taxes (Real and Personal) to the total of the apportioned property tax levies. The difference is the overrun or underrun and should be reported on line 37 in Section 3.

Make sure all manual adjustments to the tax roll are carried forward to the tax roll summary totals produced by the computer.

After the Tax District Treasurer's Settlement Sheet is completed, compare it to the Statement of Taxes in the front of the tax roll and report only discrepancies involving omitted taxes, s. 70.43 corrections, and special assessments/charges to the Department of Revenue. Please provide changes to special assessments/charges in detail (by type and amount).

CROSSCHECKS

Line 40, col. F should equal the amount of taxes collected (line 1, col. E) plus school levy tax credit applied (line 11, col. E) plus lottery and gaming credit (line 12, col. E) plus First Dollar credit (line 21, col. E), all postponed (line 15, columns A and B) and delinquent (lines 13, col. B, line 14, col. B, and line 16, col. A) real estate and personal property taxes and surplus funds applied (line 26, col. E).

Line 40, col. H should equal postponed (line 15, columns A and B) and delinquent (line 16, col. A and line 14, col. B) real estate taxes plus school levy tax credit applied (line 11, col. E), and lottery and gaming credit (line 12, col. E) and first dollar credit (line 21, col. E). (Does not apply for the August Settlement.)

Line 40, col. G should equal line E in Section 2.

Line 45, col. I should equal line 9, col. E.

Line 46, col. I should equal line 7, col. E.

Line 47, col. I plus line 48, col. I plus line 49, col. I plus line 50, col. I should equal line 8, col. E (or line 8, col. E plus line 23, col. E).

SECTION 1:

This section is to be completed based on the actual tax rolls of the tax district. Therefore, the Real Estate roll, the Personal Property/Occupational Taxes roll and Omitted Property roll are needed to correctly complete this section.

The total on line 25, column E, should agree with the signed Certificate of Correctness attached to the tax roll. It should also agree with the amount reported in section T, column 2 of the Statement of Taxes after it has been corrected to match the tax roll.

Of course, each column should add to the totals shown on line 25. Each line should add across to the totals shown in column E.

Show the school levy tax credit **applied** on line 11. Any over or underapplication of school levy tax credit will be reflected in the balance in the "tax account" of the tax district.

SECTION 2:

2. COMPUTATION OF PERCENTAGE FOR PRORATING GENERAL PROPERTY TAX COLLECTIONS, SURPLUS FUNDS AND CREDITS

	FEBRUARY SETTLEMENT		AUGUST SETTLEMENT		DATE _____
A. ENTER AMOUNT OF LINE 1, COLUMN E					
B. ADD AMOUNT OF LINE 11, 12, AND 21, COLUMN E - AUGUST ONLY . . . +		+		+	
C. ENTER AMOUNT OF LINE 13, COLUMN B		+		+	
D. ADD AMOUNT OF LINE 26, COLUMN E		+		+	
E. AMOUNT TO BE DISTRIBUTED.					
F. ENTER AMOUNT OF LINE 40, COLUMN F					
G. DIVIDE LINE E BY LINE F		=		=	

Multiply the amounts in Column F (Section 3, below) by the percentage calculated on Line G of Section 2.

This section is used to calculate the percentage to be applied to the general property taxes. Section 3 must be partially filled out before Section 2 can be completed.

- Line A – This is the total cash collection on the real and personal property rolls.
- Line B – AUGUST ONLY. This is the amount of state tax credit, lottery and gaming credit, and first dollar credit applied on the tax roll.
- Line C – This is the amount of personal property taxes retained by the municipality for collection. They are treated as though they were already collected. This will be important for reconciling the tax roll on the tax settlement receipt.
- Line D – This is the amount of surplus funds applied on the tax roll.
- Line E – This is the amount to be distributed. It should agree with the “collections and surplus applied” line 40, column G, when the percentage is applied.
- Line F – This is the total of the general property taxes. This should agree with gross general property taxes on the computerized tax roll summary (Real and Personal). There should be no special assessments, charges, occupational taxes, etc. in this figure. It is the denominator (or divisor) in the calculation of the proration percentage.
- Line G – Line E divided by line F. This percentage is multiplied times the amounts in column F, lines 28 through 39 in Section 3.

SECTION 3:

Column F should agree with the gross general property taxes on the computerized tax roll summary (Real and Personal). An overrun or underrun is normal. An overrun or underrun is only due to the calculation of gross taxes. It should be shown on the correct line and not added to the individual tax apportionment (such as county taxes). Also, an over or underapplication of tax credits is not an over-underrun but rather impacts the amount in the tax district “tax account.”

Note: Surplus Funds should not be shown on the Tax District Treasurer’s Settlement Sheet unless there is no local levy shown on line 36 in Section 3. If surplus funds have been applied correctly, the total in Column F will be greater than the amount on the computerized tax roll summary by the amount of the surplus funds.

- Line 40, column F should equal the gross general property taxes on the computerized tax roll summary (Real and Personal).
- Lines 28-39, column G, is the percentage (G) from Section 2 multiplied times the amounts in column F.
- Line 40, column G should equal E from Section 2. This includes postponed and delinquent personal property taxes (if any).
- Lines 28-39, column H, the balances due are calculated by subtracting column G from column F. The amount on line 40, column H should equal the sum of the amounts on lines 11, column E, line 12, column E, line 15, column A, and line 16, column A. Therefore, the balances due of general property taxes should equal the postponed and delinquent real property taxes, school levy tax credit applied and lottery and gaming credit. NOTE: For the August settlement line 40, column H will equal line 16, column A. The School Levy Tax Credit is part of the July collections, Lottery and Gaming Credit was paid in March, settled in April and there is no longer any postponed real estate tax.

SECTION 4:

OCCUPATIONAL TAXES:

- Divide the collections only. Collection of delinquent amounts may require additional settlements.
- MANAGED FOREST LAW AND PRIVATE FOREST CROP:**
- Divide the collections only or divide the total MFL or PFC taxes (collections and delinquencies).
- Line 47 (open class @ 67¢ per acre). 80% local, 20% county.
- Line 48 (closed class @ \$1.57 per acre). 90¢ per acre to county treasurer (forwards to DNR). The remaining 67¢ is divided 80% local, 20% county.
- Line 49 (open class @ \$1.67 per acre). 80% local, 20% county.
- Line 50 (closed class @ \$8.34 per acre). \$6.67 per acre to county treasurer (forwards to DNR). The remaining \$1.67 is divided 80% local, 20% county.

INSTRUCTIONS – TAX DISTRICT TREASURER'S SETTLEMENT

Do Not Write in Shaded Areas

Prior to completing the settlement, the tax roll should be completely filled out. This means that all collections, including state tax credits APPLIED, the first dollar, and the lottery and gaming credits, should be posted. All unpaid taxes should be extended. The tax roll should be balanced and reconciled to the Certificate of Correctness and Statement of Taxes at the front of the roll.

The analysis (Section 1, Lines 1 through 25) is arranged according to four principal parts of the tax roll. They are the Real Estate Roll (Column A), Personal Property Roll (Column B), Omitted Real Estate and Personal Property Roll and S. 70.43 Adjustments (Column C), and the Occupational Taxes (Column D). Each part can, therefore, be reconciled with the tax roll independently of the other parts.

STEP 1. DETERMINE THE AMOUNTS COLLECTED. Review Lines 1 through 9 to familiarize yourself.

REAL ESTATE ROLL (COLUMN A): Collections made by the tax district treasurer on the real estate roll must be accurately segregated according to payments on general tax levies and payments on special assessments and other special taxes. This segregation is important because only general property tax collections are used in the pro rata distributions in Section 3. Enter all general property tax collections, whether full payments, installment or other form of partial payments, as cash collections on general property taxes (line 1). Enter all collections on special assessments of every type and character, excluding drainage taxes, as cash collections on special assessments (line 3). Collections for drainage district special assessments are reported on Line 6. Collections for special charges on real estate are reported on line 4. Report school levy tax credit APPLIED on line 11, lottery and gaming credit on line 12, and first dollar credit on line 21.

* NOTE: Surplus funds, if any, applied by the tax district to reduce levies certified by other taxing jurisdictions are to be reported on line 26 and in Section 2, line D. Please review the instructions for completing Section D, line 7 of the Statement of Taxes. These instructions concern the correct application of surplus funds.

PERSONAL PROPERTY ROLL (COLUMN B): Collections made by the tax district treasurer on the personal property roll must be accurately reported according to payments on general tax levies on personal property (line 1). Report school levy tax credit APPLIED on line 11. Report lottery and gaming credit on line 12. Collections for special charges on personal property are reported on line 4.

OMITTED REAL ESTATE AND PERSONAL PROPERTY TAXES AND S. 70.43 ADJUSTMENTS (COLUMN C): Collections made by the municipal treasurer on both types (real and personal) of omitted taxes and s. 70.43 adjustments will be reported in one amount on line 2. Collections for interest penalty on omitted manufacturing property (real and personal) are shown on line 4.

OCCUPATIONAL TAXES (COLUMN D): Collections made by the tax district treasurer on ALL types of occupational taxes will be reported in one amount on line 9.

STEP 2. DETERMINE THE AMOUNTS OF UNPAID TAXES. Review lines 11 through 24 to familiarize yourself. NOTE: As a general rule, the certified lottery and gaming credit, and the school levy tax credit will be paid to the county treasurers. The lottery and gaming credit is paid on the 4th Monday in March and the school levy credit on the 4th Monday of July. In those cases where these credits are paid to the tax district treasurers, the treasurer must pay the amount of these credits applied on the tax roll (lines 11 and 12, column E) over the county treasurer as part of the tax collections. The certified first dollar credit will be paid to the tax district treasurers on the 4th Monday of July. The treasurer must pay the amount of the first dollar credit applied on the tax roll (line 21, column E) over to the county treasurer as part of the tax collections.

REAL ESTATE ROLL (COLUMN A): All taxes on the real estate roll that are not paid to the tax district treasurer must be returned to the county. Such returns will consist principally of the following: postponed real estate, delinquent real estate, special assessments and charges.

Postponed real estate is the second installment of general levies on which the taxpayer has secured a deferment until July 31st by paying the first half during the month of January.

Delinquent real estate includes all general tax levies on which there is no deferment as explained in the preceding paragraph.

PERSONAL PROPERTY ROLL (COLUMN B): Postponed and delinquent general tax levies on personal property must be retained locally by the tax district. Delinquent personal property taxes are to be reported on line 13. Postponed personal property taxes are reported on line 15.

(STEP 2 continued pm page 4)

OMITTED REAL ESTATE AND PERSONAL PROPERTY TAXES AND S. 70.43 ADJUSTMENTS (COLUMN C): Unpaid taxes on omitted property and s. 70.43 adjustments are to be reported on line 13, 15 or 16, depending upon whether they are retained or returned to the county for credit. Retained interest penalty on omitted manufacturing property (real and personal) are reported on line 14.

OCCUPATIONAL TAXES (COLUMN D): Unpaid occupational taxes are to be reported in one amount on line 24.

STEP 3. ADD EACH OF THE COLUMNS AND CROSS ADD THE LINES TO DETERMINE THE ENTRIES FOR THE "TOTALS" (COLUMN E). The amount on line 25 in column E should agree with the total taxes shown on the Certificate of Correctness. This total should also agree with the amount in column 2 of Section T on the Statement of Taxes (amended if necessary) as filed earlier with the Department of Revenue.

STEP 4. DETERMINE THE COMPOSITION OF THE GENERAL PROPERTY TAXES BY COMPLETING COLUMN F FOR LINES 28 THROUGH 40 IN PART 3. The amount of each named levy is taken from the Statement of Taxes at the front of the tax roll. The references are to the Sections and lines or columns on that Statement.

The total of the "Taxes Apportioned" column will be the total of the apportioned levies plus the overrun or underrun. This total should be further checked to the amount of general levies on both real estate and personal property as shown on the tax roll itself. Taxes are sometimes added to or canceled from the tax roll after the roll is turned over to the local treasurer for collection. Such changes will increase or decrease the amount of town, village, or city levies (D-6, G-6) as reported originally on the Statement of Taxes. B-1 of the Statement of Taxes includes state special charges to the county.

The balance of Section 3 cannot be completed until Section 2 is filled out.

STEP 5. DETERMINE THE PERCENTAGE IN SECTION 2. The percentage which is used to determine tax collections and surplus funds reported on lines 28 to 39 (column G) is computed from figures entered on line 1, column E; line 13, column B; line 26, column E; and line 40, column F of the settlement sheet.

Postponed and delinquent personal property taxes are retained for collection by the town, village, or city. The delinquent personal property taxes are considered as a collection in the distribution of tax collections. Therefore, line 1 column E, line 13 column B, line 15 column B, and line 26 column E are added to determine the total amount to be distributed. Note also that the school levy tax credit amount will not be paid until July. **Note:** Postponed and delinquent taxes on improvements on leased land are settled for in August.

This balance is divided by line 40 column F to arrive at the percentage which is to be applied to the figures on lines 28 to 39, column F in Section 3.

STEP 6. DETERMINE THE COLLECTIONS AND SURPLUS APPLIED IN COLUMN G. To do this, multiply the percentage determined in Section 2 times the amounts on lines 28 through 39 (column F). Post the products in column G.

Add all of the entries in column G. The total on line 40, column G should equal the total of line 1, column E; line 13, column B; and line 26, column E. Column H is determined by subtracting figures in column G from column F. The total on line 40, column H should equal the total of line 11, column E; line 12, column E; line 15, column A and line 16, column A.

STEP 7. DIVIDE THE COLLECTIONS OF OCCUPATIONAL TAXES IN SECTION 4. Collections of occupational taxes as determined in Section 1 must be further segregated according to type of occupational tax. The division required on each type of these collections is indicated for the purpose of completing the balance of the schedule in Section 4.

STEP 8. DIVIDE THE PRIVATE FOREST CROP AND MANAGED FOREST LAND TAX COLLECTIONS. Collections on private forest crop and managed forest land taxes as determined in Section 1 must be divided as shown in Section 4.

STEP 9. INTEREST PENALTY. Collections of interest penalty on omitted manufacturing property are to be retained by the tax district.

STEP 10. PREPARE THE SETTLEMENT SHEET IN QUADRUPPLICATE. Make a copy for the municipal clerk, the municipal treasurer, and the county treasurer. Mail the original to the **Wisconsin Department of Revenue, Local Government Services Section, 6-97, PO Box 8971, Madison WI 53708-8971**. The tax settlement receipt (PC-502) will be prepared from information reported on the settlement sheet (PC-501).