

2021 Property Assessment Information

The following is the Wisconsin Department of Revenue's (DOR) response to questions on 2021 property assessments.

1. Will property assessments change for 2021?

- It depends. A property assessment will change if there was new construction to the property between January 1, 2020 and January 1, 2021. However, even if there was no new construction to the property between January 1, 2020 and January 1, 2021, a property assessment still may change depending upon other factors.
 - Example 1: a residential property assessment will change if a new garage was built on the property between January 1, 2020 and January 1, 2021
 - Example 2: a residential property assessment may or may not change if there was no new construction to the property between January 1, 2020 and January 1, 2021, and the municipality is conducting a revaluation. When a municipality completes a revaluation, all taxable property is reviewed with assessed values updated to current full value (i.e. fair market value).
- State law establishes an annual property assessment and taxation process, providing the annual assessment date of January 1 ([sec. 70.10, Wis. Stats.](#)). The 2021 assessments are effective as of January 1, 2021, and are based on the property's status as of January 1, 2021. However, state law does not require annual full value (ex: fair market value) assessments. Assessments must be within 10 percent of full value once every five years ([sec. 70.05, Wis. Stats.](#)).
- A municipality determines whether to conduct a "revaluation" where all property assessments are updated to full value or a "maintenance" assessment where property values are updated for new construction and classification, though not updated to full value. See Chapter 4, pages 1-3, of the [Wisconsin Property Assessment Manual](#) (WPAM) for additional information on the different assessment types.
- Contact your municipality to determine the type of assessment it is conducting for 2021

2. If a municipality is completing a 2021 revaluation and updating all assessments to full value, what does the assessor consider to determine a property's assessed value?

- State law ([sec. 70.32, Wis. Stats.](#)), establishes property sales as the best indicator of a property's value subject to taxation. "...In determining the value, the assessor shall consider recent arm's-length sales of the property to be assessed if according to professionally acceptable appraisal practices those sales conform to recent arm's-length sales of reasonably comparable property; recent arm's-length sales of reasonably comparable property; and all factors that, according to professionally acceptable appraisal practices, affect the value of the property to be assessed."
- Chapter 10 of the [WPAM](#) provides information on review and use of property sales. See pages 1-3 for information on analyzing and stratifying sales to determine overall value and changes by property type. Chapter 12 focuses primarily on the use of sales to determine residential property assessments. See pages 23-26 for an example.
- Chapter 13 of the [WPAM](#) provides information on valuation of commercial property. See pages 37-41 that discuss the valuation of leased property and consideration of sales, income and cost information to determine the full value subject to taxation. As noted on page 40, when using the income approach, the goal is to determine market rent. Similar to sales, rental rates and leases are also reviewed to determine whether they are arm's length and represent market rent. In determining market rent, contract rents are analyzed to determine adjustments for many factors including short-term and long-term contracts that may not reflect the market.

3. Should a 2021 revaluation be postponed?

- Assessors should discuss the 2021 assessment type with the municipality and determine any contract changes as appropriate. The assessor and municipality may determine a 2021 maintenance assessment is appropriate versus a revaluation.
- Municipalities who received a second notice of non-compliance on October 30, 2020, under state law ([sec. 70.05 Wis. Stats.](#)), are required to meet compliance in the 2021 assessment year. For more information, contact the [Equalization Supervisor](#) in your district.

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4. How will a property owner know if a property assessment is changing for 2021?

- State law ([sec. 70.365, Wis. Stats.](#)) requires assessors to send a Notice of Changed Assessment when an assessment changes from the prior year to the current year. Effective January 1, 2020, the assessor is not required to provide notice if land is classified as agricultural land, as defined in sec. 70.32(2)(c)1g. Wis. Stats., for the current year and previous year and the difference between the assessments is \$500 or less.

5. How are assessors completing property inspections?

- Assessors should discuss assessment work with the municipality and determine contract changes as appropriate
- State law ([sec. 70.32, Wis. Stats.](#)) requires assessments based on actual view, or the best information available
- If inspections cannot be completed, assessors may consider using other data sources described in the [WPAM](#), see pages 9-21, Data Collection Section in Chapter 9

6. Is there a valuation cap/limit how much assessments can increase or decrease?

- State law does not limit the amount an assessment can change from the prior year to the current year
- However, under state law ([sec. 70.05 Wis. Stats.](#)), assessed values must be within 10 percent of full value once every five years to remain in compliance. See Chapter 1 of the [WPAM](#) for additional information.

7. Will property taxes remain the same for 2021 if the assessed value of a property remains the same?

- Not necessarily. There are many factors that affect property taxes beyond a property's assessed value including levies for local schools, municipalities, various credits, etc. Review the [Guide for Property Owners](#) for additional information on factors impacting property tax.

8. Does COVID-19 impact the 2021 Municipal Assessment Report (MAR) June 14, 2021 filing deadline?

- No, there is no change to the June 14, 2021 deadline for the 2021 MAR
- Assessors should file MARs with the best information available
- File amended MARs when new information is available

9. Will DOR rely on the estimated MAR similar to prior years or will it rely on the final MAR? Board of Reviews (BOR) may be held later and there could be changes made between the MAR filing deadline and submission of the final MAR.

- DOR will use the MAR submitted by the filing deadline (June 14, 2021) to develop the 2021 Equalized Values, TIF district values and net new construction. These values are certified on August 15, 2021.
- Estimated MAR submissions should provide an assessor's best estimate of the local assessment changes as of January 1, 2021
- Final MAR submissions received after June 14, 2021, will be used to calculate corrections to be applied to 2022 Equalized Values, TID values and net new construction

10. Similar to the MAR, late BORs may impact current year values reported on the Statement of Assessment. When is the SOA due to DOR?

- SOA is due to DOR the second Monday of June or after the BOR
- If there are significant value changes in the current year and/or value changes between taxing jurisdictions within the municipality (ex: due to boundary changes) – submit the SOA to DOR by September 1. DOR will use the submitted SOA to certify 2021 Equalized Values for school districts, technical colleges and special districts.
- After the BOR, an amended SOA must be submitted to DOR