



2021 Annual Assessor Meeting

Wisconsin Department of Revenue – Equalization
Online Training November 2021

General Updates

Agenda

- ▷ Welcome and introductions
- ▷ Announcements
- ▷ Handouts provided on our webpage
- ▷ Equalization update
- ▷ Technical and Assessment Services update
- ▷ Manufacturing & Utility update

Announcements

- ▶ Online Annual Assessor Meeting
 - PowerPoint, videos and handouts
 - Posted on DOR website
 - Complete quiz for credit: revenue.wi.gov/Pages/Assessors/home.aspx

Handouts

- ▶ Training PowerPoint
- ▶ 2022 calendar
- ▶ SLF contact information

Equalization

Sale Validation – Proper Use of Reject Codes

Helpful Tips & Suggestions

Provide Assessment Data System (PAD) opens in June

- ▷ Enter sales data on an ongoing basis
 - Once a week
 - Once a month
 - Every other month

- ▷ Avoid submission close to the deadlines
 - Unnecessary pressure on staff
 - Possible system issues (assessor or DOR)
 - Insufficient time to correct sales data
 - Wrong municipality, parcel number, price, etc.

DOR Reminder Emails

- ▷ Review reminder emails sent by DOR
 - Email includes number of sales needing PAD data for each municipality
 - When PAD filing deadline approaches, it's important to review PAD status for new sales
 - Sales coded to the wrong municipality are found by assessors when completing PAD data and reassigned to the correct municipality

Importance of Accurate PAD Data

- ▷ Equalization audits assessor's data
 - Obvious over-use of a reject code
 - Comment does not explain reason for rejecting sale
 - No explanation provided for "Other" reject codes
 - Common themes/reasons used repeatedly
 - Not open market
 - Invalid
 - Reject sale

Importance of Accurate PAD Data

- ▶ Correct data leads to proper DOR analysis
- ▶ Each year DOR audits assessor data to identify errors
- ▶ Over 137,300 sales submitted in PAD for 2020
- ▶ Nearly 10,000 rejected with a code ending in 9
 - Many had insufficient comments that did not explain the reason for rejecting the sale
- ▶ DOR uses PAD data to set the equalized value. Inaccurate data leads to inaccurate equalized values.

Importance of Accurate PAD Data

- ▷ Final sales reports become starting point for DOR analysis
- ▷ Valid and useable for ratio analysis
 - Sale ratios and statistics are analyzed; sales with statistically outlying ratios are removed from analysis
- ▷ Integral part of economic adjustments that are included in the equalized value
- ▷ Equalized values are used to apportion taxes among the taxing jurisdictions
 - Accurate PAD data is important to DOR, municipalities and taxpayers

Importance of Accurate PAD Data

Assessors should always review

- ▷ Assessment and classification are correct before submitting
- ▷ Assessment includes all parcels involved in the sale
- ▷ Sale is correctly identified as vacant or improved

Assessor Sales Review

- ▷ Validate sales and submit PAD data throughout the year
- ▷ Sale validation should be conducted as soon as possible after discovery of a sale
 - Phone contact with buyer/seller
 - In-person contact with buyer/seller (during field inspection)
 - Questionnaires – used in conjunction with sale inspections (sent before or used during)
 - Multiple listing service information
 - Internet research for listing information

Assessor Sales Review

- ▷ **Property attribute verification** – review and verify parcel attributes as of the date of sale to ensure they are accurately documented in the property records
 - Field review required
 - Full inspection preferred to verify property attributes
 - Exterior inspection as backup option for non-responses

Assessor Sales Review

- ▷ All arm's-length sales should be considered/used for modeling purposes, but not necessarily for ratio analysis
 - Arm's length reject
 - Sale price influenced in some way and not typical of the market (ex: family sale)
 - Ratio reject
 - Assessment and sale price are not comparable (ex: new construction after assessment date but before sale)

Reject Codes

- ▶ (00) Useable for arms-length and ratio purposes
 - Should be obvious
- ▶ Reject codes
 - 11-59 arms-length reject
 - 70-79 rejected – assessment/sale ratio
- ▶ Arranged in similar '**reason**' groups

Reject Code Categories

- ▷ 10 – Market exposure
- ▷ 20 – Knowledge
- ▷ 30 – Compulsion
- ▷ 40 – Non-typical financing
- ▷ 50 – Bundle of rights
- ▷ 70 – Assessment or sales ratio

Assessor Responsibilities Reporting PAD Data

1. Determine whether a sale is arm's-length

- Wisconsin Property Assessment Manual (WPAM)
 - 2020 WPAM
 - **Arm's-length sale** – sale between two parties neither of whom is related to or under abnormal pressure from the other (see market value)
 - 2020 WPAM
 - **Market value** – the most probable price a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus

Sales Validation and Verification

Why is it important to identify arm's-length sales?

- ▷ Provide accurate sales data to DOR via PAD system
- ▷ Required by WPAM (Chapters 4, 14, 19)
- ▷ Required by IAAO, Standard of Verification of Sales
- ▷ Required by WI Courts – WI is a "sales driven" state for assessment purposes (Markarian hierarchy, 3 tiers)

Sales Validation and Verification

Why is it important to identify arm's-length sales?

- ▷ Assessor's use of sales data
 - Annual ratio study – determine level of assessment
 - Revaluations – basis for setting assessments at market value
 - Maintain sales database – sales used for defense of values at Board of Review and appeals to DOR

- ▷ Accurate reporting to DOR
 - Impacts a municipality's equalized value, apportionment of taxes, and individual taxes
 - Creates a standard for all assessors to help ensure uniformity

Assessor Responsibilities Reporting PAD Data

- 2. If sale is arms-length, determine if useable for ratio analysis**
 - Reject sale for ratio purposes when a sale is arm's-length, but cannot be used for DOR ratio analysis
 - Reject codes 71-79

Assessor Responsibilities Reporting PAD Data

- ▶ Reject for ratio purposes when the sale price does not represent the physical and legal status of the property as of January 1 of the sale year
 - **Example:** A property owner builds a garage in May 2021, then sells the property in October 2021. The 2021 assessment does not include the value of the garage. The sale price cannot be compared to the assessment and should be rejected for ratio purposes.

Assessor Responsibilities Reporting PAD Data

- 3. For improved sales, provide property type and attribute data**
 - Choose property type from the lists
 - Select the parcel categories
 - Enter the building attribute data

Overuse or Underuse of Reject Codes

- ▶ Do not reject a sale solely because an assessment/sale ratio appears to be an 'outlier'
- ▶ Do not reject sales to influence the municipality's aggregate ratio
- ▶ Use reject codes in the 'Other' category infrequently
- ▶ DOR compares average reject rates for municipalities and contacts those that are significantly above or below average

"Other" Reject Codes

Reject code 19: Insufficient market exposure – Other

- ▷ Example of comments found this year "sale is too low" "no market exposure" "sale does not support data"
 - Sale is too low is not an acceptable reject reason
 - Assessor comments frequently state, "no market exposure" or "not listed on open market" but sales are listed on MLS
 - "Remodel and large addition to dwelling after 1-1-2020" is a great comment – but not a reject 19
 - Reject 75 – New construction/remodel or demolition after January 1

"Other" Reject Codes

Reject code 19: Insufficient market exposure – Other

▷ "Sale does not support data"

- Frequently see variations of this comment used for arm's-length sales
- Do not reject sale for minor, prior year changes not listed on the property record card (ex: new decks, paved driveways or minor remodeling)
- Minor changes not captured in the assessed value are common for both sale and non-sale properties, therefore the sales and ratio are representative of the class and should not be rejected
- New additions or major remodeling (new bathroom, etc.) should be rejected using code 75 (new construction)
- Consistent issues with missed changes indicate need for revaluation

"Other" Reject Codes

Reject code 29: Knowledge – Other

- ▷ Example of comments found this year – "parcel split," "parcel in review," "no MLS listing," "no financing," "related parties"
 - Parcel split is a reject code 71, not arm's length reject
 - "No financing" is not a reason to reject a sale
 - Often the comments do not match the code used
 - Use correct reject code – "related parties" is a reject code 15

"Other" Reject Codes

Reject code 39: Other – Compulsion

- ▷ Example of comments found this year – "compulsion," "too low," "sheriff sale"
 - "Too low" is not a reason for reject
 - The comment should not be the same as the code name
 - Use comments to explain the reason for the reject
 - Use the correct reject code – "sheriff sale" is a reject code 32

"Other" Reject Codes

Reject code 49: Other – Non-typical financing

- ▷ Example of comments found this year – "land contract," "no market exposure," "grantor trust"
 - Land contract is not a reason to reject a sale
 - Satisfaction of a land contract is a reject code 11
 - "Grantor trust" needs further explanation
 - Do not a reject a sale because the grantor/grantee is a trust
 - A sale creating a trust is a reject code 17
 - Use correct reject code – "no market exposure" is most likely a reject code 11-19

"Other" Reject Codes

Reject code 59: Other – Incomplete bundle of rights

- ▷ Example of comments found this year – "land contract," "quit claim," "includes personal property," "life estate," "no market exposure"
 - "No market exposure" is most likely a reject code 11-19
 - "Sale includes personal property" is a reject code 56
 - "Life estate" is a reject code 52
 - This code is often used correctly with adequate comments

"Other" Reject Codes

Reject code 79: Other – Assessment/sale ratio

- ▷ Example of comments found this year – "sale includes equipment," "home in fair/poor condition," "sale outlier," "updated data," "sale price included +/--\$15,000 PP," "condition of property at time of sale not reflected correctly in assessment data"
 - Most comments indicate different reject code should be used
 - Personal property is a reject code 56
 - Often the comment is "other" – the comment should explain the reason for the reject

"Other" Reject Codes

Reject code 79: Other – Assessment/sale ratio

- ▷ Repetitive use of the same comments found in both reject code 19 and 79 – "sale does not support data," "updated data," "parcel under review"
 - Incorrectly used for minor changes not listed on the property record card
 - Minor changes not captured in the assessed value are common for both sale and non-sale properties, therefore the sales and ratio are representative of the class and should not be rejected
 - Parcels not accurately listed on the PRC may indicate a need for revaluation

Example of Impact to EQ Value

Impact of incorrect PAD data

- ▷ 30 residential sales in a municipality; one sale has PAD assessment error
 - PAD assessed value = \$320,200
 - Sale ratio = 143%; class ratio = 85.43%
 - DOR economic change to residential class = +4.15%
 - Correct total assessed value = \$149,900
 - Correct sale ratio = 67%; class ratio = 80.28%
 - Correct DOR economic change to residential class = +5.84%

Example of Impact to EQ Value

Impact of overuse of reject codes

- ▷ 103 residential sales in a municipality; 22 are rejected for no market exposure
 - Aggregate ratio is 92% (81 usable sales)
 - Economic change to the equalized value is +3%
 - 9 of the 22 rejected sales were listed on MLS, and have market exposure
 - Aggregate ratio of the 9 sales is 74%
 - Aggregate ratio is 86% (90 useable sales)
 - Economic change to the equalized value is +7%

Example of Impact to EQ Value

Impact of overuse of reject codes

- ▷ Impact is 4% difference in equalized value
 - Incorrect:
 - Equalized value
 - Apportionment of taxes to the taxation district and surrounding taxation districts
 - Aggregate ratio to value TIF districts
 - Aggregate ratio to equate manufacturing assessments
 - School district equalized value
 - Property taxes for individual property owners

Rejecting High Dollar Sales

High dollar sales

- ▶ Do not use a reject code just because the sale is high dollar
- ▶ May be typical of market
- ▶ DOR will remove if it impacts aggregate ratio
- ▶ Is there a reason it is high dollar?
 - Is there personal property included with the sale? (reject code 56)
 - New construction after assessment, but included with sale? (reject code 75)

DOR Sale Analysis for Economic Adjustments

DOR reviews all useable sales to determine economic adjustments

- ▷ Sales with outlier ratios or high dollar value can impact the sale value to assessment ratio, used to determine the economic adjustment to the equalized value
- ▷ Sales with an undue impact on the ratio are purified from the analysis
 - DOR makes the determination when reviewing sales in the district
 - DOR needs to see all the usable sales to get a full picture of what is happening in the market

Summary

Assessor's role in sale validation and providing accurate PAD data is critical to both assessment process and DOR economic calculations

- ▷ Results in more equitable assessments during a revaluation, and a more accurate equalized value
- ▷ Provides uniformity between individual properties and between municipalities



2021 Annual Assessor Meeting

Wisconsin Department of Revenue – OTAS

Online Training November 2021

Technical and Assessment Services

Topics of Discussion

- ▷ General announcements
- ▷ Recent law changes
- ▷ 2022 Property Assessment Manual and forms
- ▷ Assessor reviews
- ▷ Annual assessment requirements

Topics of Discussion

- ▷ Director – Scott Shields
- ▷ Education and certification
 - Staff – Mark Paulat, Karla Schulte, Sarina Wiesner
 - Contact – bapdor@wisconsin.gov
 - Publish Property Assessment Manual, eight guides, 34 forms
 - Assessor certification, education, exams, review practices
 - Board of Review training, affidavit, and calendar
 - Farmland Advisory Council – agricultural land and use-value assessments
 - Customer service – DOR, assessors, property owners, local officials, Boards of Review

Topics of Discussion

▷ Tax Incremental Finance

- Staff – Kristin Filipiak, Stacy Leitner
- Contact – tif@wisconsin.gov
- Process Tax Incremental District (TID) creations, boundary changes, project plan changes, terminations
- Impose fees – annual, creation and boundary modification
- Collect and post TID annual reports
- Customer service – DOR, municipalities, consultants, and general public with TID specific questions

Topics of Discussion

▷ Technology and Applications

- Staff – vacant (Supervisor), Sharon Hoepfner, Tim Johnson, James Walker, vacant (2)
- Contact – otas@wisconsin.gov
- Support to achieve statutory processes performed by MFG, LGS and EQ
- Maintain systems, test and implement upgrades
- Maintain documentation (system manuals, process trackers)
- Distribute emails to customer groups
- Maintain SLF website
- Customer service – DOR, software vendors, local governments with filing, system and website inquiries

2021 Law Changes

2021 WI Act 1



Board of Review Member Training

- ▷ Sec. 70.46(4) – effective January 1, 2022
- ▷ One member must attend training every year
- ▷ Prior law – one member required to attend training every other year

2021 WI Act 1



Manufacturing Board of Assessor Appeals

- ▶ Sec. 70.995(8) – effective January 1, 2022
- ▶ Changes the filing fee for an appeal of manufacturing property from \$45 to \$200
- ▶ Note: No fee is required to file responsive cross-appeals

2021 WI Act 1



Assessor Exam Fee

- ▶ Sec. 73.09(4)(c) and 73.09(5) – effective January 1, 2022
- ▶ Allows DOR to change the assessor recertification and certification exam fee to reflect actual cost, not to exceed \$75

2021 WI Act 58



State Biennial Budget

- ▶ Various effective dates
- ▶ Act 58 – docs.legis.wisconsin.gov/2021/related/acts/58.pdf

2021 WI Act 58



Property Tax Exemption

- ▷ 70.11(4n), Wis. Stats.
- ▷ Vacant land owned by church, religious association
- ▷ No more than 0.8 acres , located in 1st class city, less than quarter mile from Lake Michigan
- ▷ Is adjacent or contiguous to a city incorporated in 1951 with a 2018 population exceeding 9,000
- ▷ Effective 1/1/22

Assessor Certification

Your first step before conducting assessment work



73.09 Wis. Stats. – "DOR shall establish by rule the level of certification, continuing education requirements, examination, and the requirements for and responsibilities associated with temporary certification for all assessors and assessment personnel of each local unit of government..."

What can each certification do?

Assessment Technician

Under the direct supervision of a property appraiser or an assessor. Duties include:

- ▷ Measuring, listing and calculating building cost data
- ▷ Posting maps/plats/charts, collecting relevant data, assisting with physical inventories and verifying property descriptions
- ▷ Classifying real property according to use

Property Appraiser

Under the direct supervision of an assessor. Duties include the duties of an assessment technician and the following:

- ▷ Inspecting classes of real property for assessment purposes
- ▷ Assembling relevant information regarding tangible personal property
- ▷ Appraising real and personal property for assessment purposes
- ▷ Supervision of assessment staff

What can each certification do?

Assessor I

Any of the duties of a property assessment technician and property appraiser, and the following duties:

- ▷ Serves as statutory assessor for municipalities with 2019 equalized value of commercial class less than \$100 million

Assessor II

Any of the duties of a property appraiser, an assessment technician, and assessor 1, and the following duties:

- ▷ Serves as statutory assessor for municipalities with 2019 equalized value of commercial class more than \$100 million but less than \$1 billion

Assessor III

Serves as statutory assessor for municipalities with 2019 equalized value of commercial class greater than \$1 billion

Municipality by Certification Level

	Signs a Roll	Total Municipalities
Assessment technician	No	
Property appraiser	No	
Assessor I	Yes	448
Assessor II	Yes	126
Assessor III	Yes	21
		595

Did you know statutory assessors are not limited in how many municipalities they can sign rolls for?



Becoming Certified

How do you become certified?

Our Process

First

Sign up for exam – \$20

Fee increases to \$50 starting in 2022 to cover the cost of the exam; recertification is still \$20

Second

Study using DOR study guide and additional materials listed

Last

Pass the exam and submit Form PC-722 for tax status compliance verification

Are there prerequisites?

- ▷ No, there are currently no prerequisite courses or education to become a certified assessor in the state of Wisconsin
- ▷ No sequential order required

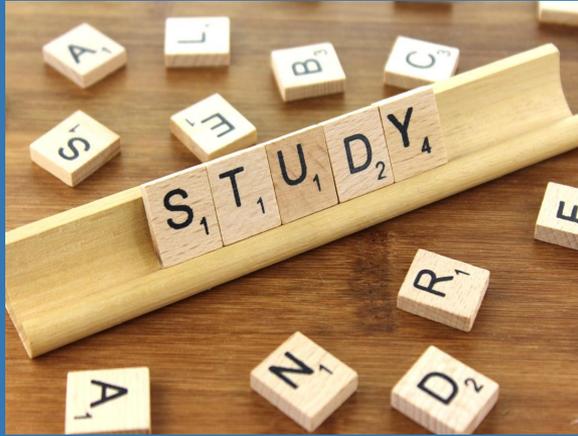
Exams

▷ Register for the exam at Pearson VUE

- On the right side of the web page, click "Sign in" or "Create account"
Note: *If you do not have an account with Pearson VUE, you must create one before registering for an exam*
- Click "View Exams" and then select "Wisconsin Assessor Certification - DOR"
- Select the appropriate certification exam, then click "Schedule this Exam"

Exams

- ▷ Register for the exam at Pearson VUE
 - You are asked for pre-licensing training information – this is not applicable to assessors; leave both areas blank and click "Next"
 - Select the appropriate test center, then select the date and time
 - Click "Proceed to Checkout" to pay exam fee and confirm exam registration



Studying

What information do you need to pass an exam?

Exam Content Breakdown

Figure 2-1

Subject Area	Technician	Appraiser	Assessor 1	Assessor 2	Assessor 3
Math	20	5	1	0	0
Statistics	0	0	3	12	14
Legal Descriptions	10	11	8	5	0
Construction Terms	8	7	9	13	0
WI Assessment Law	12	13	51	29	21
Appraisal	0	14	28	41	25
Administration	0	0	0	0	40
Total Questions	50	50	100	100	100

How to Pass

- ▶ Must score 70% or higher
- ▶ You will receive a pass or did not pass at the testing center immediately after taking the exam
- ▶ If you do not pass, you will be given a category breakdown of questions you got wrong
- ▶ No waiting period, you may sign up to retake an exam immediately

Study Guide

- ▷ Beyond the study guide with sample questions, there are additional resources listed on pages 3 and 4
- ▷ Resources include:
 - Wisconsin Property Assessment Manual (Vol. 1 and 2)
 - IAAO courses, Appraisal Institute courses
 - Other fundamental land and value approach classes
- ▷ Ensures a base set of knowledge of assessment work

Study Materials

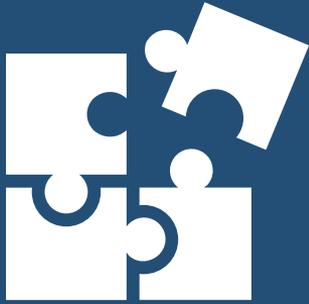
Study materials are available on our website →

[Wisconsin Assessor Certification Exam Study Materials \(PM-201\)](#)



**Wisconsin Assessor
Certification Exam
Study Materials**

(R. 3-19)



Final Step in Certification

Am I automatically certified upon passing?

Finalizing Certification

First

Pass exam

Second

Submit Form PC-722 to
bapdor@wisconsin.gov

Last

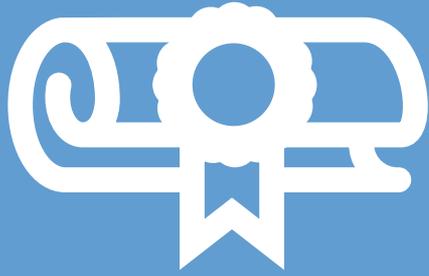
- It takes 24 hours to verify a passing score with our vendor
- First-time applicants require a tax compliance verification over the phone

Tax Compliance

- ▶ There are also annual checks for tax compliance. An assessor who is not tax compliant and does not resolve any tax issues timely will have their certification revoked by the WI Dept of Revenue.
- ▶ There is a process to ensure assessors are given ample opportunity to resolve any tax issues

Temporary Certification

- ▷ People who are temp-certified often are NOT following up to take an exam. This is in violation of state law.
- ▷ Once expired, persons previously temp-certified to do assessment technician work can no longer complete assessment work without passing an exam
- ▷ Temporary certification is valid for 90 days or until passing an exam



Recertification

What do you need to recertify in five years?

Recertification (Sample Email)

Date: June 2, 2021

To: ASSESSOR

The Wisconsin Department of Revenue (DOR) is informing you that your State of Wisconsin ASSESSOR 2 certification expires on August 31, 2021.

How to recertify:

Meet the education and DOR Annual Meeting requirements

- DOR Annual Assessor Meetings - attend four of the last five meetings
- [Continuing education hours](#) - complete at least 60 days before your certification expires
- [Assessor Education Inquiry](#) - view your education information and DOR Annual Assessor Meeting attendance

Did I meet the requirements?

- **Yes** - if you meet the education and the DOR Annual Assessor Meeting requirements to recertify, submit your [recertification application](#) and fee 60 days before your certification expires
- **No** - if you did not meet the education and DOR Annual Assessor Meeting requirements, recertification is available:
 - **For certifications issued before June 1, 2016** - complete an assessor [certification exam application](#)
 - **For certifications issued on June 1, 2016, and after, the following must occur**
 - One-year waiting period from expiration date of your current certification
 - During the waiting period, attend a DOR Annual Assessor Meeting
 - After the waiting period and attendance at the DOR Annual Assessor Meeting, complete an [assessor certification exam](#)

Thank you,
Wisconsin Department of Revenue

Two Steps

1. Complete all required education during the five-year period

Note: Four out of five Annual Assessor Meetings (AAM) are required for all certification levels

2. Submit application for recertification with \$20 to DOR 60 days prior to expiration

Note: We often have last minute submissions, but we do state right in the email to submit 60 days before expiration

Assessor Education

How to maintain your certification and recertify in five years

Education and Annual Meetings

First

Know your certification level education requirements

Second

Attend trainings and at least four out of five AAM hosted by DOR

Last

Submit your Recertification Application with \$20 to DOR

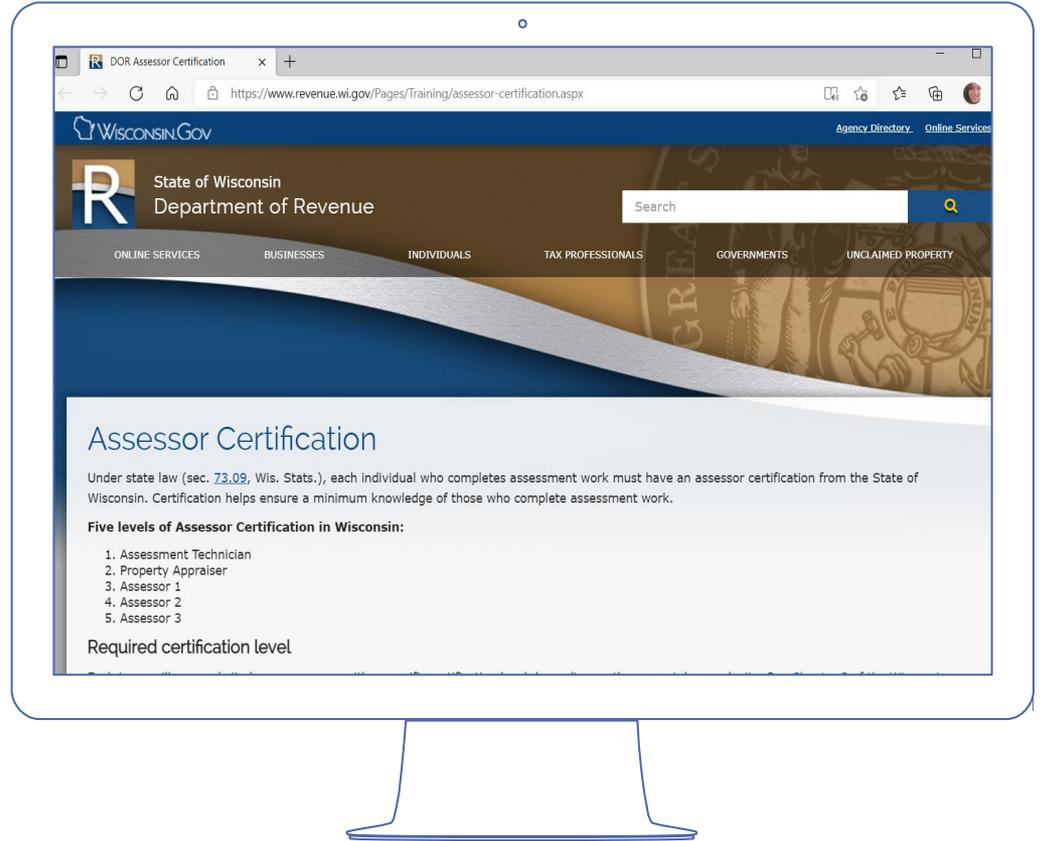
Education Requirement Breakdown

Continuing Education Requirements by Certification Level

Certification Level	Appraisal	Property Tax Law or Supervisory/Management	Total Program Hours Required
Assessment Technician	0	0	0
Property Appraiser	20	0	20
Assessor 1	15	15	30
Assessor 2	15	15	30
Assessor 3	3	27	30

Finding Continuing Education Courses

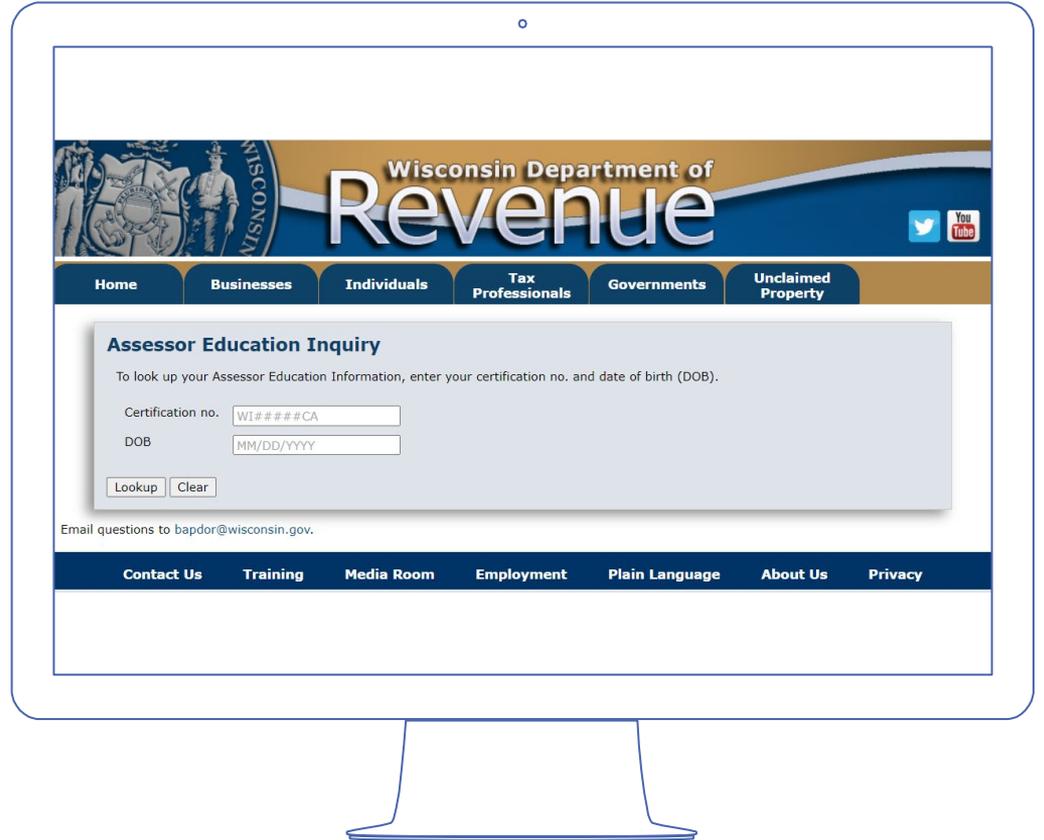
[DOR website](https://www.revenue.wi.gov)



DOR Website Demo

Look up your education credits here

[Education inquiry](#)



DOR Reviews

▷ **2014** – 9 reviews

- 5 filed with DOR
- 4 DOR initiated – late/non-filer of DOR reports

▷ **2015** – 15 reviews

- 1 filed with DOR
- 14 DOR initiated – late/non-filer of DOR reports

▷ **2016** – 15 reviews

- 11 filed with DOR
- 4 DOR initiated – late/non-filer of DOR reports

DOR Reviews

▷ **2017**– 13 reviews

- 8 filed with DOR
- 5 DOR initiated – late/non-filer of DOR reports

▷ **2018** – 6 reviews

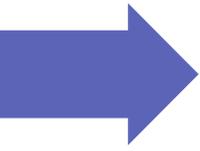
- 6 filed with DOR
- 0 DOR initiated

▷ **2019** – 8 reviews

- 3 filed with DOR
- 5 DOR initiated – income tax and DOR field review

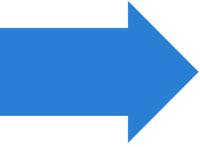
DOR Reviews

- ▶ **2020** – 5 reviews
 - 4 filed with DOR
 - 1 DOR initiated – EQ field review
- ▶ **2021** – 2 reviews to date
 - 2 filed with DOR
- ▶ **Totals** – 68 reviews
 - 2 DOR suspensions, 1 DOR revoked certification
 - 10 did not renew certification
 - 8 voluntarily relinquished certification



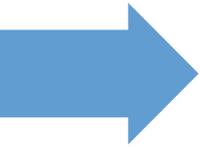
\$613,136,907,500

That's a lot of value



1851 municipalities

In the state



200

Approximate number of statutory assessors

Annual Updates for the WPAM, Volume 1

Introduction

Karla Schulte

Property Assessment Practices
Specialist

Certified Assessor II

Primary Responsibilities

Manual and guides editor, form
and common questions edits, law
and documentation research, and
customer service

WPAM Process and Updates

Timeline for updating the WPAM and 2022 updates

WPAM Drafting and Publication Timeline

Jan - July

- Proposed changes for the WPAM are submitted to DOR and reviewed for inclusion for the following year
- DOR reviews law changes for required WPAM and form updates
- DOR drafts WPAM updates for the following year

August

- DOR posts changes to the WPAM for a 21-day Public Comment Period
- Comments received are reviewed for incorporation

Sept - Dec

- DOR reviews final proposed updates and finalizes WPAM
- DOR uses WPAM updates to draft changes to forms, assessment guides, and CQs
- DOR reviews changes for the upcoming year during the AAM in November
- DOR publishes the WPAM in December for the following year

WPAM Updates and Suggested Changes

Reviewing DOR Emails for Updates

- ▶ It is important to review email announcements from DOR to ensure you have the most current WPAM version and information
- ▶ Ensure you are subscribed to the Assessors email list. More information can be found on the Subscribe to DOR E-News web page: revenue.wi.gov/Pages/HTML/lists.aspx

Reviewing for Suggested Changes

- ▷ Review the WPAM for suggested changes
- ▷ DOR welcomes feedback for incorporation of any time of year
 - Substantive updates for the following year's manual should be provided as early in the current year as possible
 - Updates must be provided by June to be included in the annual public comment period (held in August)
 - When requesting updates, review the WPAM for all occurrences of the proposed change
- ▷ WPAM is intended to be a tool to help assessors. Your feedback is valuable in making the WPAM useful in your assessment work.

2021 Law Changes

Effective January 1, 2021, and 2022

2021 Wisconsin Act 1

▷ Sec. 70.11(4)(b)3., Wis. Stats. created

- Effective January 1, 2021
- Creates a property tax exemption for property owned by a church or religious institution, exempt under sec. 70.11(4)(a), Wis. Stats., that is leased to an educational association or institution also exempt under par. (a).
Note: The exemption applies regardless of how the lessor uses the leasehold income.

▷ Sec. 70.46(4), Wis. Stats. amended

- Effective January 1, 2022
- Amends the Board of Review (BOR) member training requirement; one BOR member must attend training every year

2021 Wisconsin Act 1

- ▷ Secs. 70.995(8)(c)1., and 70.995(8)(d), Wis. Stats. amended
 - Effective January 1, 2022
 - Changes the filing fee for an appeal of manufacturing property from \$45 to \$200

- ▷ Secs. 73.09(4)(c) and 73.09(5), Wis. Stats. amended,
 - Effective January 1, 2022
 - Allows DOR to change the assessor recertification and certification exam fee to reflect actual cost, not to exceed \$75

2022 WPAM Updates

Changes to the WPAM from draft and public comment period

2022 WPAM Draft

- ▶ Updates to 17 Chapters in the WPAM
- ▶ 37 revisions to the WPAM and forms
 - 2021 Act 1 law changes
 - 2 Supreme Court cases

2022 WPAM Public Comment Period

- ▷ Draft changes posted July 30, 2021, for comment
 - Public hearing August 18, 2021
 - Concluded August 20, 2021
 - Six comments received

Summary of 2022 WPAM Updates

- ▷ Correct reference to secs. 70.32 and 70.34, Wis. Stats. – *Ch 1*
 - Distinguish the assessment of real versus personal property

- ▷ Update Notice to View Property (PR-300) with sec. 70.05(4n), Wis. Stats. reference – *Ch 4, 5, 6, 8*

- ▷ Update requirements of scenarios for submitting alternate versions of state prescribed forms – *Ch 7, 14 and State Prescribed Forms*
 - Specify requirements for submitting alternate versions of state prescribed forms and state prescribed versus non-state prescribed forms

Summary of 2022 WPAM Updates

- ▷ Update form directions for submitting and saving the Summary of Open Book Actions (PR-130) – *Ch 7, 8*
- ▷ Add DOJ and WI State Public Records Board resources for records retention – *Ch 7, 8, 22*
- ▷ Update reference to sec. 70.47(7)(af), Wis. Stats., per 2018 law change – *Ch 8, 13, 21*
 - Clarify the requirement for property owners to provide income and expenses to assessors at least seven days before the first BOR meeting

Summary of 2022 WPAM Updates

- ▷ Update the PR-800 description – *Ch 8*
- ▷ Update the Agricultural Classification Conservation Program Information Request (PR-324) description – *Ch 14, Ch 14 – Tax 18 Conservation Programs*
 - Clarify the use of PR-324 to verify eligibility for conservation programs
- ▷ Correct listing of improvements on land used for cranberry operations – *Ch 14*
- ▷ Update use-value calculations – *Ch 14 – Appendix B*
- ▷ Update conservation programs – *Ch 14 – Tax 18 Conservation Programs*

Summary of 2022 WPAM Updates

- ▷ General manufacturing updates – *Ch 18*
- ▷ Update assessors' distribution of the Personal Property Form (PA-003) before January 1 – *Ch 19*
 - Clarify the requirement to distribute the PA-003
- ▷ Update for sec. 70.11(4)(b)3., Wis. Stats., per 2021 Wisconsin Act 1 – *Ch 20, 22*
 - Property tax exemption for property owned by an exempt church or religious institution leased to an exempt educational association or institution, regardless of how the lessor uses the leasehold income

Summary of 2022 WPAM Updates

- ▷ Update for Native American property Federal Court decision – *Ch 20, 22*
 - This is a partial-determination; the remaining determination is expected in 2022
- ▷ Update for sec. 70.46(4), Wis. Stats., per 2021 Wisconsin Act 1 – *Ch 18*
 - Amends the Board of Review (BOR) member training requirement, starting in 2022, one BOR member must attend training every year
- ▷ Added reference to *Collison v. City of Milwaukee* contamination court case – *Ch 22*
 - Court ruled property is not exempt based on the property's contamination when impairment from the contamination is considered

State Prescribed Forms

What forms are your responsibility to update?



Form Updates

- ▷ Changes to state prescribed forms are made based on statutory changes, annual updates, and user feedback

- ▷ DOR updates are announced via email to assessors and municipalities
 - It is important for assessors and municipalities to review email announcements to be aware of form updates.

 - DOR sends a forms update email around **November 1** annually with exceptions sent for law changes



70.09(3), Wis. Stats. – Requires municipalities, counties, vendors and assessors to submit all alternate versions of state-prescribed forms to DOR for approval



Form Types

- ▶ State prescribed forms
 - Created and maintained by DOR and are required by state law
 - Under sec. 70.09(3), Wis. Stats., vendors, municipalities, or assessors not using the state prescribed forms must submit their proposed form to DOR for approval

- ▶ Non-state prescribed forms
 - Provided by DOR and may be used by local governments but are not state prescribed
 - These forms do not require DOR review and approval for alternate versions



State Prescribed Form Scenarios

- ▷ These scenarios require DOR review and approval prior to distribution:
 - A law change requires an update to a state prescribed form. Any alternate versions of the state prescribed version must be submitted to DOR for the effective year of the law change prior to distribution.
 - Vendor, municipality, or assessor changes an alternate version of a state prescribed form previously approved by DOR. This includes any text, formatting, or layout changes beyond updating only the year on the form.



State Prescribed Form Scenarios

- ▷ DOR updates the form with annual updates
 - Example: Statement of Personal Property (PA-003) and Fixed Asset Schedule (PE-106)
 - Any alternate versions must be submitted to DOR annually for review and approval

- ▷ 2021 Notice of Changed Assessment update for sec. 70.365, Wis. Stats.
 - Law change required an update to **ALL** alternate versions of the Notice of Changed Assessment (PR-301)

Forms Responsibility

- ▷ The assessor is responsible for using forms compliant with state law and DOR requirements
- ▷ Assessors are also responsible for providing notice (forms) to property owners as required by state law
 - This includes charges for converting use of agricultural property
 - **This is not the responsibility of the county or any other entity**

Conversion Charge Notice Forms



- ▷ Assessors can provide appropriate notice of conversion charge by sending:
 - Notice of Changed Assessment (PR-301) and Notice of Conversion Charge (PR-298)
 - OR-*
 - Notice of Changed Assessment and Conversion Charge (PR-402)

Introduction

Mark Paulat

Chief Training Officer

Certified Assessor 2 and 3

Primary Responsibilities

Training approval, education development, forms and assessor reviews, GIS, industry research and customer service

Assessment Calendar

Deadlines and Timeframes

Important Dates

Prior to January 1

PA-003 Personal Property Form is Provided to Taxpayers *(p. 4-12)*

December

Distribution of PA-003 *(p. 7-27)*

March 1

Deadline for Personal Property Form *(p. 4-15)*

Prior to February 15

DOR notifies local assessor of property assessed as manufacturing *(p. 4-13)*

Second Monday of June

- Municipal Assessment Report *(p. 4-22)*
- Clerk and assessor submits TID Report

First Monday in April

Assessment is to be completed *(p. 4-17)*

August 15

- DOR equalized value
- Determination of full value of each county *(pgs. 4-22 to 4-33)*

Assessment Cycle

ANNUAL ASSESSOR REQUIREMENTS BY ASSESSMENT TYPE

	Full Revaluations	Exterior Revaluation	Interim Market Update	Annual Review/Maintenance
Appropriate When	PRC outdated or inaccurate, <u>or</u> assessment uniformity is poor, <u>or</u> full revaluation not done in 10 years, <u>or</u> assessment uniformity is poor <u>or</u> reassessment is required per statute 70.75	Most PRC information can be verified by exterior inspection <u>and</u> full revaluation was completed within the past 6-9 years	PRC is deemed reliable <u>and</u> full revaluation completed within past 5 years <u>and</u> assessment level shows unacceptable degree of variance in some neighborhoods or classes	PRC is deemed reliable <u>and</u> revaluation was completed within past 5 years <u>and</u> assessment level during previous assessment year is within acceptable parameters
Real Property Affected	All property	All property	Changes identified in column D PLUS Analysis of problem strata identified from previous assessment year	Annexed properties Change in exemption status Demolitions and fire damage New construction Change in classification Parcels with ongoing construction Change in legal description Change in zoning
Land Study	On-site inspection	On-site inspection	As necessary	As necessary
Inspect Exterior	All buildings	All buildings If no changes, may use digital imaging technology to supplement field re-inspections with a computer-assisted office review	Buildings w/changes	Buildings w/changes
Inspect Interior	All buildings	Buildings with changes	Buildings with changes	Buildings with changes
Building Measurements	Measure all buildings	Measure or verify as needed	Measure or verify as needed	Measure or verify as needed
Photos	All primary buildings	As needed	As needed	As needed
Sketch	All primary buildings	As needed	As needed	As needed
Analyze Neighborhoods, Property Types, and Trends	Required	Required	Required. Results determine whether assessment is full value or aggregate assessment level	Optional
Property Record Card (PRC)	Create new	Update/create new as needed	Update/create new as needed	Update/create new as needed
Review Classifications	Required	Required	Required	Required
Validate Usability of Sales	Required	Required	Required	Required
Verify Sales Attributes (Ch 7 and 9)	Required	Required	Required	Required
Parcels to be Valued	All parcels	All parcels	Parcels with changes	Parcels with changes
Review/Revalue Properties	All parcels	All parcels	Parcels with changes	Parcels with changes
Assessment Level	Full value	Full value	Aggregate assessment level or full value as appropriate	Aggregate assessment
Mail Notice of Change in Asmt	Only if assessment changes	Only if assessment changes	Only if assessment changes	Only if assessment changes
Personal Property Assessment	Required	Required	Required	Required
Add Omitted Property to Roll-70.44	Required	Required	Required	Required
Correct Errors in Roll-70.43	Required	Required	Required	Required
Hold open book / attend BOR (minimum 7 days between open book and BOR-70.47)	Required	Required	Required	Required

A change in color across a row indicates a change in the level of task work required compared to the preceding assessment type

Searching for a term in the WPAM

Search on:

- ▶ Actual view
- ▶ PR-300

Search

Arrange Windows

Looking For:
Actual View in the current document

Results:
1 document(s) with 31 instance(s)

New Search

Results:

- 2021 Wisconsin Property Assessment Manual
 - upon **actual view** at their true cash value ..." When
 - actual view** or from the best information that the
 - from **actual view** or from the best information th
 - actual view** or from the best information that the
 - upon **actual view** of the property or the best info
 - Actual View** Assessors need to follow state law, i
 - upon **actual view** of the property or the best info
 - from **actual view** or from the best information th
 - from **actual view** or from the best information th
 - from **actual view** or from the best information th
 - from **actual view** or from the best information th

Collapse file paths

[Show Fewer Options](#)

[Find a word in the current document](#)

Search

Arrange Windows

Looking For:
PR-300 in the current document

Results:
1 document(s) with 5 instance(s)

New Search

Results:

- 2021 Wisconsin Property Assessment Manual
 - Form **PR-300**) through certified mail. Allow 14 c
 - PR-300** View Notice Request to View Property N
 - PR-300** PR-301 PR-324 PR-402 PR-800 PC-220 P
 - PR-300** PR-301 PR-324 PR-401 PR-402 The form
 - Notice **PR-300** 2-Forms Revised

Collapse file paths

[Show Fewer Options](#)

[Find a word in the current document](#)

Taxpayer Questions

How the WPAM helps you answer questions

Example Questions from Taxpayers

Why are you on my property?

Trespass

- ▷ Requesting access *(p. 5-10)*
- ▷ Avoiding trespass *(p. 5-11)*
- ▷ Curtilage *(p. 5-11)*
- ▷ Denial of entry *(p. 5-11)*
- ▷ Milewski v. T of Dover *(p. 5-11)*

How did you create this value?

- ▷ Define a revaluation for them *(p. 5-13)*
- ▷ Public relations *(p. 6-17)*

What did you use to make this classification?

- ▷ Types of undeveloped land *(p. 4-22)*
- ▷ Classifications *(pgs. 7-14 to 7-19)*

Approaches to Value

Income Method, Cost, Sales, and Land Valuation

Approaches to Value

▷ **Income Method**

Page 13-15

▷ **Market Rent vs
Contract Rent**

Page 13-16

▷ **Sales Approach**

Page 4-17

Chapter 22

▷ **Costing**

WPAM Vol. II

▷ **Land Valuations**

Page 4-22

Classifications

Residential, Commercial, Manufacturing, Agricultural,
Undeveloped, Agricultural Forest, Productive Forest and Other

Eight classes of property

- ▷ Class 1 – Residential
- ▷ Class 2 – Commercial
- ▷ Class 3 – Manufacturing
- ▷ Class 4 – Agricultural
- ▷ Class 5 – Undeveloped
- ▷ Class 5m – Agricultural forest
- ▷ Class 6 – Productive forest
- ▷ Class 7 – Other

Eight classes of property

Class 1



Class 2



Class 3



Class 4, 5 and 5m

Class 4



Class 5



Class 5m



Class 5

Road Right Away



Ponds



Lake Bed



Class 6 Forest Types

Primary



Secondary



Residual



Class 7 Other

Dairy Farming



Cash Cropping

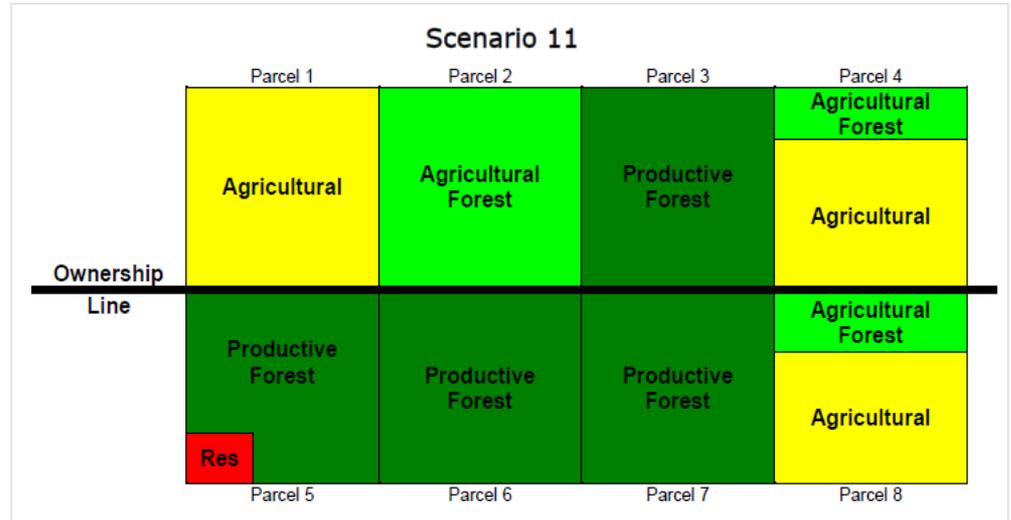


Farm Set



Class 4 Agricultural Classifications

- ▷ WPAM Chapter 14 and Appendix A-D
- ▷ Provides scenarios to help you determine Ag forest and other questionable scenarios when it comes to Ag land/preferential assessment



Property Records

What is the PA-500 and what do you really need to be compliant with the WPAM?

PA-500 Requirements

- ▶ Notes fields
- ▶ Sketches
- ▶ Photos
- ▶ Total value
- ▶ Date(s) inspected
- ▶ Sale date

Map 00001.1		Lot 000001		Sub 000001		Card: 1 of 1		MAIN ST		RANDOLPH		Printed: 07/22/2009			
PERMITS										OWNER INFORMATION					
Date	Permit ID	Permit Type	Notes							DOW, JOHN					
								MAIN STREET				RANDOLPH, NH 03093			
2.00 CONTEMP BUILT IN 2009										TAXABLE DISTRICTS					
Roof: GABLE HIP/ASPHALT		Doctms: 4		Dist: GAS/FA DUCTED		Base Rate: \$ 60.00				District		Percentage			
In: VINYL SIDING		Bulfe: 3.0		Qualty: AVG+30		Bldg. Rate: 1.6942									
In: DRYWALL		Fyosms: 9		Con. Wall:		Cm. Wall For:									
Flas: HARD TILE/HARDWOOD		A/C: No		Siz Adj: 0.8961		Adjusted Base Rate: \$ 65.65									
BUILDING SUB AREA DETAILS															
ID	Description	Area	Adj.	Effect.											
UTP	UPPER FLR FIN	906	1.00	906											
FFP	FST FLR FIN	1446	1.00	1446											
OPF	OPN PORCH FIN	35	0.25	9											
BMF	BSMNT FINISHED	716	0.30	215											
GAR	GARAGE ATTCHED	662	0.45	298											
BMU	BSMNT	730	0.15	110											
DBK	DBK/ENTRANCE	144	0.10	14											
		4,439		2,908											
BUILDING MARKET COST NEW & DEPRECIATION															
Cost New	Normal	Physical	Functional	Economic	Temporary	Total Dpr.	Assessment								
\$ 190,910	AVERAGE						\$ 190,900								



PRC Requirements Chapter 7

- ▷ Page 7-38
- ▷ PRC requirements

Parcel:

- Parcel Number
- Legal Description
- Owner Name & Address
- Number of Acres by Class (if less than one acre, then area and/or dimensions)
- Total Acres for the Parcel
- Land Value by Class and Subclass, if appropriate
- Total Land Value for the Parcel
- Improvement Value by Class sub classes see MAR List.
- Total Improvement Value for the Parcel
- Total Value for Parcel (must agree with Assessment Roll)
- Document how the final value was determined, with a level of detail comparable to the pricing ladder on the [PA-500](#)
- Land sketch or parcel identified on parcel map

Major Buildings:

- Story Height
- Building Type/Style
- Exterior Wall Construction
- Age (Condition, effective age) (Percent good)
- Basement
- Heating/Air Conditioning

Major Buildings, cont.:

- Living Accommodations
- Physical Condition Interior
- Physical Condition Exterior
- Other Features, for example:
 - Residential: fireplaces, plumbing features, built in garages, etc.
 - Commercial: sprinklers, elevators, fire proofing, roof type, etc.
- Quality of Construction
- Attachments
- Square Footage/Living Areas
- Building sketch with dimensions
- Land improvements
- Date of most recent interior viewing and identification of person who conducted viewing
- Date of most recent exterior viewing and identification of person who conducted viewing

Other Building Improvements:

- Structure Type
- Construction Type
- Size
- Quality
- Age (Condition, effective age) (Percent good)
- Modifications, as provided for in Volume 2
- Condition

Unique and Challenging

What are some unique issues and challenging properties you've faced as an assessor?

Assessment Categories

Benevolent



Hospitals



Housing



Utility Issues



Other



Manufacturing ,Telco and Utilities

- ▷ Form PR-303 Energy System Exemption Request *(p. 8-23)*
- ▷ Solar and wind *(Ch 12)*
- ▷ Towers and ISPs *(p. 13-70)*
- ▷ Manufacturing assessments *(Ch 18)*
- ▷ Internet service providers *(p. 18-36)*



Topics of Interest

- ▷ Religious Chapter 20, p. 13
- ▷ Schools Chapter 20, p. 12
- ▷ Acre limitations Chapter 20, p. 12
- ▷ Campgrounds/mobile homes Chapter 19
- ▷ Leased buildings Chapter 13, p. 37
- ▷ Merchants' stock/rentals Chapter 19, p. 22-40

Topics of Interest

- ▷ Waste treatment exemptions Chapter 16, p. 3-7
- ▷ Hospitals Chapter 22 Non-Profit, p. 71
 - New construction 13-59
 - Gift shops/leased space
- ▷ Benevolence definition Page 20-5 to 20-6
- ▷ Chapter 50 Page 20-18
- ▷ Types of subsidized housing Page 13-4,13-49

Thanks!

Any questions?

(608) 266-7750

bapdor@wisconsin.gov



2021 Annual Assessor Meeting

Wisconsin Department of Revenue – Manufacturing
Online Training November 2021

Manufacturing

Topics

- ▷ Contact list and district map
- ▷ Manufacturing classification
- ▷ New construction
- ▷ Notification rolls
- ▷ Website – Manufacturing

Manufacturing Classification

- ▷ Manufacturing classification timeline
 - Manufacturing classification requests due by March 1 (s. 70.995(5))
 - DOR reviews business activities of the establishment at the location
 - Only DOR may determine manufacturing classification (s.70.995 (4))
 - Classification changes confirmed via letter to assessor, clerk, lister
 - Classification decisions may be appealed to the board of assessors

- ▷ Real estate classification depends on substantial use
 - Amount of parcel/building used/occupied in manufacturing

New Construction

- ▷ Report new construction on manufacturing parcels to DOR
 - Property owners should report annually on M-R
 - Important for municipal levy limit calculations
- ▷ Types of information to pass on to DOR
 - Building permits
 - Sale or expansion of manufacturing parcels
 - Sale of large agricultural parcels that may be used in manufacturing (frac or mining)
 - Economic influence, zoning changes, TID creations or closings

Notification Roll Review

- ▷ Published online prior to February 15 (sec. 70.995(6), Wis. Stats.)
- ▷ Review notification rolls for errors and omissions
 - Missing manufacturing RE parcels or PP accounts
 - TID codes
 - School district/Union high codes
- ▷ Other DOR rolls available online include:
 - Full value rolls (June)
 - Equated rolls (October/November)
 - Omitted property and correction of error (October/November)
 - All rolls are available online after issuance

After Notification Roll

- ▶ Classification request deadline is after February 15
 - Classification decisions may not be finalized until early April
 - Assessor-DOR communication is important during this time period
- ▶ Exchange of information with DOR is important to establish accurate municipal assessment roll
 - Do not shift real estate parcel or personal property to manufacturing classification until you receive official notification from DOR
 - Double assessment or omitted property may otherwise result
- ▶ DOR add/delete (shift) letters sent to assessor include:
 - Site address, local parcel number, TID, School and Special Districts
 - Records sent from assessor to DOR should list all tax districts

Manufacturers Web Page

revenue.wi.gov/Pages/Manufacturing/home.aspx

- ▷ Online services – taxpayers and preparers
- ▷ Assessment rolls
- ▷ Reports
- ▷ Appeals and objection forms
- ▷ Guides
- ▷ Resources
- ▷ Common questions
- ▷ Common forms

Quiz

Make sure to take the quiz and achieve a passing score to receive credit for the 2021 Annual Assessor Meeting.

Visit [MyDORGov](#) to get started.