



State of Wisconsin  
2025 - 2026 LEGISLATURE

LRB-1665/P2

KP:wlj

DOA:.....Martin, BB0387 - County & municipal property tax freeze incentive program

**FOR 2025-2027 BUDGET -- NOT READY FOR INTRODUCTION**

**AN ACT ...; relating to:** the budget.

---

*Analysis by the Legislative Reference Bureau*

**SHARED REVENUE**

***County and municipal property tax freeze incentive payments***

The bill provides property tax freeze incentive payments to counties and municipalities that do not increase their property tax levies. Under the bill, if a county's or municipality's property tax levy is less than or equal to its property tax levy in the immediately preceding year, it will receive a payment equal to the sum of the following amounts: 1) its property tax levy multiplied by 0.03; and 2) if it received a property tax freeze incentive payment in the immediately preceding year, the amount of that payment multiplied by 1.03. For purposes of eligibility for the payments, expenditures made related to annexation and service consolidation and unreimbursed emergency expenditures do not count as part of a county's or municipality's property tax levy.

For further information see the state and local fiscal estimate, which will be printed as an appendix to this bill.

---

***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

**SECTION 1.** 20.835 (1) (a) of the statutes is created to read:

20.835 (1) (a) *Property tax freeze incentive payments.* A sum sufficient to make the payments under s. 79.06.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

**SECTION 2.** 79.015 of the statutes is amended to read:

**79.015 Statement of estimated payments.** The department of revenue, on or before September 15 of each year, shall provide to each municipality and county

**BILL****SECTION 2**

a statement of estimated payments to be made in the next calendar year to the municipality or county under ss. 79.035, 79.036, 79.037, 79.038, 79.039, 79.04, and 79.05 and shall provide a statement of estimated payments to be made to the municipality or county under s. 79.06 if the municipality or county is eligible for a payment under s. 79.06 in the next calendar year.

**SECTION 3.** 79.06 of the statutes is created to read:

**79.06 Property tax freeze incentive payments.** (1) In this section, “political subdivision” means a city, village, town, or county.

(2) (a) A political subdivision is eligible for a payment under sub. (3) if its property tax levy in a year is less than or equal to its property tax levy in the immediately preceding year.

(b) For purposes of determining eligibility under par. (a), a political subdivision’s property tax levy excludes all of the following expenditures made by the political subdivision:

1. Expenditures related to annexation or service consolidation.
2. Unreimbursed emergency expenditures.

(3) (a) Beginning in 2026, each political subdivision that is eligible under sub. (2) on the basis of its property tax levy imposed in the immediately preceding December shall receive a payment calculated as follows:

1. Multiply the political subdivision’s property tax levy for the year of the payment by 0.03.

2. If the political subdivision received a payment under this subsection in the immediately preceding year, multiply the amount of the payment by 1.03.

3. Add the amounts determined under subs. 1. and 2.

**BILL****SECTION 3**

(b) For purposes of calculating the amount of a payment under par. (a), a political subdivision's property tax levy excludes all expenditures excluded under sub. (2) (b).

(c) The department of revenue shall certify the amount of the payment due each taxing jurisdiction under par. (a) to the department of administration, and the department of administration shall make the payment on or before the first Monday in May.

(4) The department of revenue may promulgate rules to implement this section.

**(END)**