
Wisconsin Legislative Council

ACT MEMO



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2023 Wisconsin Act 207
[2023 Assembly Bill 969]

County Sale of Tax-Deeded Land

BACKGROUND

Generally, ch. 75, Stats., regulates county¹ sales of tax-deeded² property. This chapter gives a county the power to sell property it acquires through tax deed and specifies processes related to this power. One of these processes is the ability for a county to pass an ordinance to give preference to the former owner who lost their title through a delinquent tax collection enforcement procedure. Also, once a county acquires a tax deed, the county treasurer must notify the former owner that they may be entitled to a share of the excess proceeds at a future sale. If there are excess proceeds after the sale of the property, the county must send those excess proceeds to the former owner. If the county is unable to locate the former owner within five years of mailing the notice of entitlement, then the former owner forfeits their right to any remaining equity. Lastly, current law requires a county to notice the sale and appraised value of tax deeded property by publication of a class 3 notice³ before it can be sold. There are various exceptions to this notice publication requirement, including for a county with a population of 750,000 or more.

2023 WISCONSIN ACT 207

2023 Wisconsin Act 207 makes various changes to laws governing county sale of tax-deeded property.

Right of Former Owner to Repurchase

2023 Wisconsin Act 207 requires, rather than allows, a county to have an ordinance or resolution giving former owners, their beneficiaries, or their heirs the right to repurchase land lost through tax deed by paying the county for all costs and expenses incurred, plus any taxes that would have been owed while the county owned the property and amounts to satisfy any other liens at the time of the foreclosure prior to the sale of the land. The ordinance must apply to single-family, owner-occupied properties, and may also apply to all other properties. Also, the act excludes repurchases by a former owner from the published notice requirements.

Calculation and Handling of Proceeds

The act makes several changes to the calculation of net proceeds from the sale of tax-deeded land and how a county handles unclaimed proceeds. First, the act adds reasonable and customary real estate agent or broker fees along with other actual costs paid for selling property in the calculation of proceeds. It also adds interest and penalties of unpaid property taxes, special assessments, and special

¹ These procedures also apply to a first class city (the City of Milwaukee). Unless the context specifically indicates otherwise, all powers granted to counties in this chapter are granted to that city. [s. 75.06, Stats.]

² Under ch. 75, Stats., tax deed means a tax deed executed under s. 75.14, Stats., a deed executed under s. 75.19, Stats., or a judgement issued under s. 75.521, Stats.

³ Publication of legal notices are generally regulated by ch. 985, Stats.

taxes in the calculation of proceeds. Lastly, the act removes lien repayment from the calculation of proceeds.

Second, the act changes how a county handles unclaimed proceeds. If the payment to the former owner is returned or not claimed within one year of it being mailed to the former owner, the proceeds are to be considered unclaimed funds and disposed of under s. 59.66 (2), Stats.

Timeline to Publish Notice of Sale

2023 Wisconsin Act 207 requires a county to advertise the sale and appraised value of the property by publishing on the county's website and either by publication of a class 1 notice or by advertising on a multiple listing service before the property can be sold. The notice must be published within 240 days of the county acquiring the property until 2026. Starting in 2026, the county must publish the notice of the sale within 180 days of acquisition.

Additionally, if the property is subject to an approval of discontinuance by the Department of Natural Resources (DNR), the county must publish the notice of sale within 240 days of the grant approval from DNR until 2026.⁴ Starting in 2026, the published notice must occur no later than 180 days after the grant of approval.

Exceptions to the Published Notice of Sale

The act replaces the exception from publishing the notice of the sale for a county with a population of 750,000, and instead requires a county to publish the notice within 36 months of acquiring the property, if the property is in a county with a population of 750,000 or more and meets any of the following criteria:

- The property is a vacant lot;
- The property is a residential property occupied by a person with a valid ownership or leasehold interest in the property at the time of foreclosure, but the property is not a single-family, owner-occupied residence;
- The property is subject to a redemption or sale-back process;
- The property qualifies for a raze order;
- The county has estimated a cost of repair that exceeds 50 percent of the property's assessed value in the year the county acquires it;
- The delinquent property taxes, fees, interest, penalties, and other costs exceed 75 percent of the property's assessed value in the year the county acquires it;
- The county has reason to believe the property is a brownfield; or
- The property is subject to a hazardous substance.

The act specifies that the sale of single-family, owner-occupied residences are subject to the general notice publication requirements, unless the residence meets all but the first two of the above-listed criteria. Also, if the property is located in a county with a population of 750,000 or more and the county acquires the property before the effective date of the act, the county must attempt to sell the property within 10 years of the effective date. If any property remains unsold after the 10-year period, the county

⁴ DNR approvals of discontinuance are regulated by s. 66.1006, Stats., which requires DNR approval for a town or county action that discontinues a highway, street, alley, or right-of-way that provides public access to any navigable lake or stream.

must advertise the sale of the property by publishing on their website and publication of either a class 1 notice or by advertising on a multiple listing service within 180 days of the 10-year period expiring, regardless of property type.

Lastly, the act allows any county to petition the circuit court that handled the initial tax foreclosure for relief from any of the provisions of ch. 75, Stats., including the deadlines for publishing notice for a specific property if the petition is filed no later than the deadline for publishing notice of the sale.

Miscellaneous Changes

2023 Wisconsin Act 207 also makes the three following changes to the law governing county sale of tax-deeded property. First, the act removes the ability of a county to exchange tax-deeded land for other land for agriculture and forestry or for parks and recreation. Second, it authorizes a county board to sell and convey tax-deeded land by open or closed bid. Lastly, the act creates immunity for a county from liability for acts or omissions associated with the sale of tax-deeded property including the process by which the property is sold.

Effective date: March 24, 2024, except that the act first applies to land acquired on or after April 1, 2022, unless the land is sold prior to June 22, 2024. With respect to the notice of sale for tax-deed lands acquired before the effective date of the act, the act first applies on November 19, 2024.

For a full history of the bill, visit the Legislature's [bill history page](#).

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