

**RESOLUTION NO. 12-0509**

**Opposing 2009 State AB 149 Proposing Interest Rate Reduction on Tax Delinquent Properties**

**WHEREAS**, 2009 State Assembly Bill (AB) 149 proposes reducing the statutory interest rate for unpaid property taxes from twelve (12%) to six percent (6%); and

**WHEREAS**, if the proposed change had been in effect during 2008, it would have resulted in lost interest revenue to Iowa County totaling \$ 109,798; and

**WHEREAS**, similar losses would occur in the future if AB 149 is adopted; and

**WHEREAS**, such a significantly lower interest rate will actually be an inducement for property owners to delay paying real property taxes, effectively using the County as a bank and their unpaid taxes as a low interest loan, and thereby resulting in further shortfalls in County revenues; and

**WHEREAS**, a temporary reduction of the interest rate charged on delinquent real estate taxes is not a sound fiscal solution that will bring about long-term relief to taxpayers and may serve to create confusion when the interest rate is again raised in the future; and

**NOW THEREFORE, BE IT RESOLVED**, that the Iowa County Board of Supervisors hereby opposes AB 149 to reduce the interest rate charged on delinquent property taxes as it will be financially harmful to the County's financial condition .

**BE IT FURTHER RESOLVED** that a copy of this resolution be forwarded to Governor Doyle, Rep. Steve Hilgenberg, Rep. Phil Garthwaite, Sen. Dale Schultz and the Wisconsin Counties Association.

Dated this 19th day of May, 2009.

Respectfully submitted by the Iowa County Administrative Services Committee