

Memorandum

To: Village of Cottage Grove Board of Trustees
From: Deb Winter, Treasurer
Date: June 15, 2020
Re: Resolution re: 2019 WI Act 185

The passing of 2019 Wisconsin Act 185, authorized counties to make some changes to the administration of the property tax process this year due to COVID-19. Dane County passed Resolution "2020 RES-020" which does the following:

1. Authorizes local municipalities within Dane County to pass a blanket Health Emergency Resolution that waives interest and penalties until October 1, 2020.
 - a. Only applies to taxpayers who are NOT delinquent.
2. Deviates from the standard settlement schedule this year.
 - a. August settlement will still happen, but proportionately based upon amounts collected between February 1 and July 31.
 - b. September settlement will make all taxing jurisdictions whole.

There are several key items to note:

- Each municipality must pass their own Resolution in order to allow waiving interest and penalties.
- Settlement changes regardless of your municipality passing a Resolution.
- This does NOT change the due date, it only postpones the start of interest and penalties to October 1 if not paid by October 1.
- This applies to both real estate and personal property taxes.
- The grace period rules still apply to the October 1 due date.

Staff recommends the passage of this Resolution. As you can see by the attached list of surrounding municipalities, a large majority of them have passed their own Resolution. The Village of Cottage Grove's normal August settlement is small in comparison to January's and even February's. The passage of this Resolution would push total settlement out only 1 month. The Village is in a strong enough cash position to handle a one month delay in settlement.