

Chapter 7: Planning

Subject: Procedure for the Collection and Payment of Taxes for Lands Annexed to the City of Marshfield

Policy Number: 7.310

Approval Date: June 20, 2006

Department of Primary Responsibility: Planning and Economic Development

Section 1. Policy Reference.

Wisconsin Statute Sec. 66.0217(14), Limitations on Annexation Authority, states that no territory may be annexed by a city under this section unless the city agrees to pay annually to the town, for five (5) years, an amount equal to the amount of property taxes that the town levied on the annexed territory, as shown by the tax roll under section 70.65, in the year in which the annexation is final. However, no payments must be made if the city and the town enter into a statutory boundary agreement.

Section 2. Policy Purpose.

The purpose of this policy is to set forth the terms and conditions under which the City of Marshfield will collect the funds required to be paid to the town(s) pursuant to applicable statute.

Section 3. Procedure for Assessing and Collecting Funds to Make Required Tax Payments.

1. When the City receives a petition for annexation of territory from a town, the City shall determine the amount of property taxes levied by the town on the territory proposed for annexation as shown on the most recent town tax roll.
2. As a condition of approval for the annexation of vacant land, the owner or owner's representative (e.g., developer) of territory proposed for annexation shall pay the City an Annexation Fee equal to the lesser of five (5) times the amount of property taxes that the town levied on the territory proposed for annexation, as shown on the most recent town tax roll, or a maximum of \$800.00.

Example: A petition for annexation is received by the City in July, 2005. Using the most current tax roll prepared by the town, the City determines that the town received (or would have received) \$100 in town-levied property taxes on the territory proposed

for annexation. As a condition of annexation, the petitioner or the petitioner's representative shall pay the City an Annexation Fee of \$500.

3. As a condition of approval for the annexation of developed property, the owner or owner's representative of territory proposed for annexation shall pay the City an Annexation Fee, said fee to be negotiated by the City Administrator or designee and approved by the Common Council.

4. The Common Council shall not approve the annexation ordinance unless the Annexation Fee has been paid. However, the Annexation Fee shall be refunded if the annexation ordinance is not approved.

5. If there is a development agreement between the City and the annexation petitioner or the petitioner's representative addressing the payment of taxes to the town inconsistent with this policy, the terms of the development agreement shall supersede this policy.

6. The City shall use the Annexation Fees collected pursuant to this administrative policy to make tax payments to the town as required by statute.

7. This policy shall apply to all annexations initiated on or after the date of approval hereof.