

2018 pay 2019 Levy for the Town of Verona

So, you own a two-acre residential parcel with a home on it and did not pull a building permit in 2017 and are wondering why on Earth did your property tax bill go up so much this year? A typical two-acre residential parcel is currently assessed at \$111,700 unless you own a Condo Unit in a new Condominium Plat, in which case the same two acres may be assessed at the market value of about \$229,700. So let's assume the first land value and a house valued around \$188,300 so that the total assessed value is \$300,000.

Your 2017 property taxes that were paid in 2018 were based upon a mill rate of approximately \$19.84 per thousand dollars of valuation. That net tax amount before First Dollar Credit, Lottery Credit, or special charges would have been \$5,952.00. In contrast, the 2018 property taxes to be paid in 2019 have a net mill rate of approximately \$20.57 per thousand dollars of valuation in the Town of Verona. The same net assessed value for the land and home of \$300,000 would result in a net tax amount before credits and special charges of \$6,171 which is an increase of \$219 over the prior year amount.

So where did the increase come from? Below is a table with the taxing jurisdictions with their mill rates from last year and this year:

	2017 Final Equated Value	2017 Amount Levied	2017 Pay 2018 Mill Rate
State of Wisconsin	\$ 283,657,600.00	\$ -	\$ -
Dane County	\$ 283,657,600.00	\$ 1,081,288.27	\$ 0.003811949
Local (Town share)	\$ 283,657,600.00	\$ 1,075,403.00	\$ 0.003791201
Verona School District	\$ 283,657,600.00	\$ 3,847,660.78	\$ 0.013564455
Madison Tech College	\$ 283,657,600.00	\$ 283,765.01	\$ 0.001000379
School Tax Levy Credit	\$ 283,657,600.00	\$ (659,520.53)	\$ (0.002325059)
			\$ 0.019842925
	2018 Final Equated Value	2018 Amount Levied	2018 Pay 2019 Mill Rate
State of Wisconsin	\$ 290,916,800.00	\$ -	\$ -
Dane County	\$ 290,916,800.00	\$ 1,105,192.16	\$ 0.003798997
Local (Town share)	\$ 290,916,800.00	\$ 1,092,334.00	\$ 0.003754799
Verona School District	\$ 290,916,800.00	\$ 4,167,412.64	\$ 0.014325101
Madison Tech College	\$ 290,916,800.00	\$ 296,841.35	\$ 0.001020365
School Tax Levy Credit	\$ 290,916,800.00	\$ (678,100.93)	\$ (0.002330910)
			\$ 0.020568352

The total levy for each tax year can be seen by comparing the two tables above. What is not apparent is what the effective mill rate is for the Verona Area School District for your property once the School Tax Levy Credit is applied. The net school levy for 2017 pay 2018 was approximately \$11.24 per thousand dollars valuation whereas, the net school levy for 2018 pay 2019 is \$11.99 per thousand dollars valuation.

Now, the question I have received most frequently this tax collection season is whether the error by the assessor for the City of Verona had an impact upon the Town of Verona and other taxing jurisdictions that share services such as the School District, Madison Area Technical College, and Fitchrona EMS. The answer is the error to the reporting of a TID District at the City of Verona has an impact on the City of Verona taxpayers and no other jurisdiction. I have corroborated this fact with Kathryn Soto-Moreno, Madison District Equalization Supervisor. Nevertheless, taxpayers in the Town of Verona can see an increase on their 2018 pay

2019 tax bills that was discussed above. The reason for the increase is somewhat complicated, but worth accounting for by offering and explanation.

Firstly, Governor Walker signed legislation at the end of 2017 that exempted Personal Property that was previously taxable and reported on Schedule C of the Statement of Personal Property. In 2017, the final equated value of Personal Property that includes values on Schedule C in the Town of Verona equaled \$1,963,100; for 2018, that same category dropped to \$10,800. Our total Final Equated Valuation for this year totaled \$290,916,800, so this loss of \$1,952,300 in value would be less than .67% of the whole. Perhaps the greatest impact upon local taxes is the percentage of increase of our Equalized Value compared to other jurisdictions within the Verona Area School District.

Municipality	2018 Equalized Valuation	% of Total	2017 pay 2018 v 2018 pay 2019 % Increase
City of Verona	\$2,731,675,400	61.37%	6.5%
City of Fitchburg	\$1,093,896,498	24.57%	5.66%
Town of Verona	\$326,344,000	7.33%	8.31%
City of Madison	\$166,726,067	3.75%	9.39%
Town of Springdale	\$94,394,612	2.12%	6.88%
Town of Montrose	\$24,075,802	0.54%	8.21%
Town of Middleton	\$14,319,666	0.32%	55.68%

The table above shows our current Equalized Valuation amount, which increased by 8.31% compared to the prior year. However, our School Levy Tax Levy Credit increased by less than 0.3% this year. The change in our proportionate share is recalculated annually. The School Tax Levy Credit is also calculated annually, but is based upon the average of the prior three years of the Town of Verona portion of the Verona Area School District tax levy divided by the average of the three prior years of the statewide school levies which is then multiplied by the total statewide funding available.

The take away, then, is that a variety of factors have contributed to an overall increase to your local taxes many of which are beyond the control of our Town Board or the policies they adopt.