

**CHAPTER 3**  
**FINANCE AND TAXATION**

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## FINANCE AND TAXATION 3.01

**3.01 PREPARATION OF TAX ROLL, RECEIPTS AND STATEMENTS.** (1) **AGGREGATE TAX STATED ON ROLL.** Pursuant to §70.65(2), Wis. Stats., the City Clerk shall, in computing the tax roll, insert only the aggregate amount of State, County, school and local taxes in a single column in the roll opposite the parcel or tract of land against which the tax is levied or, in the case of personal property, in a single column opposite the name of the person against whom the tax is levied.

(2) **UNIFORM TAX BILLS AND RECEIPTS.** The City Treasurer shall use uniform tax bills and receipts as prescribed by the Department of Revenue under §70.09(3)(a), Wis. Stats. Tax bills shall be mailed to taxpayers or their designees and shall include all the information required by §70.665, Wis. Stats.

(3) **DELIVERY OF TAX ROLL.** (a) Except as provided in par. (b) below, the tax roll shall be delivered to the City Treasurer on or before December 8 of each year.

(b) In the event the tax roll is not delivered on or before December 8, taxpayers paying escrow property taxes in of the amount owed on or before December 31 shall be reimbursed the excess amount within 15 business days of the date paid.

**3.02 DUPLICATE TREASURER'S BOND ELIMINATED.** (1) **BOND ELIMINATED.** The City elects not to give the bond on the City Treasurer, provided for by §70.67(1), Wis. Stats.

(2) **CITY LIABLE FOR DEFAULT OF CITY TREASURER.** Pursuant to §70.67(2), Wis. Stats., the City shall pay, if the City Treasurer fails to do so, all State and County taxes required by law to be paid by such City Treasurer to the County Treasurer.

**3.03 FISCAL YEAR.** The calendar year shall be the fiscal

**3.04 BUDGET.** (1) **DEPARTMENTAL ESTIMATES.** Each year, on or before October 1, each officer, department and committee shall timely file with the City Clerk an itemized statement of anticipated disbursements made to carry out the powers and duties of such officer, department or committee during the preceding 2 fiscal years, and a detailed statement of the receipts and disbursements on account of any special fund under the supervision of such officer, department or committee during such year, and of the condition and management of such fund, along with detailed estimates of the same matters for the current fiscal year and for the ensuing fiscal year. Such statements shall be presented in the form prescribed by the Finance Committee and shall be designated as "Departmental Recommended Budgets" and shall be as nearly uniform as possible for the main division of all departments for incorporation into the budget document.

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(2) PREPARATION PROCEDURE. (a) Budget to Include. Each year the Finance Committee, with the assistance of the City Clerk and the appropriate committees, officers and department heads, shall prepare and submit to the Council a proposed budget presenting a financial plan for conducting the affairs of the City for the ensuing calendar year. The budget shall include the following information:

1. The expense of conducting each department and activity of the City for the ensuing fiscal year and corresponding items for the current year and the 2 preceding fiscal years, with reasons for increase and decrease recommended as compared with appropriations for the current year.

2. An itemization of all anticipated income of the City from sources other than general property taxes and bonds issued, with a comparative statement of the amounts received by the City from each of the same or similar sources for the 2 pre-ceding years and the current fiscal year.

3. Such other information as may be required by the Council and by State law.

(b) Copies For Citizens. The City shall provide a reasonable number of copies of the budget thus prepared for distribution to citizens.

(3) HEARING. The Council shall hold a public hearing on the budget as required by law. Following the public hearing, the proposed budget may be changed or amended and shall take the same course in the Council as other resolutions.

**3.05 CHANGES IN BUDGET.** The amount of the tax to be levied or certified, the amounts of the various appropriations, and the purposes thereof shall not be changed after approval of the budget except by a 2/3 vote of the entire membership of the Council pursuant to §65.90(5), Wis. Stats. Notice of such transfer shall be given by publication within 10 days thereafter in the official City newspaper.

**3.06 RECEIPTS.** The City Clerk shall receive all cash and checks due to the City and for related accounts, such as taxes and licenses and permits, checking for accuracy as to amounts and balancing with receipts, and other appropriate documents.

**3.07 CITY FUNDS TO BE SPENT IN ACCORDANCE WITH APPROPRIATIONS.** No money shall be drawn from the Treasury of the City nor shall any obligation for the expenditure of money be incurred, except in pursuance of the annual appropriation in the adopted budget or when changed as authorized by sec. 3.05 of this chapter. At the close of each fiscal year, any unencumbered balance of an appropriation shall revert to the general fund and shall be

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subject to re-appropriation; but appropriations may be made by the Council, to be paid out of the income of the current year, in furtherance of improvements or other objects or works which will not be completed within such year, and any such appropriation shall continue in force until the purpose for which it was made shall have been accomplished or abandoned.

**3.08 APPROVAL OF CLAIMS.** (1) **PAYMENT OF ACCOUNTS.** Except as provided in sub. (2) below, accounts on demand against the City shall be paid pursuant to §66.0607, Wis. Stats., approved by the City Treasurer and reviewed and approved by the Council. The Treasurer shall keep on file the details of all claims in accordance with generally accepted accounting principles and the State Statutes for record preservation.

(2) **PAYMENT OF REGULAR WAGES AND CERTAIN BILLS.** Regular wages or salaries of City officers and employees shall be paid by payroll, verified by the proper City official in time for payment on the regular pay day. The City Treasurer shall pay, when due, social security and withholding taxes, health and life insurance premiums, utility bills and contracted services.

**3.09 PAYMENT OF PROPERTY TAXES.** (1) **REAL ESTATE TAXES.** Pursuant to §74.03(2), Wis. Stats., real property taxes for the previous year shall be paid in full on or before January 31, or may be paid in semi-annual payments, provided that the first semi-annual payment is made on or before January 31.

(2) **PERSONAL PROPERTY TAXES; SPECIAL ASSESSMENTS.** There shall be no installment payments allowed on personal property taxes or special assessments, the same being due and payable to the City Treasurer on or before January 31 of each year.

**3.10 ECONOMIC DEVELOPMENT FUND.** (1) **LEGISLATIVE PURPOSE AND CREATION OF ECONOMIC DEVELOPMENT FUND.** It is declared to be the policy of the City to encourage and promote the development of industry, to provide greater employment opportunities for its citizens and to broaden the tax base to relieve the tax burden of residents and home owners. Therefore the City hereby establishes an Economic Development Fund pursuant to the provisions of §62.12(6), Wis. Stats.

(2) **GENERAL PURPOSE.** The general purpose of the Economic Development Fund shall be to establish a working partnership with business, industry, labor and the public to create long term employment opportunities, expand the local tax base, provide economic stability for the area, and to promote diversification of the commercial, industrial and manufacturing economy of the City.

(3) **ELIGIBLE PROJECTS.** Expenditures from this fund may be made for the following purposes:

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- (a) Land acquisition, occupant relocation, site clearance and site development for commercial, industrial, manufacturing and mixed use development.
- (b) Necessary on-site and off-site improvements.
- (c) Short term or permanent financing in connection with the construction, relocation, expansion or rehabilitation of structures or facilities to be used for commercial, industrial, manufacturing or mixed use projects.
- (d) Assistance to demonstration projects intended to further energy conservation.
- (e) Assistance to new businesses to secure financing and provide limited capitalization.
- (f) Professional fees incurred by the City for consulting services in connection with economic development projects and programs.
- (g) Administrative and other fees incurred by the City in connection with the management and promotion of economic development programs and projects.
- (h) Such other expenditures for projects or activities which, in the opinion of the Council, promote the economic development objectives of the City. It is expressly intended that the list of appropriate expenditures set forth hereinabove is not to be exclusive and this subsection is to be liberally construed in favor of authorizing appropriate expenditures from the Economic Development Fund for the public purposes described herein.

(4) **AVAILABILITY.** Expenditures from the Economic Development Fund shall be made for the public purposes described herein only under the authority and only with the formal approval of the Council in the form of a resolution adopted at a regularly scheduled or special meeting of the Council at which a quorum is present.

(5) **FISCAL CONTROL.** The following policies are adopted to establish fiscal control of the Economic Development Fund:

- (a) The funds shall be deposited in an interest-bearing account and set up as a revolving fund except to the extent payback of any fund is required by the source of those funds so that all proceeds and paybacks from the use of these funds shall accrue to the Economic Development Fund specifically.
- (b) It shall not be the purpose of this fund to supplant or replace existing general fund operating or capital appropriations for regular City operations or public facilities.

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(c) At no time shall total commitments from the fund exceed available appropriations and the fund shall be subject to an annual audit.

(d) Funds from the Economic Development Fund may be expended directly by the City or disbursed in the form of grants, direct loans, guaranteed/insured loans or interest subsidies, depending on the type of project and leveraging potential which will insure the greatest benefit to the City.

(e) All intended uses of this funding shall be presented in writing to the Council for its information and consideration with appropriate plans, drawings and proposed agreement for expenditures and City participation.

(f) Proposed projects for this fund shall be in conformance with the plans, drawings and agreement presented to the City for approval. The approval of expenditures may be subject to such conditions as the City deems necessary to insure an appropriate public purpose.

(g) All projects which receive economic development funds shall be completed within 24 months of the receipt of funds from the Economic Development Fund.

(h) All funds allocated towards a project or activity permitted by this section which are made on a loan basis shall be sufficiently secured to result in minimal risk to the City.

(i) All projects authorized under this section shall be reviewed for conformance with zoning, building, health and fire codes. The Industrial Park Commission shall recommend and comment on any proposals for the expenditure of Economic Development Funds.

(j) Each applicant for Economic Development Fund participation and any contractors and subcontractors employed by the participant shall comply with any requirements for participation which are promulgated by the City.

(k) At the regularly scheduled meeting of January of each year, the City Clerk shall prepare and file a report reflecting the current balance of the Economic Development Fund and the preceding year's activity of the fund.

**3.11 ROOM TAX.** (1) DEFINITIONS. (a) "Hotel", "Motel", or "Bed & Breakfast" means a building or group of buildings in which the public may obtain accommodations for a consideration, including, without limitation, such establishments as inns, motels, tourist homes, tourist houses or courts, lodging houses, rooming houses, summer camps, apartment hotels, resort lodges and cabins and any other building or group of buildings in which accommodations are available to the public irrespective of whether membership is required for use of the accommodations, except accommodations rented for a continuous

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period of more than one (1) month and accommodations furnished by any hospitals, sanitariums, or nursing homes, or by corporations or associations organized and operated exclusively for religious, charitable or educational purposes provided that no part of the net earnings of such corporations and associations inures to the benefit of any private shareholder or individual.

B. “Gross receipts” has the meaning as defined in Wisconsin Statutes, Section 77.51 (11) (a), (b) and (c) insofar as applicable.

C. “Transient” means any person residing for a continuous period of less than one (1) month in a hotel, motel, bed & breakfast or other furnished accommodations available to the public.

D. “Tourism Zone” means an area made up of two or more municipalities that, those municipalities agree, are regarded as a single destination by the traveling public as defined by Wisconsin Statute Section 66.75 (h). Municipalities may become a part of the “tourism zone” at any time by instituting a “room tax” and remitting the proceeds in accordance to this resolution/ordinance.

(2) **TAX IMPOSED.** Pursuant to Section 66.75, Wisconsin Statutes, a tax is hereby imposed on the privilege and service of furnishing at retail, rooms or lodging to transients by hotel keepers, motel operators, bed & breakfast operators and other persons furnishing accommodations that are available to the public, irrespective of whether membership is required for the use of the accommodations. Such tax shall be at a rate of seven percent (7%) of the gross receipts from such retail furnishings of rooms or lodging. Such tax shall not be subject to the selective sales tax imposed by Section 77.52, Wisconsin Statutes. The proceeds of such tax shall be remitted quarterly to the respective municipal Treasurer.

(3) **TOURISM COMMISSION.** A. A “Tourism Commission” is created pursuant to Wisconsin Statute Section 66.75(2)(a)(b). It will consist of one member from the City of Black River Falls, one member from the Town of Brockway, and two members representing the hotel, motel or bed and breakfast industry;

(1) Members of the commission representing the Town of Brockway and the City of Black river Falls shall be appointed by the principal elected official of each respective municipality within the “zone” and shall be confirmed by a majority vote of the respective municipalities governing body who are present when the vote is taken. Commissioners shall serve for a one-year term and may be reappointed.

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(2) Members of the Commission representing the hotel, motel or bed & breakfast industry shall be appointed by the commission members representing the Town of Brockway and the City of Black River Falls. Said commissioners shall serve for a one-year term and may be reappointed.

(3) The Commission shall meet on a regular basis, which will be defined as quarterly, and, from among its members, elect a chairperson, vice chairperson, and secretary.

(4) The Commission shall report any delinquencies or inaccurate reporting to the municipality that is due the tax.

(5) The Commission shall report annually to each municipality from which it receives a room tax.

(6) The Commission shall contract with a "Tourism Entity" to perform the functions of a tourism entity. A tourism entity is defined as a non profit organization providing staff, development or promotional services for the tourism industry in the County.

(7) Tourism Committee. The Commission may establish a tourism committee that shall consist of a representative of each hotel, motel, or bed & breakfast that is subject to this ordinance. The Committee shall recommend to the municipalities and the municipalities' commissioners individuals to be appointed to the Commission as representatives of the hotel, motel and bed & breakfast industry. The Committee shall further advise, recommend and report to the Commission regarding the effectiveness of the tourism promotion and development in the tourism zone.

(4) COLLECTION OF TAX. The Treasurer of each municipality within the tourism zone shall administer this ordinance. The tax imposed for each calendar quarter is due and payable within thirty (30) days of the end of that quarter. A return shall be filed with the Treasurer of the municipality the accommodations are located in. Such return shall show the gross receipts of the preceding calendar quarter for such retail furnishings of rooms or lodging, the amount of taxes imposed for such period and other information as the Treasurer deems necessary. The return shall be accompanied by a copy of the Wisconsin Sales Tax Return filed by the person filing the room tax return for the same period of time set forth in the room tax return. Every person required to file such quarterly return shall file an annual calendar return. Such annual return shall summarize the quarterly returns, reconcile and adjust for errors in the quarterly returns, and shall contain certain such information as the municipality Treasurer requires. Such annual returns shall be made on forms as prescribed by the Treasurer of each municipality. All such returns shall be signed by the person required to file a return or his/her duly authorized agent, but need

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not be verified by oath. The Treasurer may, for good cause, extend the time for filing any return but in no event longer than one month from the filing date.

(5) DISTRIBUTION OF TAX. Commencing with the balance of the calendar year 2013, the room tax collection shall be allocated forty-five 45 days after the close of each calendar quarter as follows:

- A. One percent (1%) or a minimum of ten dollars (\$10.00) shall remain with the hotel, motel, or bed & breakfast for the cost of administrations of the tax.
- B. The remaining six percent (6%) shall be divided as follows:
  - 1. Thirty percent (30%) to the Municipality collecting the tax for the cost of administration. The thirty percent (30%) shall be further divided as follows:
    - a) Twenty percent (20%) to be retained by the municipality
    - b) Eighty percent (80%) to an account administered by the City as set forth below:
      - 1) Eighty-five percent (85%) Jackson County Fair Park Maintenance Fund.
        - a) Forty-two and one-half percent (42.5%), Jackson County Fair Park Association.
        - b) Fort-two and one-half percent (42.5%), Milt Lunda Memorial Arena.
      - 2) 15% Lunda Community Park Maintenance Fund.
  - 2. Seventy percent (70%) shall be available to the Commission established herein to allocate funds to the Tourism Entity to perform the function of a tourism entity. A tourism entity is defined as a nonprofit organization providing staff, development or promotional services for the tourism industry within the tourism zone. In support of this quarterly allocation and distribution, the Tourism Entity shall, not later than October 1<sup>st</sup> of each year, submit to the Commission a proposed budget setting forth the anticipated programs and expenditures to be funded by this allocation. The Commission shall allocate to the Tourism Entity up to forty percent (40%) of the funds available to the Commission for the purpose of costs and administrative expenses of the Tourism Entity. The balance of the funds shall be allocated for tourism promotion and development. In addition, the Tourism Entity shall submit to an annual compilation of

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expenditures. Further, at the request of the Commission, a full audit shall be completed.

(6) **LIABILITY ON SALE OF BUSINESS.** If any person liable for any amount of tax under this ordinance sells out his/her business or quits the business, his/her successor or assigns shall withhold sufficient of the purchase price to cover such amount until the former owner produces a receipt from the Treasurer that it has been paid or a certificate stating that no amount is due. If a person subject to the tax imposed by this ordinance fails to withhold such amount of tax from the purchase price as required, he/she shall become personally liable for payment of the amount required to be withheld by him/her to the extent of the price of the accommodations valued in money.

(7) **ENFORCEMENT OF COLLECTION OF ROOM TAX.** As a means of enforcing the collection of the room tax imposed hereunder, the municipality may:

A. Whenever the municipality has probable cause to believe that the correct amount of room tax has not been assessed or that the tax return is not correct, inspect and audit the financial records of any person subject to the furnishing of accommodations to determine whether or not the correct amount of room tax is assessed and whether or not the correct amount of room tax is correct pursuant to Section 66.75(2) of the Wisconsin Statutes.

B. The municipality may impose a forfeiture of five percent (5%) of the tax on any person subject to tax who fails to comply with a request to inspect and audit the person's financial records under Paragraph A., above.

C. The municipality may determine the tax under Section 2., according to its best judgment if any person required to make a return fails, neglects, or refuses to do so for the amount, in the manner and form and within the time prescribed by the municipality.

D. The municipality may require each person who is subject to paragraph C., above to pay an amount of taxes the municipality determines to be due under paragraph C., above plus interest at one percent (1%) per month on the unpaid balance. No refund or modification of the payment determined may be granted until the person files a correct room tax return and permits the municipality to inspect and audit his or her financial records under paragraph A., above.\

E. The municipality may impose a forfeiture of twenty-five percent (25%) of the room tax due for the previous year under Section 2., or paragraph C., above or \$5,000.00, whichever is less, for failure to pay the tax under Section 2.1

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(8) **RECORDS.** Every person liable for the tax imposed by this ordinance shall keep or cause to be kept such records, receipts, invoices, and other pertinent papers in such form as the Treasurer requires.

A. All tax returns, schedules, exhibits, writings or audit reports relating to such returns, on file with the Treasurer may divulge their contents to the following and no others:

- (1) The person who filed the return.
- (2) Officers, agents, or employees of the Federal Internal Revenue Service or the State Department of Revenue
- (3) Officers, employees or agents of the Treasurer, and professional persons employed for the purpose of enforcing this ordinance and its penalty provisions.
- (4) Such other public officials of the (municipality) when deemed necessary.

B. No person having administrative duty under this ordinance shall make known in any manner the business affairs, operations or information obtained by an investigation of records of any person on whom a tax is imposed by this ordinance, or the amount or source of income, profits, losses, expenditures, or any particular thereof, set forth or disclosed in any return, or to permit any return or copy thereof, set forth or disclosed in any return, or to permit any return or copy thereof to be seen or examined by any person, except as provided herein.

C. Any person who violates this subsection, relating to confidentiality of returns, may be required to forfeit not less than \$100.00 or more than \$500.00

(9) **RETURNS CONFIDENTIAL.** (a) All tax returns, schedules, exhibits or writings or audit reports relating to such returns on file with the Treasurer may have their contents divulged only to the following:

- a. The person who filed the return.
- b. Officers, agents or employees of the Federal Internal Revenue Service or the State Department of Revenue.
- c. Officers, employees or agent of the Treasurer and professional persons employed for the purpose of enforcing this section and its penalty provisions.

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d. Such other public officials of the municipality when deemed necessary.

(b) No person having administrative duty under this section shall make known in any manner the business affairs, operations or information obtained by an investigation of records of any person on whom a tax is imposed by this section, or the amount or source of income, profits, losses, expenditures or any particular thereof set forth or disclosed in any return or to permit any return or copy thereof set forth or disclosed in any return or to permit any return or copy thereof to be seen or examined by any person, except as provided herein.

(c) Any person who violates this subsection relating to confidentiality of returns may be required to forfeit not less than \$100 nor more than \$500.

(10) SEVERABILITY. The provisions of this Ordinance shall be deemed severable and it is expressly declared that the Common Council would have passed the other provisions of this Ordinance irrespective of whether or not one or more provisions may be declared invalid and if any provisions of this Ordinance or the application thereof to any person or circumstances is held invalid, the remainder of this Ordinance and application of such provisions to other persons or circumstances shall not be affected thereby.

(11) CONFLICTING ORDINANCES. Ordinances or parts of ordinances in conflict with the above Ordinance are hereby repealed.

(12) EFFECTIVE DATE. Upon passage and publication, this Ordinance shall take effect and be in force as provided by law.