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Wisconsin Taxpayers Must Pay Property Taxes Before Filing a Refund Claim

In November 2022, the Supreme Court of Wisconsin clarified the procedural requirements for taxpayers to challenge their property taxes. Although several taxpayers historically filed protective refund claims upon receipt of their December property tax bill and **then** pay those taxes by the statutory deadline of January 31, the Court held that a taxpayer must first pay the challenged tax **before** filing the refund claim.

Wisconsin law provides a taxpayer a multi-step process to challenge their tax assessment if the taxpayer believes it is unlawful (e.g., if the tax is assessed against exempt property) or excessive (e.g., if the tax is too great because the assessor placed a valuation on the property that exceeds market value). A taxpayer must timely file an objection upon receipt of the assessment notice, timely pay the tax bill (in whole or in part through installment payments) and timely file a refund claim for unlawful or excessive taxes. As noted above, some taxpayers occasionally filed protective refund claims even before having paid one or more tax installments.

In *Saint John's Communities, Inc. v. City of Milwaukee*, the Court found that a taxpayer's refund claim for unlawful tax was procedurally deficient because it had been filed it before paying the tax or any authorized installment thereof. The Court reasoned that the taxpayer was not yet "aggrieved by the levy and collection" of the tax, meaning that there was no tax to "recover" under the applicable statute.

What this means to you

Given the explicit clarification by the Wisconsin Supreme Court, taxpayers aggrieved by their tax bill should pay the tax (or authorized installment

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thereof) prior to filing a refund claim for unlawful or excessive taxes. Taxpayers are strongly encouraged to pay their taxes sufficiently in advance of the January 31 yearly deadline to file their refund claims.

Contact us

If you have questions, or need counsel, regarding this or any other property tax development, please contact Joe Pickart, Smitha Chintamaneni, Megan Christopher or your Husch Blackwell lawyer.