

State of Wisconsin
Department of Revenue

School Levy Tax Credit

1. How is the school levy tax credit calculated?
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3. When are towns, villages and cities notified of the school levy tax credit amount?
4. How is the school levy tax credit reported on individual property tax bills?
5. How does a property owner qualify for the school levy tax credit?

1. **How is the school levy tax credit calculated?**

Formula for calculating the school levy tax credit:

$$\frac{\text{Municipality's 3-Year Average School Levies}}{\text{Statewide 3-Year Average School Levies}} \times \text{Total Funding} = \text{Municipality's Credit}$$

$$\text{Ex: } \frac{274,462}{4,777,804,208} \times 853,000,000 = \$49,001$$

2. **Is the school levy tax credit paid to the school district?**

No. The school levy tax credit is distributed by the Wisconsin Department of Revenue (DOR) to municipalities. The payments are made to the county where the municipality is located. Payment can be made directly to the municipality if the municipality qualifies for one of the exceptions and follows the requirements under state law. (sec. 79.10(7m)(cm), Wis. Stats.)

3. **When are towns, villages and cities notified of the school levy tax credit amount?**

DOR must inform municipalities of their school levy tax credit payments on or before November 20 each year. (sec. 79.10 (2), Wis. Stats.)

4. **How is the school levy tax credit reported on individual property tax bills?**

On property tax bills, school tax levies are reported after subtracting the school levy tax credits. The amount of the school levy tax credit for the current year is listed in a separate box on each property tax bill.

5. **How does a property owner qualify for the school levy tax credit?**

The school levy tax credit is applied to every taxable property. The amount of credit is based on the property's assessed value as a percent of the municipality's total assessed value.

FOR MORE INFORMATION PLEASE CONTACT:

MS 6-97

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