

AG USE CONVERSION

Property which has benefited from lower property taxes due to its use value assessment as agricultural land may be subject to a conversion fee. This takes place when the agricultural lands use is converted to residential, commercial, or manufacturing use, or becomes exempt and the use is no longer agricultural. The conversion fee is effective upon the assessor's completion of the assessment roll in the year following the change in use. Sec.74.485, WI Statutes governs the application of the penalty.

The County Treasurer is responsible for the administration of the ag use conversion fee. However, the Treasurer cannot act until the actual change in use, verified by a change in class on the assessment roll, is complete. This occurs after the assessor has submitted the roll to the local Board of Review (BOR). Once the BOR is complete (typically between May and October), the assessor provides the County Treasurer a list of the owners who are subject to the conversion fee for converting agricultural acreage in the previous calendar year. Conversion fee letters are issued with payment due within 30 days of issue. Unpaid conversion fees will be added as special charges on the next property tax bill.

Ag Use Conversion Information:

- **Use Change Conversion/Acre by County** – An alphabetical listing by county indicating the conversion fee per acre for converting agricultural land as compiled by the Wisconsin Department of Revenue. The first link has the conversion rates for the current year and the second link has the conversion rates from the previous year.

Current year: <http://www.revenue.wi.gov/slf/useval/09uvpen.pdf>

Previous year: <http://www.revenue.wi.gov/slf/useval/08uvpen.pdf>

- **Use-Value Penalty Worksheet** – This is a guide for estimating the penalty conversion of agricultural land prior to the actual calculation by the County Treasurer for estimating project costs, negotiation of purchase, or for escrow at closing.

<http://www.revenue.wi.gov/slf/useval/uvinst.pdf>

- **Use-Value Penalty Guidelines** – Brief overview of guidelines for the property owner, the assessor, and the county treasurer.

<http://www.revenue.wi.gov/slf/useval/uvindx.html>

- **Use-Value Penalty Frequently Asked Questions** – The Wisconsin Department of Revenue has provided answers to some of the frequently asked questions which the 2001 Wisconsin Act 109 Sec. 74.485 has generated.

<http://www.revenue.wi.gov/faqs/slf/usevalue.html>