



Levy Limit – Joint Fire and Joint EMS

Common Questions – as of February 6, 2023

The Wisconsin Department of Revenue (DOR) is providing responses to the common questions below, which are related to the levy limit exception outlined in sec. [66.0602\(3\)\(h\)](#), Wis. Stats. If you have additional questions, contact us at lgs@wisconsin.gov.

1. Which joint fire department or joint emergency medical services (EMS) district qualifies a municipality to use the levy limit exception in DOR's Municipal Levy Limit Worksheet (SL-202m Form), Section D, Line I?

- **Joint fire department** – must be organized under sec. [60.55\(1\)\(a\)2.](#), [61.65\(2\)\(a\)3.](#), or [62.13\(2m\)](#), Wis. Stats., or by any combination of two or more cities, villages, or towns under sec. [66.0301\(2\)](#), Wis. Stats.
- **Joint EMS district** – must be organized by any combination of two or more cities, villages, or towns under sec. [66.0301\(2\)](#), Wis. Stats.

2. Can a municipality use the levy limit exception for both a joint fire department and joint EMS department in the same year?

Yes, each joint agreement and assessed charge amount would be reviewed for qualification for the levy limit exception. Where two agreements, two budgets, and two assessed charge amounts exist and meet the qualifications, the levy limit adjustment for both could be allowed.

3. How can a municipality use the levy limit exception if they are a member of multiple joint fire or EMS departments?

Each joint fire or EMS agreement and assessed charges are reviewed separately. If a municipality is a member of two joint fire departments, DOR reviews both joint fire agreements and assessed charges. If both qualify for the levy limit adjustment, the combined total of the two allowed adjustments can be included in Section D, Line I of the Levy Limit Worksheet.

4. A municipality is part of a joint fire department and joint EMS district (one district for both). However, they receive a separate bill or assessment for the fire department charges and a separate bill or assessment for the EMS charges. Will DOR combine both in order to see if the overall assessment is less than or equal to CPI plus 2% or will DOR look at them separately if they receive two separate bills or assessments?

DOR combines both to see if the overall assessment is less than or equal to CPI plus 2%. Since it is only one district, DOR reviews the overall (combined) assessment for the district as a whole, which must be less than or equal to CPI plus 2% to qualify for this levy limit adjustment.

5. A municipality is part of a joint fire department and a joint EMS district (two different districts). If the joint fire department passes a resolution and meets the levy limit exception qualifications, but the joint EMS district does not, will the exception be allowed?

DOR evaluates each department and district separately. If the joint fire department passes a resolution and the increase in assessed charges from the previous year to the current year is less than CPI + 2%, DOR allows the adjustment for the assessed charges related to the joint fire department, even if the joint EMS district does not pass a resolution or meet the CPI + 2% qualification.

6. Can a long-standing joint fire department agreement or joint EMS district agreement be too old to qualify for this levy limit exception?

If the agreement was created prior to the creation of the current statutes and references an outdated statute, the agreement is not automatically disqualified for the levy limit adjustment; however, DOR recommends drafting an addendum to the agreement to reference the updated statutes.

7. Can a municipality use the levy limit adjustment for the increase in charges assessed by a joint fire department or joint EMS district in the first year of formation of the joint fire department or joint EMS district?

No, it cannot. Under state law, the adjustment is allowed when the increase in assessed charges of a joint fire department or joint EMS district from the prior year, compared to the current year, is less than or equal to CPI + 2%. If the joint fire department or joint EMS district and agreement does not exist in the previous year, there would be no assessed charges in the previous year, thus, the qualification for this adjustment is not met.

8. If a municipality is part of a joint fire department or joint EMS district in the previous year, and that agreement dissolves and a new joint fire department or joint EMS district is created either with some, but not all of the original municipalities or a different group of municipalities altogether, does the levy limit exception apply when a new joint fire department or joint EMS district is created?

No, for the levy limit adjustment to apply, state law required the total charges assessed by the joint fire department or joint EMS district for the current year be compared to the total charges assessed in the previous year, and that difference must be less than or equal to CPI + 2%. The situation proposed results in a new joint fire department or joint EMS district, and the newly created joint fire department or joint EMS district would not have previous year assessed charges to compare to.

9. If a municipality is part of a joint fire department or joint EMS district in the prior year, and that agreement is amended in the current year, adding or removing member(s), would the levy limit adjustment be allowed?

Amending an existing joint fire department or joint EMS district agreement does not automatically disqualify a municipality from utilizing this adjustment. If the joint fire department or joint EMS district's previous year assessed charges compared to the current year assessed charges is less than CPI + 2%, the adjustment is allowed.

10. Line H on the Levy Limit Worksheet allows an adjustment to the levy for an increase or decrease associated with an intergovernmental cooperation agreement for a redistribution of costs within an existing agreement. If a municipality is part of a joint fire department or joint EMS district that redistributes costs (ex: because the costs are based on current year equalized value), and there is also an overall increase in charges assessed, can the municipality utilize both adjustments? If so, how will this be calculated?

A municipality could qualify for both levy limit adjustments. DOR reviews each adjustment separately to assist the municipality in determining the appropriate amount for each levy limit adjustment.

11. If a municipality contracts with a joint fire department or joint EMS district for services, but the municipality doesn't have ownership or membership, does this levy limit exception apply?

No, this exception does not apply to contracted services, even if a municipality is contracting for service with a joint fire department or joint EMS district.

12. If a joint fire department or joint EMS district contracts with a separate entity for services, does the levy limit exception apply?

Yes, if the joint fire department or joint EMS district is organized as required by state law (see Question #1) and the assessed charges increase from the previous year to the current year is less than CPI + 2%, this exception would apply.

13. If all municipalities in a joint fire department or joint EMS district pass a resolution approving an increase in charges, does each municipality have to use this levy limit adjustment?

No, all municipalities served by the joint fire department or joint EMS district must pass a resolution for any of the municipalities to utilize this levy limit adjustment; however, if one or more municipality does not want to utilize the adjustment, even after passing a resolution, a municipality does not have to.

14. If one or more municipalities create a non-profit corporation, and contract with this non-profit corporation for fire or EMS services, would this exception apply?

If the municipalities organize a joint fire department or joint EMS district as authorized by state law (see Question #1), and contract with their non-profit corporation, the levy limit exception could apply if the previous year assessed charges compared to the current year assessed charges is less than CPI + 2%.

15. For the purposes of the levy limit adjustment in Section D Line I, what is the previous year and what is the current year?

The current year is the year the municipality or county is actively budgeting for and the period the assessed charges are for. The previous year is the prior year's budget and assessment. For example, when completing the 2022 Levy Limit Worksheet in the Fall of 2022, the current year would be the 2023 budget and assessed charges, and the previous year would be the 2022 budget and assessed charges.