**Fiscal Facts: Wisconsin local governments depend most on property taxes**

Wisconsin municipalities rank seventh nationally among states for being the most reliant on the property tax for their revenues. No other Midwestern state relies so heavily on the property tax and so little on other taxes to pay for municipal services.

The state ranks much lower nationally for its reliance on municipal sales taxes (43rd) and total municipal taxes (26th). The combined state and local sales tax rate in Wisconsin (5.44% on average) is also the lowest in the Midwest.

According to U.S. Census data compiled by Willamette University, Wisconsin municipalities surveyed in 2015 received 42.2% of their general revenues from the property tax but only 1.6% from sales and income taxes combined.

Nationally, municipalities got only 23.3% of their revenues from the property tax with an additional 21.3% from sales and income taxes. Wisconsin municipalities received roughly the same percentage of their revenues from taxes as their peers nationally, but the breakdown of specific taxes was strikingly different. Sales taxes, for instance, provided 12.8% of municipal revenues nationally but just 1.3% in Wisconsin.

Compared to their peers in other states, Wisconsin municipalities surveyed also received a little more of their revenue from the state and from local fees and less from the federal government. In 2015, for instance, the Wisconsin cities and villages surveyed received 22.2% of their revenues from charges for services such as parks and recreation, sewerage, and solid waste management, compared to 21.0% for municipalities nationally.

*This information is a service of the Wisconsin Policy Forum, the state’s leading resource for nonpartisan state and local government research and civic education. Learn more at wispolicyforum.org.*