THE RESEARCH ROOM

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County Funding 101

County government in Wisconsin provides a wide range of services — everything from health and human services for those in need to county and state highway maintenance, parks and recreation, public safety, and so much more.

FUNDING SOURCES

Funding for these services comes from five main sources:

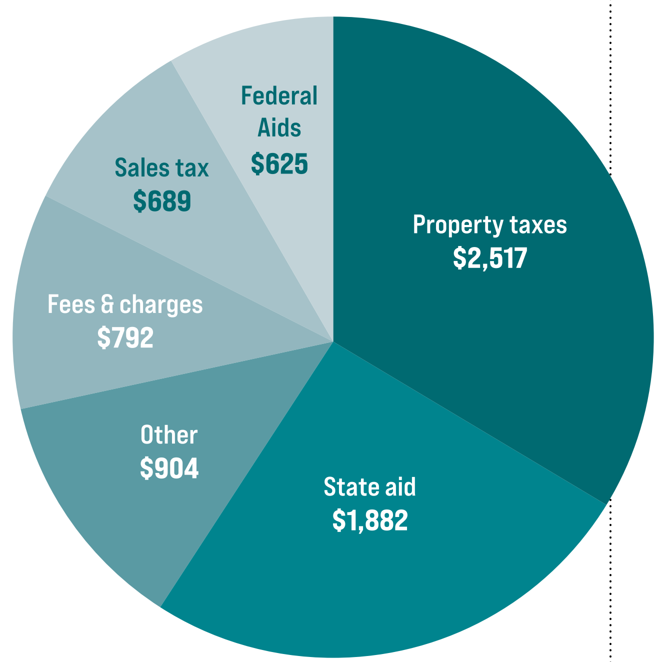
- **Property taxes**
- **State aid**
- **Fees & charges**
- **Sales tax**
- **Federal aids**

The main source is the property tax, accounting for 34% of revenue (about $2.5 billion) in 2024, followed by state aids (including shared revenue), which accounted for about 25% (about $1.9 billion).

Other than the property tax, counties have very few local revenue options to fund services mandated by the state. Counties are allowed to levy an optional 0.5% sales tax (except for Milwaukee County, which is allowed a 0.9% sales tax). In 2024, counties collected $689 million in local sales taxes. Fees and charges for county services generated $792 million. Other revenue streams, including opioid settlement funds and some intergovernmental transfers, accounted for $904 million in total county funding.

2024 County Revenues

(in millions of dollars)



Source: Wisconsin Department of Revenue, County and Municipal Revenues and Expenditures

COUNTY SPENDING

In general, county revenue is used for:

Health and Human Services (33%)
Programs for veterans, child welfare, mental health, substance use, transportation and nutrition for the elderly

Public Safety (24%)
Law enforcement and operating county jails

General Government (17%)
Services provided by the register of deeds, operation of circuit courts, and general operations

Transportation (10%)
Repair and maintenance of county roads and bridges, maintenance of state roads, mass transit, airports and ports

Debt Service (6%)
Repayment of debt incurred to fund capital projects

Other (6%)
Other spending, such as intergovernmental transfers

Parks and Recreation (4%)
County parks, museums, cultural and community services and events

PROPERTY TAX LIMITS

While property tax is the largest revenue source for Wisconsin counties, the amount counties can levy is limited by state law. The change in the county property tax levy is tied to the amount of net new construction occurring throughout the county. These limits were first implemented for property taxes levied in December 2005. The minimum amount allowed was removed in 2010, effectively setting the minimum allowable levy increase at 0%.

There are exceptions to the limit, such as debt service. If a county borrows for a capital project, the property taxes required to repay the loan are generally exempt from the limits.

SINCE 2010

Statewide, net new construction has averaged 1.3% per year.

In individual counties, net new construction has averaged between 0.5% and 2% per year.

MORE INFORMATION…

For more information about property taxes and county funding, and many other challenges facing Wisconsin and its counties, visit **forward-analytics.net.**

For specific county-level data, see the annual book of county facts published by Forward Analytics at **forward-analytics.net/the-green-book.**