

NTWR Consulting
1382 Whippletree Lane
Neenah, WI 54956

January 31, 2022

Ms. Rebecca Grill, City Clerk
Ms. Gina Gresch, Deputy City Clerk
City of West Allis
7525 West Greenfield Avenue, Room 108
West Allis, Wisconsin 53214

**RE: Association of Equipment Manufacturers
Personal Property Claim under 74.35
ACCT 26053 6737 W Washington Street, Suite 2400**

Served via email to clerk@westalliswi.gov and ggresch@westalliswi.gov

Dear Ms. Grill and Gresch:

We hereby file a claim for refund under Wisconsin Statutes 74.35 [Recovery of unlawful taxes] for a portion of the personal property taxes assessed to this taxpayer for the 2021 tax year. The claim is based upon 74.33(1)(c) which states: ***The property is exempt by law from taxation, except as provided under sub. (2).***

The claim relates to property that is exempt under several statutory provisions including:

- 70.111(27), which states:

(27) MACHINERY, TOOLS, AND PATTERNS.

(a) In this subsection, "machinery" means a structure or assemblage of parts that transmits force, motion, or energy from one part to another in a predetermined way by electrical, mechanical, or chemical means. "Machinery" does not include a building.

(b) Beginning with the property tax assessments as of January 1, 2018, machinery, tools, and patterns, not including such items used in manufacturing.

The Wisconsin attorney general issued an opinion on January 3, 2019, clarifying the type of assets exempt under the "machinery" exemption available under 70.111(27). The opinion clarified the asset is exempt regardless of which schedule the assets had been previously reported.

- 70.11(39), which states:
(39) COMPUTERS. Mainframe computers, minicomputers, personal computers, networked personal computers, servers, terminals, monitors, disk drives, electronic peripheral equipment, tape drives, printers, basic operational programs, systems software, and prewritten software. The exemption under this subsection does not apply to custom software, fax machines, copiers, equipment with embedded computerized components or

telephone systems, including equipment that is used to provide telecommunications services, as defined in s. 76.80 (3). For the purposes of s. 79.095, the exemption under this subsection does not apply to property that is otherwise exempt under this chapter.

Association of Equipment Manufacturers filed their 2021 personal property tax return (PA-003) showing a reported taxable value of \$4,923,742. This amount was based upon guidance received from the assessor's office related to the taxation of a large, computerized audio visual system and a large remodeling the office area of the leased space.

After a detailed review of the supporting schedules on which the return was based, it was determined that several assets were incorrectly treated as taxable including:

- Various appliances which qualify as machinery
- Data cabling which is exempt under the computer peripheral exemption
- Architectural design costs which are intangible costs not associated with tangible personal property
- General contractor costs which relate to real property improvements for costs associated with demolition, electrical, HVAC, data, flooring and others.

Based upon the above items, we believe the corrected assessed value should be \$782,845. This results in a corrected tax of \$21,684,72.

This claim is being timely filed under 74.35(5)(a), which states: **Except as provided under par. (b), a claim under this section shall be filed by January 31 of the year in which the tax is payable.**

Association of Equipment Manufacturers has previously paid the assessed tax on December 29, 2021. Therefore, the claim for refund is in the amount of \$114,808.62, plus any applicable interest under 74.35(4), which states: **The amount of a claim filed under sub. (2) or an action commenced under sub. (3) may include interest computed from the date of filing the claim against the taxation district, at the rate of 0.8 percent per month.**

Sincerely,
NTWR Consulting LLC



Daryl L. Ohland

enclosure – property tax agent authorization

cc: Ms. Kathy Barke, Association of Equipment Manufacturers

Agent Authorization

for Property Assessment Appeals

If an agent is representing the property owner or municipality, the property owner or municipality must provide prior written authorization for the agent to represent the company or municipality when contacting the reviewing authority.

Section 1: Property Owner and Property Information

Company/property owner name Association of Equipment Manufacturers			Taxation district (Check one) <input type="checkbox"/> Town <input type="checkbox"/> Village <input checked="" type="checkbox"/> City		County Milwaukee
Mailing address 6737 W Washington Street Suite 2400			Street address of property 6737 W Washington Street Suite 2400		
City West Allis	State WI	Zip 53214	City West Allis	State WI	Zip 53214
Parcel number 26053	Phone (414) 272-0943		Email KBarke@AEM.org		Fax () -

Section 2: Authorized Agent Information

Name / title Daryl Ohland Steve Traudt			Company name NTWR Consulting LLC		
Mailing address 1382 Whippлетree Lane			Phone (920) 450 - 1411	Fax () -	
City Neenah	State WI	Zip 54956	Email NTWRConsultingLLC@gmail.com		

Section 3: Agent Authorization

Agent Authorized for: (check all that apply)	Enter Tax Years of Authorization
<input type="checkbox"/> Manufacturing property assessment appeals (BOA)	_____
<input type="checkbox"/> Access to manufacturing assessment system (MAS)	_____
<input type="checkbox"/> Wisconsin Department of Revenue 70.85 appeals	_____
<input type="checkbox"/> Municipal Board of Review	_____
<input checked="" type="checkbox"/> Other PA-003 CORRECTION / 74.35	2021-2022
Authorization expires: <u>12 - 31 - 2023</u> (unless rescinded in writing prior to expiration) <small>(mm - dd - yyyy)</small>	
Send notices and other written communications to: (check one or both) <input checked="" type="checkbox"/> Authorized Agent <input checked="" type="checkbox"/> Property Owner	

Section 4: Agreement/Acceptance

I understand, agree and accept:

- The assessor's office may divulge any information it may have on file concerning this property
- My agent has the authority and my permission to accept a subpoena concerning this property on my behalf
- I will provide all information I have that will assist in the discussion and resolution of any assessment appeal of this property
- Signing this document does not relieve me of personal responsibility for timely reporting changes to my property and paying taxes, or penalties for failure to do so, as provided under Wisconsin tax law
- A photocopy and/or faxed copy of this completed form has the same authority as a signed original
- If signed by a corporate officer, partner, or fiduciary on behalf of the owner, I certify that I have the power to execute this Agent Authorization form

Section 5: Owner Grants Authorization

Owner Sign Here ▶	Owner name (please print) <u>Kathy Barke</u>	Date (mm-dd-yyyy) <u>01 - 31 - 2022</u>
	Owner signature <u>Kathy Barke</u>	
	Company or title <u>CFO</u>	