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Milwaukee County Courthouse
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Press Release

TAX DELINQUENCIES DECLINE IN MILWAUKEE COUNTY SUBURBS

Milwaukee County Treasurer Dan Diliberti reported today that the amount of tax delinquencies in Milwaukee County declined by 10% - from \$15,751,364 last year to \$14,167,301 this year. Diliberti said that, in spite of the decline, the amount of delinquent taxes still remains high; nearly double the amount since the last decline in 2004 – when delinquent taxes totaled \$7,538,359. He added that the total number of tax delinquent properties declined to 3,760, 7.6% from last year, but are still 38% higher than the 2,734 delinquencies in 2004.

Diliberti said that Milwaukee County's decline was not unusual in Wisconsin. "When I checked with other counties I found that approximately half of the 36 counties I surveyed experienced declines in delinquent taxes this year," explained Diliberti.

In accounting for the decline, Diliberti explained that this reduction in delinquency numbers may be attributable to a number of factors, including last year's federal programs that were targeted to rework failing mortgages and pay property taxes; banks and mortgage holders tightening requirements for escrowed tax payments; and an increase in homeowners who are paying taxes with credit cards.

Diliberti cautioned that the decline in delinquent property taxes may be temporary, given the ongoing problems in the real estate and mortgage industries. Nationally, one out of six federal agency mortgages are under water (homeowner owes more than the assessed value of the home). In Wisconsin, one out of 16 mortgages are delinquent and delinquent Wisconsin subprime loans have risen to 25%. Retail sales declines persist; consumer confidence has fallen to the lowest level in two years; high unemployment numbers continue unabated; and workers continue to experience declines in their take home pay.

“Even though the rate of delinquencies slowed down this year,” added Diliberti, “the combined amount of increases in delinquent taxes in Milwaukee County remains high - a 180% increase since 2004. Given current economic conditions, it will be a long road back to recovery.”

Nevertheless, Diliberti added that Wisconsin’s economic problems are relatively mild compared to elsewhere in the nation.

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