DISTRICTS DOGging Delinquency

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The drainage districts of central Wisconsin are still solvent in spite of the crisis through which they are passing. In 1924 twelve of the largest districts received $91018 in drainage taxes, while the interest on their indebtedness was only $73,567. Bond holders generally are willing to wait for their principal if they can be assured of the payment of interest in the meantime and the payment of the principal in the end. In only one of the twelve were the receipts less than the interest on outstanding bonds.

The $91018 received consisted of $51286 for the current year and $39732 for back taxes. The owners are trying hard to redeem their lands before they become subject to tax deed after three years delinquency.

Nevertheless large areas are subject to tax deed now with no takers because of the penalty that has accumulated like a snowball since delinquency began. In 17 of these districts in Juneau, Wood, Jackson, Clark and adjoining counties containing 463,322 acres on which the drainage cost $2,558,000 and of which $1,226,125 was unpaid July 1, 1924, there are 107,835 acres known to be subject to tax deed from the tax sale of 1922. Taxes of 1923 and 1924 have brought more acres into delinquency making the total 170,931 acres to date in the 12 larger districts. There are also about 10,000 acres delinquent in the five smaller districts whose records were not examined in detail. These figures are taken from the certificates actually offered for sale by the counties and not from the list as advertised in local papers. Redemption by the owner between the time of advertisement and the tax sale is a common practice. The de-
linquent lands are generally limited to the large holdings of non-resident promoters, but they do jeopardize the smaller holdings of resident farmers.

These promoters made at least four mistakes and ruined themselves thereby: (1) they drained some sandy lands on which the peat was shallow that it never should have been drained at all; (2) they started some districts 25 years before they were needed; (3) they began selling the land to settlers before enough ditches were dug to give satisfactory drainage; and (4) they charged high prices for their lands, extending little or no service in return. The depression caught them with large holdings of unoccupied land and most of them have been crushed thereby.

It was the tax drainage district law of twenty years ago that started the present difficulties. Under Chapter 340 Laws of 1923 these districts could not have been organized without the consent of the county board of supervisors. But that does not help the 350 farmers in these districts today who are suffering from the mistakes of twenty years ago.

A gratifying feature is the success that some of these farmers have made in spite of their handicap. Filling their silos, milking their cows, and raising special crops, they are reasonably prosperous. It was on the drained peat of the Cranberry Creek Drainage District that Anton Brost raised the Rural New Yorker potatoes that won first prize at the Wisconsin State Fair of 1924 in open competition with the world. He did the same in 1922 also and scored high on other truck crops.

The original ditches have been supplemented with more ditches until today the drainage is satisfactory on three-fourths of the land. The soil is free from stumps and stones and has been
mellowed and sweetened by twenty years of drainage. Practically every eighty acre tract has a sandy island for a convenient building site. What the farmers there need now more than anything else is neighbors to help them keep up their roads, schools and churches and to ward off the cloud of delinquency.

Part of the 170,931 acres, now temporarily delinquent, will be redeemed by the owners before the delinquency has run three years. Other acres may become delinquent. A conservative estimate is that 170,000 acres will be subject to tax sale in the final count. Adding the drainage tax sales of 1922 (now subject to deed) to the delinquent drainage taxes of 1923-and 1924 and computing the proportionate share of the present debt, it appears that $970,000 would redeem the acres finally delinquent. In other words 170,000 acres of land is for sale with all drainage taxes and debts fully paid for $970,000 plus interest from 1924, if the counties will cancel the general taxes due on these lands at a rate of about 30 cents an acre a year. The counties could afford to do this to help clear up the situation.

It has been suggested that the State of Wisconsin pay these delinquent drainage taxes and take deed to the land. Then sell the better half of it to settlers at the cost of the whole and make a game preserve of the rest. That would give the state a game preserve of four townships at no cost to itself. The plan has merit but probably lacks legality. There does not appear to be any reason however, why a committee of the bond holders can not organize a holding company to execute a similar plan. The question would be, could such a company handle the project in a manner so favorable to the farmers now on the ground, to the county, and to the state?