

Chapter 622

AN ACT to repeal 71.09 (7) (o), as affected by chapter 433, laws of 1965; to amend 71.09 (7) (a) 1, as amended by chapter 433, laws of 1965, to 3 and 8, (c), (h) and (j); to repeal and recreate 71.09 (7) (g); and to create 71.09 (7) (q) of the statutes, relating to tax relief for the aged and making an appropriation.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 71.09 (7) (a) 1, as amended by chapter 433, laws of 1965, 2, 3 and 8, (c), (h) and (j) of the statutes are amended to read:

71.09 (7) (a) 1. "Income" means the sum of adjusted gross income as defined in s. 71.02 (2) (e), net income from sources outside the state, alimony, support money, cash public assistance and relief (*not including relief granted under this subsection*), the gross amount of any pension or annuity (including railroad retirement benefits, all payments received under the federal social security act, and veterans disability pensions), nontaxable interest received from the federal government or any of its instrumentalities, workmen's compensation and the gross amount of "loss of time" insurance. It does not include gifts from nongovernmental sources, or surplus food or other relief in kind supplied by a governmental agency.

2. "Household" means a claimant and an individual related to the claimant as husband or wife, ~~and individuals related to the claimant as defined in sub. (6) (b) 1 to 8, all residing in the household of the claimant.~~

8. "Property taxes accrued" means property taxes (exclusive of special assessments, delinquent interest and charges for service) levied on a claimant's homestead in 1964 or any calendar year thereafter pursuant to ch. 70, less the tax credit, if any, afforded in respect of such property by s. 77.63 (3). When a homestead is owned by 2 or more persons or entities as joint tenants or tenants in common and one or more such persons or entities is not a member of claimant's household, "property taxes accrued" is that part of property taxes levied on such homestead (reduced by the tax credit hereinbefore referred to) as reflects the ownership percentage of the claimant and his household. For purposes of this paragraph property taxes are "levied" when the tax roll is delivered to the local treasurer with his warrant for collection. When a claimant and his household own their homestead part of a calendar year and rent the same or a different homestead for part of the same year "property taxes accrued" means only taxes levied on the homestead when both owned and occupied as such by claimant and his household at the time of the levy, multiplied by the percentage of 12 months that such property was owned and occupied by such household as its homestead in such year. When a household sells or otherwise disposes of ownership of its homestead in any year prior to the levy of taxes on such homestead in such year and rents the same or another homestead, "rent constituting property taxes accrued" for such year shall be 25% of gross rent paid after annualization of gross rent paid in such year. (Gross rent paid shall be annualized by dividing actual gross rent paid by the number of months for which paid and multiplying the resulting figure by 12.) When a household owns and occupies 2 or more different homesteads in the same calendar year, property taxes accrued shall relate only to that property occupied by the household as a homestead on the levy date occurring in such calendar year. Whenever a homestead is an integral part of a larger unit

such as a farm, or a multipurpose or multidwelling building, property taxes accrued shall be that percentage of the total property taxes accrued as the value of the homestead is of the total value, *except that the claimant may use the total property taxes accrued for the larger unit, but not exceeding 40 acres of land, except as the limitations of par. (h) apply. For the purpose of this subsection, the "unit" refers to that parcel of property covered by a single tax statement of which the homestead is a part.*

(c) Subject to the limitations provided in this subsection, a claimant may claim as a credit against Wisconsin income taxes otherwise due on his ~~1964 1966~~ income, Wisconsin property taxes accrued in ~~1964 (and having been actually paid by him or his household prior to the filing of such claim) 1966~~, or ~~1964 1966~~ rent constituting property taxes accrued, or both. If the allowable amount of claim exceeds the income taxes otherwise due on claimant's ~~1964 1966~~ income or if there are no Wisconsin income taxes due on claimant's ~~1964 1966~~ income, the amount of the claim not used as an offset against income taxes on ~~1964 1966~~ income, after audit by the department of taxation, shall be certified to the department of administration for payment to the claimant by check drawn on the general fund. No such check and no offset against income taxes otherwise payable, or refund of income taxes paid in respect of any such claim shall be charged against any town, city, village or county in the distribution of income taxes under this chapter. No interest shall be allowed on any payment made to a claimant pursuant to this subsection.

(h) In any case in which ~~paid~~ property taxes accrued, or rent constituting property taxes accrued, or both, in any one year in respect of any one household exceeds \$300, the amount thereof shall, for purposes of this subsection, be deemed to have been \$300.

(j) Every claimant under this subsection shall supply to the department, in support of his claim, reasonable proof of age, rent paid, property taxes accrued ~~and paid~~, changes of homestead, household membership, household income ~~and~~, size and nature of property claimed as the homestead *and a statement that the property taxes accrued used for purposes of this section have been or will be paid by him and that there are no delinquent property taxes on the homestead.*

SECTION 2. 71.09 (7) (g) of the statutes is repealed and recreated to read:

71.09 (7) (g) The amount of any claim pursuant to this subsection shall be limited as follows:

1. If the household income of the claimant's household was \$1,000 or less in the year to which the claim relates, the claim shall be limited to 75% of the amount by which the property taxes accrued, or rent constituting property taxes accrued, or both, in such year on the claimant's homestead is in excess of 3% of household income exceeding \$500 but not exceeding \$1,000.

2. If the household income of the claimant's household was more than \$1,000 in the year to which the claim relates, the claim shall be limited to 60% of the amount of which the property taxes accrued, or rent constituting property taxes accrued, or both, in such year on the claimant's homestead is in excess of 3% of household income exceeding \$500 but not exceeding \$1,000, 6% of household income exceeding \$1,000 but not exceeding \$1,500, 9% of household income exceeding \$1,500 but not exceeding \$2,000, 12% of household income exceeding \$2,000 but not exceeding \$2,500 and 15% of all household income over \$2,500.

3. The commissioner of taxation shall prepare a table under which claims under this subsection shall be determined. The table shall be published in the department's official rules and shall be placed on the appro-

priate tax blanks. The amount of claim for each bracket shall be computed only to the nearest 10 cents.

4. The claimant shall, at his election, not be required to record on his claim the amount claimed by him. The claim allowable to persons making this election shall be computed by the department which shall notify the claimant by mail of the amount of his allowable claim.

SECTION 3. 71.09 (7) (o) of the statutes, as affected by chapter 433, laws of 1965, is repealed.

SECTION 3m. 71.09 (7) (q) of the statutes is created to read:

71.09 (7) (q) A claim shall be disallowed if the department finds that the claimant received title to his homestead primarily for the purpose of receiving benefits under this subsection.

SECTION 4. The appropriation in section 20.135 (1) (a) of the statutes, as affected by the laws of 1965, is increased by \$15,000 for the fiscal year 1966-67 for the purpose of enabling the commission on aging to carry on an extensive educational program for the aged regarding the property tax relief act.

SECTION 5. The appropriation in section 20.800 (1) (a) of the statutes, as affected by the laws of 1965, is increased by \$20,000 for the fiscal year 1966-67 for the purpose of providing funds to enable the department of taxation to process additional claims for property tax relief for the aged.

Approved July 1, 1966.