

1983 Assembly Bill 89

Date of enactment: April 23, 1984

Date of publication: April 30, 1984

1983 Wisconsin Act 327

AN ACT to amend 70.11 (intro.), 70.11 (2) and 70.11 (3) (b), (4) and (4m) (b) of the statutes, relating to exempting leased property from property taxes.

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

SECTION 1. 70.11 (intro.) of the statutes is amended to read:

70.11 Property exempted from taxation. (intro.) The property described in this section is exempted from general property taxes. Leasing a part of the property described in this section does not render it taxable if the lessor uses all of the leasehold income for maintenance of the leased property, construction debt retirement of the leased property or both and if the lessee would be exempt from taxation under this chapter if it owned the property. Any lessor who claims that leased property is exempt from taxation under this chapter shall, upon request by the tax assessor, provide records relating to the lessor's use of the income from the leased property. Property exempted from general property taxes is:

SECTION 1m. 70.11 (2) of the statutes is amended to read:

70.11 (2) MUNICIPAL PROPERTY AND PROPERTY OF CERTAIN DISTRICTS, EXCEPTION. Property owned by any county, city, village, town, school district, vocational, technical and adult education district, public inland lake protection and rehabilitation district, metropolitan sewerage district, municipal water district created under s. 198.22 or town sanitary district; lands belonging to cities of any other state used for public parks; land tax-deeded to any county or city before January 2; but any residence located upon property owned by the county for park purposes which is rented out by the county for a nonpark purpose shall not be exempt from taxation. Except as to land acquired under s. 59.965 (2) (d) this exemption shall not apply to land conveyed after August 17, 1961, to any such governmental unit or for its benefit while the grantor or others for his or her benefit are permitted to occupy the land or part thereof in consideration for the conveyance. Leasing the property exempt under this subsection, regardless of the leasee and the use of the leasehold income, does not render that property taxable.

SECTION 2. 70.11 (3) (b), (4) and (4m) (b) of the statutes are amended to read:

70.11 (3) (b) The fact that college or university officers, faculty members, teachers, students or employes live on the grounds does not render them taxable. ~~The leasing of land by a university or college, for educational or charitable purposes, shall not render it liable to taxation provided the income derived therefrom is used for the maintenance of the institution or for charitable purposes~~ In addition to the exemption of leased property specified in the introductory phrase of this section, a university or college may also lease property for educational or charitable purposes without making it taxable if it uses the income derived from the lease for charitable purposes.

(4) **EDUCATIONAL, RELIGIOUS AND BENEVOLENT INSTITUTIONS; WOMEN'S CLUBS; HISTORICAL SOCIETIES; FRATERNITIES; LIBRARIES.** Property owned and used exclusively by educational institutions offering regular courses 6 months in the year; or by churches or religious, educational or benevolent associations, including benevolent nursing homes and retirement homes for the aged, and also including property owned and used for housing for pastors and their ordained assistants, members of religious orders and communities, and ordained teachers, whether or not contiguous to and a part of other property owned

and used by such associations or churches; or by women's clubs; or by domestic, incorporated historical societies; or by domestic, incorporated, free public library associations; or by fraternal societies operating under the lodge system (except university, college and high school fraternities and sororities), but not exceeding 10 acres of land necessary for location and convenience of buildings while such property is not used for profit. Property owned by churches or religious associations necessary for location and convenience of buildings, used for educational purposes and not for profit, shall not be subject to the 10-acre limitation but shall be subject to a 30-acre limitation. ~~Leasing a portion of such property to an organization which if it owned the property itself would be exempt from taxation under this section and which does not discriminate on the basis of race shall not render the property taxable, if all the leasehold income is used for maintenance~~ Property that is exempt from taxation under this subsection and is leased remains exempt from taxation only if, in addition to the requirements specified in the introductory phrase of this section, the lessee does not discriminate on the basis of race.

(4m) (b) Real property leased by and used exclusively for the purposes of any hospital that has 10 beds or more, is devoted primarily to the diagnosis, treatment or care of the sick, injured or disabled and is owned and operated by a corporation, voluntary association, foundation or trust no part of the net earnings of which inures to the benefit of any shareholder, member, director or officer and is not operated principally for the benefit of or principally as an adjunct to the private practice of a doctor or group of doctors. This exemption applies only to real property leased from a nonprofit organization or nonprofit hospital that is exempt from taxation under this chapter and that uses the income derived from the lease only for maintenance of the leased property or construction debt retirement of the leased property or both. This exemption does not apply to property used for commercial purposes or as a doctor's office.

SECTION 3. Effective date. This act takes effect on January 1, 1984.
