



1997 SENATE BILL 13

January 15, 1997 - Introduced by Senator WINEKE. Referred to Committee on Economic Development, Housing and Government Operations.

- 1 **AN ACT to amend** 71.54 (1) (d) (intro.), 71.54 (2) (b) 3. and 121.15 (3m) (b); and
2 **to create** 71.54 (1) (e) and 71.54 (2) (b) 4. of the statutes; **relating to:** expanding
3 the homestead tax credit and reducing the state-funded school aid percentage.

Analysis by the Legislative Reference Bureau

Under current law, for claims filed in 1991 and thereafter, the homestead tax credit threshold income is \$8,000; the maximum amount of property taxes, or rent constituting property taxes, that a claimant may use in calculating his or her credit is \$1,450; the maximum income is \$19,154; and the percent of property taxes, or rent constituting property taxes, that is reimbursed is 80%.

This bill changes current law starting with claims filed in 1999. Under this bill, for claims filed in 1999 and thereafter, threshold income is raised to \$25,000; the maximum amount of property taxes, or rent constituting property taxes, is increased to \$5,000; the maximum income is raised to \$108,333; and the percent of property taxes, or rent constituting property taxes, that is reimbursed is increased to 90%.

Current law directs the department of administration, the department of public instruction and the legislative fiscal bureau annually to certify to the joint committee on finance by June 15 an estimate of the amount necessary to appropriate in the following school year to fund 66.7% of school costs. This bill reduces this percentage to 50% beginning with the certification that is required on June 15, 1998.

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For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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

1 **SECTION 1.** 71.54 (1) (d) (intro.) of the statutes is amended to read:

2 71.54 (1) (d) (title) *1991 and thereafter to 1998*. (intro.) The amount of any
3 claim filed in 1991 ~~and thereafter~~ to 1998 and based on property taxes accrued or rent
4 constituting property taxes accrued during the previous year is limited as follows:

5 **SECTION 2.** 71.54 (1) (e) of the statutes is created to read:

6 71.54 (1) (e) *1999 and thereafter*. The amount of any claim filed in 1999 and
7 thereafter and based on property taxes accrued or rent constituting property taxes
8 accrued during the previous year is limited as follows:

9 1. If the household income was \$25,000 or less in the year to which the claim
10 relates, the claim is limited to 90% of the property taxes accrued or rent constituting
11 property taxes accrued or both in that year on the claimant's homestead.

12 2. If the household income was more than \$25,000 in the year to which the claim
13 relates, the claim is limited to 90% of the amount by which the property taxes accrued
14 or rent constituting property taxes accrued or both in that year on the claimant's
15 homestead exceeds 6% of the household income exceeding \$25,000.

16 3. No credit may be allowed if the household income of a claimant exceeds
17 \$108,333.

18 **SECTION 3.** 71.54 (2) (b) 3. of the statutes is amended to read:

19 71.54 (2) (b) 3. In calendar year ~~1990 or any subsequent calendar year~~ years
20 1990 to 1997, \$1,450.

21 **SECTION 4.** 71.54 (2) (b) 4. of the statutes is created to read:

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1 71.54 (2) (b) 4. In calendar year 1998 or any subsequent calendar year, \$5,000.

2 **SECTION 5.** 121.15 (3m) (b) of the statutes is amended to read:

3 121.15 (3m) (b) By June 15, 1996, and annually by June 15 thereafter, the
4 department, the department of administration and the legislative fiscal bureau shall
5 jointly certify to the joint committee on finance an estimate of the amount necessary
6 to appropriate under s. 20.255 (2) (ac) in the following school year to ensure that the
7 sum of state school aids and the school levy tax credit under s. 79.10 (4) equals ~~66.7%~~
8 50% of partial school revenues.

9 **SECTION 6. Initial applicability.**

10 (1) The treatment of section 121.15 (3m) (b) of the statutes first applies to the
11 certification that is required on or before June 15, 1998, under that section of the
12 statutes.

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(END)