



2007 ASSEMBLY BILL 365

May 29, 2007 - Introduced by Representatives MUSSER, HUBLER, BIES, BOYLE, TURNER, TOWNSEND, GUNDRUM, SINICKI, LOTHIAN, SHERIDAN, HINES, GUNDERSON, HEBL, BENEDICT, NYGREN, A. OTT, VAN ROY and HINTZ, cosponsored by Senators SULLIVAN, ERPENBACH, A. LASEE, SCHULTZ, ROESSLER, BRESKE, PLALE, LEIBHAM and LASSA. Referred to Committee on Veterans and Military Affairs.

1 **AN ACT to amend** 71.07 (6e) (a) 2. a., 71.07 (6e) (a) 2. b., 71.07 (6e) (a) 2. c., 71.07
2 (6e) (a) 3. (intro.), 71.07 (6e) (a) 3. b. and 71.07 (6e) (a) 3. d.; and **to create** 71.07
3 (6e) (a) 3e. of the statutes; **relating to:** expanding eligibility for the veterans
4 and surviving spouses property tax credit.

Analysis by the Legislative Reference Bureau

Under current law, the veterans and surviving spouses property tax credit may be claimed by certain U.S. armed forces veterans and by the unremarried surviving spouses of certain veterans or members of the national guard or reserves (collectively, "veterans"). To be eligible to claim the credit, the veteran must meet several criteria, including being at least 65 years old, having been a resident of this state at the time of entry into the service, and having a service-connected disability rating of at least 100 percent.

Similarly, to be eligible to claim the credit as a spouse of a veteran, the veteran to whom the unremarried surviving spouse was married must have been, generally, at least 65 years old at the time of his or her death, must have been a resident of this state at the time of entry into the service, and must have had a service-connected disability rating of at least 100 percent.

This bill expands the eligibility requirements for the credit for veterans and for the unremarried surviving spouses of veterans. Under the bill, the 65-year-old age requirement is repealed and a veteran, or the unremarried surviving spouse of a veteran, is eligible to claim the credit if the veteran had been a resident of this state for any consecutive 5-year period after entry into active duty service.

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The bill also expands the eligibility requirements to include veterans who have a 100 percent disability rating based on individual unemployability, as determined by the federal Department of Veterans Affairs (VA). To achieve such a rating, a veteran must have either a a service-connected disability rating of either 60 percent or two or more service-connected disability conditions where one condition has at least a 40 percent disability rating and the combined disability ratings for all conditions is at least 70 percent, and has an administrative adjustment added to his or her service-connected disability, due to individual unemployability. The administrative adjustment for individual unemployability is based on the VA's determination that the veteran is unable to secure or follow a substantially gainful occupation due to service-connected disabilities.

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.** 71.07 (6e) (a) 2. a. of the statutes is amended to read:

2 71.07 **(6e)** (a) 2. a. An individual who had served on active duty in the U.S.
3 armed forces or in forces incorporated as part of the U.S. armed forces; who was a
4 resident of this state at the time of entry into that active service; or who had been a
5 resident of this state for any consecutive 5-year period after entry into that active
6 duty service; and who, while a resident of this state, died while on active duty.

7 **SECTION 2.** 71.07 (6e) (a) 2. b. of the statutes is amended to read:

8 71.07 **(6e)** (a) 2. b. An individual who had served on active duty under
9 honorable conditions in the U.S. armed forces or in forces incorporated as part of the
10 U.S. armed forces; who was a resident of this state at the time of entry into that active
11 service; ~~who was at least 65 years of age at the time of his or her death or would have~~
12 ~~been 65 years of age at the close of the year in which the death occurred~~ or who had
13 been a resident of this state for any consecutive 5-year period after entry into that
14 active duty service; who was a resident of this state at the time of his or her death;
15 and who had either a service-connected disability rating of 100 percent under 38

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1 USC 1114 or 1134 or a 100 percent disability rating based on individual
2 unemployability.

3 **SECTION 3.** 71.07 (6e) (a) 2. c. of the statutes is amended to read:

4 71.07 **(6e)** (a) 2. c. An individual who had served in the national guard or a
5 reserve component of the U.S. armed forces; who was a resident of this state at the
6 time of entry into that service; or who had been a resident of this state for any
7 consecutive 5-year period after entry into that service; and who, while a resident of
8 this state, died in the line of duty while on active or inactive duty for training
9 purposes.

10 **SECTION 4.** 71.07 (6e) (a) 3. (intro.) of the statutes is amended to read:

11 71.07 **(6e)** (a) 3. (intro.) “Eligible veteran” means an individual ~~who is at least~~
12 ~~65 years of age and~~ who is verified by the department of veterans affairs as meeting
13 all of the following conditions:

14 **SECTION 5.** 71.07 (6e) (a) 3. b. of the statutes is amended to read:

15 71.07 **(6e)** (a) 3. b. Was a resident of this state at the time of entry into that
16 active service or had been a resident of this state for any consecutive 5-year period
17 after entry into that service.

18 **SECTION 6.** 71.07 (6e) (a) 3. d. of the statutes is amended to read:

19 71.07 **(6e)** (a) 3. d. Has either a service-connected disability rating of 100
20 percent under 38 USC 1114 or 1134 or a 100 percent disability rating based on
21 individual unemployability.

22 **SECTION 7.** 71.07 (6e) (a) 3e. of the statutes is created to read:

23 71.07 **(6e)** (a) 3e. “Individual unemployability” means a condition under which
24 a veteran has a service-connected disability rating of either 60 percent under 38
25 USC 1114 or 1134 or two or more service-connected disability conditions where one

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1 condition has at least a 40 percent scheduler rating and the combined scheduler
2 rating for all conditions is at least 70 percent, and has an administrative adjustment
3 added to his or her service-connected disability, due to individual unemployability,
4 such that the federal Department of Veterans Affairs rates the veteran 100 percent
5 disabled.

6 **SECTION 8. Initial applicability.**

7 (1) This act first applies to taxable years beginning on January 1 of the year
8 in which this subsection takes effect, except that if this subsection takes effect after
9 July 31 this act first applies to taxable years beginning on January 1 of the year
10 following the year in which this subsection takes effect.

11 (END)