



1997 SENATE BILL 261

July 17, 1997 - Introduced by Senator WINEKE. Referred to Joint survey committee on Tax Exemptions.

1 **AN ACT** *to amend* 70.11 (4); and *to create* 70.11 (4g) of the statutes; **relating to:**
2 replacing the property tax exemption for benevolent retirement homes for the
3 aged with a property tax exemption for charitable retirement homes for the
4 aged.

Analysis by the Legislative Reference Bureau

This bill replaces the property tax exemption for benevolent retirement homes for the aged with an exemption for charitable retirement homes for the aged. To be exempt, a home must be nonprofit, must have a substantial number of residents who pay fees that do not cover the costs of the housing and services that they receive and must benefit a substantial number of persons who are legitimate objects of charity.

This bill will be referred to the joint survey committee on tax exemptions for a detailed analysis, which will be printed as an appendix to this bill.

For further information see the *state and local* 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:

5 **SECTION 1.** 70.11 (4) of the statutes is amended to read:

1 70.11 (4) EDUCATIONAL, RELIGIOUS AND BENEVOLENT INSTITUTIONS; WOMEN'S CLUBS;
2 HISTORICAL SOCIETIES; FRATERNITIES; LIBRARIES. Property owned and used exclusively
3 by educational institutions offering regular courses 6 months in the year; or by
4 churches or religious, educational or benevolent associations, including benevolent
5 nursing homes and retirement homes for the aged but not including an organization
6 that is organized under s. 185.981 or ch. 611, 613 or 614 and that offers a health
7 maintenance organization as defined in s. 609.01 (2) or a limited service health
8 organization as defined in s. 609.01 (3) or an organization that is issued a certificate
9 of authority under ch. 618 and that offers a health maintenance organization or a
10 limited service health organization and not including property owned by any
11 nonstock, nonprofit corporation which services guaranteed student loans for others
12 or on its own account, and also including property owned and used for housing for
13 pastors and their ordained assistants, members of religious orders and communities,
14 and ordained teachers, whether or not contiguous to and a part of other property
15 owned and used by such associations or churches; or by women's clubs; or by
16 domestic, incorporated historical societies; or by domestic, incorporated, free public
17 library associations; or by fraternal societies operating under the lodge system
18 (except university, college and high school fraternities and sororities), but not
19 exceeding 10 acres of land necessary for location and convenience of buildings while
20 such property is not used for profit. Property owned by churches or religious
21 associations necessary for location and convenience of buildings, used for
22 educational purposes and not for profit, shall not be subject to the 10-acre limitation
23 but shall be subject to a 30-acre limitation. Property that is exempt from taxation
24 under this subsection and is leased remains exempt from taxation only if, in addition

1 to the requirements specified in the introductory phrase of this section, the lessee
2 does not discriminate on the basis of race.

3 **SECTION 2.** 70.11 (4g) of the statutes is created to read:

4 70.11 (4g) CHARITABLE RETIREMENT HOMES FOR THE AGED. Retirement homes for
5 the aged if no part of the home's net earnings inures to the benefit of any shareholder,
6 member, director or officer; if a substantial number of the residents pay fees that do
7 not fully cover the costs of providing the housing and the services that they receive
8 and if the home benefits a substantial number of persons who are legitimate objects
9 of charity.

10 **SECTION 3. Effective date.**

11 (1) This act takes effect on the January 1 after publication.

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(END)