

2003 SENATE BILL 512

AN ACT *to amend* 70.11 (intro.) of the statutes; **relating to:** the property tax exemption for property that is leased as residential housing.

Analysis by the Legislative Reference Bureau

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

1 **SECTION 1.** 70.11 (intro.) of the statutes is amended to read:
2 **70.11 Property exempted from taxation.** (intro.) The property described
3 in this section is exempted from general property taxes if the property is exempt
4 under sub. (1), (2), (18), (21), (27) or (30); if it was exempt for the previous year and
5 its use, occupancy or ownership did not change in a way that makes it taxable; if the
6 property was taxable for the previous year, the use, occupancy or ownership of the
7 property changed in a way that makes it exempt and its owner, on or before March 1,
1 files with the assessor of the taxation district where the property is located a form

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2 that the department of revenue prescribes or if the property did not exist in the
3 previous year and its owner, on or before March 1, files with the assessor of the
4 taxation district where the property is located a form that the department of revenue
5 prescribes. Leasing a part of the property described in this section does not render
6 it taxable if the lessor uses all of the leasehold income for maintenance of the leased
7 property, or construction debt retirement of the leased property, or both, and, except
8 for residential housing, if the lessee would be exempt from taxation under this
9 chapter if it owned the property. Any lessor who claims that leased property is
10 exempt from taxation under this chapter shall, upon request by the tax assessor,
11 provide records relating to the lessor's use of the income from the leased property.
12 Property exempted from general property taxes is:

SECTION 3. Nonstatutory provisions.

13
14 (1) PROPERTY TAX EXEMPTIONS RELATED TO LEASED PROPERTY. The legislative
15 council shall study the effect of Columbus Park Housing v. City of Kenosha, 2003 WI
16 143, on property tax exemptions for property that is leased, pursuant to section 70.11
17 (intro.) of the statutes, 2001 stats., and as affected by this act. The legislative council
18 shall report its findings, conclusions, and recommendations to the legislature in the
19 manner provided under section 13.172 (2) of the statutes no later than December 15,
20 2004.

SECTION 4. Initial applicability.

21
22 (1) The treatment of section 70.11 (intro.) of the statutes first applies to the
23 property tax assessments as of January 1, 2002.

24 **SECTION 5. Effective dates.** This act takes effect on the day after publication,
25 except as follows:

