

**ASSEMBLY SUBSTITUTE AMENDMENT 2,  
TO 2005 ASSEMBLY BILL 668**

September 27, 2005 – Offered by Representative McCORMICK.

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

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***Analysis by the Legislative Reference Bureau***

Under current law as created in the budget bill, 2005 Wisconsin Act 25, there exists a refundable individual income tax credit that 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. The amount of the credit that may be claimed is the amount of property taxes paid by a claimant on the claimant's principal dwelling in the year to which the claim relates. Because the credit is refundable, if the amount of the credit for which the claimant is eligible exceeds the claimant's tax liability, the excess amount of the credit is paid to the claimant by check.

The veterans who can claim the credit under current law are those who meet a number of conditions, including the following: 1) The veteran must be at least 65 years old; 2) The veteran must have been a resident of this state at the time of entry into active service; 3) The veteran must have a service-connected disability rating of 100 percent under federal law. Under the substitute amendment, such veterans

are not required to meet any age requirement or residency requirement related to their time of entry into the service.

Similarly, under current law, to be eligible to claim the credit as an unremarried surviving spouse, the individual claiming the credit must have been married to one of the following types of individuals: 1) An individual who died while on active duty and was a resident of this state at the time of entry into active service; 2) An individual who was a resident of this state at the time of entry into active service, was at least 65 years old at the time of his or her death, was a resident of this state at the time of death, and had a service-connected disability rating of 100 percent under federal law. Under the substitute amendment, the individual to whom the unremarried surviving spouse was married is not required to have met any age requirement, residency requirement related to his or her time of entry into the service, or residency requirement relating to the time of his or her death.

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***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, as created by 2005 Wisconsin Act  
2 25, is amended to read:

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

7           **SECTION 2.** 71.07 (6e) (a) 2. b. of the statutes, as created by 2005 Wisconsin Act  
8 25, is amended to read:

9           71.07 **(6e)** (a) 2. b. An individual who had served on active duty under  
10 honorable conditions in the U.S. armed forces or in forces incorporated as part of the  
11 U.S. armed forces; ~~who was a resident of this state at the time of entry into that active~~  
12 ~~service; who was at least 65 years of age at the time of his or her death or would have~~  
13 ~~been 65 years of age at the close of the year in which the death occurred; who was a~~  
14 ~~resident of this state at the time of his or her death;~~ and who had a service-connected  
15 disability rating of 100 percent under 38 USC 1114 or 1134.

