

2007 SENATE BILL 35

February 12, 2007 – Introduced by Senators LASSA, DARLING, ROESSLER, ERPENBACH, SULLIVAN, WIRCH and BRESKE, cosponsored by Representatives ALBERS, ZEPNICK, BLACK, MUSSER, STASKUNAS, BERCEAU, FIELDS, PETROWSKI, VAN AKKEREN, GUNDERSON, BOYLE, GRIGSBY, SHERIDAN, SEIDEL, BALLWEG and MOLEPSKE. Referred to Committee on Economic Development, Job Creation, Family Prosperity and Housing.

1 **AN ACT to amend** 234.623 (5) and 234.625 (1) of the statutes; **relating to:**
2 increasing the income limit and maximum annual loan amount under the
3 property tax deferral loan program of the Wisconsin Housing and Economic
4 Development Authority.

Analysis by the Legislative Reference Bureau

Under current law, a homeowner 65 years of age or older with total household income of no more than \$20,000 may annually apply to the Wisconsin Housing and Economic Development Authority for a loan to pay all or a portion of the individual's current property taxes and special assessments, and any interest or penalties on delinquent property taxes. The maximum annual loan amount is \$2,500. This bill increases the income limit under this program to \$36,530 and increases the maximum annual loan amount to \$3,525.

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.** 234.623 (5) of the statutes is amended to read:

SENATE BILL 35**SECTION 1**

1 234.623 (5) The participant earned no more than ~~\$20,000~~ \$36,530 in income,
2 as defined under s. 71.52 (5), in the year prior to the year in which the property taxes
3 or special assessments for which the loan is made are due.

4 **SECTION 2.** 234.625 (1) of the statutes is amended to read:

5 234.625 (1) The authority shall enter into agreements with participants and
6 their co-owners to loan funds to pay property taxes and special assessments on their
7 qualifying dwelling units. The maximum loan under ss. 234.621 to 234.626 in any
8 one year is limited to the lesser of ~~\$2,500~~ \$3,525 or the amount obtained by adding
9 the property taxes levied on the qualifying dwelling unit for the year for which the
10 loan is sought, the special assessments levied on the dwelling unit, and the interest
11 and penalties for delinquency attributable to the property taxes or special
12 assessments. Loans shall bear interest at a rate equal to the prime lending rate at
13 the time the rate is set, as reported by the federal reserve board in federal reserve
14 statistical release H. 15, plus 1%. The executive director shall set the rate no later
15 than October 15 of each year, and that rate shall apply to loans made in the following
16 year.

17 **SECTION 3. Initial applicability.**

18 (1) PROPERTY TAX DEFERRAL LOANS. This act first applies to applications under
19 section 234.623 (1) of the statutes that are pending on the effective date of this
20 subsection.

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(END)