April 7, 2016 – Introduced by Representative GOYKE. Referred to Committee on Rules.

AN ACT to create 75.104 of the statutes; relating to: conveying tax delinquent property to be used for affordable housing.

Analysis by the Legislative Reference Bureau

This bill allows a county to cancel the delinquent taxes, including penalties and interest, on real property that the property owner conveys to a nonprofit organization, if the organization enters into an agreement with the county to use the property exclusively and directly to provide low-income housing. Current law allows a county to cancel the delinquent taxes on property contaminated by a hazardous substance if the property owner agrees to remediate the property.

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:

SECTION 1. 75.104 of the statutes is created to read:

75.104 Cancellation of delinquent real property taxes on property to be used for affordable housing. (1) CANCELLATION AUTHORIZED. At any time before the recording of a tax deed based on a tax certificate issued on property for
nonpayment of taxes, the governing body of a county may cancel the unpaid real 
property taxes for which a tax certificate has been issued plus interest and penalties 
on those taxes on the property if all of the following apply:

(a) The property owner conveys the property to an organization described in 
section 501 (c) (3) or 501 (c) (4) of the Internal Revenue Code.

(b) The property owner conveys the property for no or nominal consideration.

(c) The organization to which the property is conveyed enters into an 
agreement with the county to use the property exclusively and directly to provide 
affordable housing for low-income families.

(2) ADMINISTRATION. Upon the cancellation of the real property taxes under sub. 
(1), the county treasurer shall execute and provide to the owner of the property a 
statement identifying the property for which taxes have been canceled and shall 
enter on the tax certificate the date upon which the taxes were canceled and the 
amount of taxes canceled.

(3) CERTAIN CITIES AUTHORIZED. A city authorized to proceed under s. 74.87 may 
act under this section with respect to unpaid real property taxes for which it has 
settled with other taxing jurisdictions.