Legislative Fiscal Bureau

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Veterans Property Tax Credit for Renters
(General Fund Taxes -- Refundable Tax Credits and Other Payments)

[LFB 2021-23 Budget Summary: Page 229, #12]

CURRENT LAW

Under current law, the veterans and surviving spouses property tax credit is equal to 100% of the real and personal property taxes paid on a principal residence by an eligible veteran or their spouse, or the unremarried surviving spouse of an eligible veteran. An eligible veteran is defined as a person who: (a) served on active duty in the U.S. armed forces; (b) was a resident of this state at the time of entry into that service or had been a Wisconsin resident for any consecutive five-year period after entry; (c) is a resident of the state for purposes of receiving veterans benefits; and (d) has a service-connected disability rating (set forth under federal law) of 100% or a 100% disability rating equivalent based on individual unemployability.

An eligible unremarried surviving spouse includes persons meeting certain service-related criteria relative to the deceased spouse, as verified by the Department of Veterans Affairs (DVA). Eligible unremarried surviving spouses receiving dependency and indemnity compensation from the federal government based on a deceased spouse's service-connected death are also able to claim the credit under current law.

The credit is refundable, such that if the amount of the credit exceeds a claimant's tax liability, a check is issued to the claimant for the difference. An individual cannot claim the credit if they also file a claim for the nonrefundable school property tax rent credit (PTRC), the farmland preservation credit (refundable), or the homestead credit (refundable) in the same tax year. A renter may claim the credit if they make property tax payments directly to the municipality (if the landlord does not remit such payments on their behalf).

BACKGROUND

The veterans and surviving spouses property tax credit was created under 2005 Act 25, the 2005-07 biennial budget act. The credit was initially available to eligible disabled veterans who were at least age 65 and their spouses, and to unremarried surviving spouses of certain veterans who died while on active duty. In the first year of its enactment (tax year 2005), the credit increased state GPR expenditures by $0.9 million. Since that time, credit expenditures have increased each year, totaling $35.8 million in tax year 2019. The table below displays total credit expenditures on a tax year basis since 2005. As shown in the table, annual growth in total claimants and the amount of credits claimed has exceeded 6% each year over the fifteen-year period.

Historical Claims Data for the Veterans Property Tax Credit

Tax Year	Count of Claimants	Percent Change	Credit Amounts	Percent Change	Average
2005	301		$866,255		$2,878
2006	382	26.9%	1,138,738	31.5%	2,981
2007	458	19.9	1,345,822	18.2	2,938
2008	577	26.0	1,713,587	27.3	2,970
2009	3,665	535.2	10,921,315	537.3	2,980
2010	5,047	37.7	14,893,638	36.4	2,951
2011	5,892	16.7	17,257,777	15.9	2,929
2012	6,634	12.6	19,287,913	11.8	2,907
2013	7,129	7.5	21,017,003	9.0	2,948
2014	8,103	13.7	23,540,861	12.0	2,905
2015	8,730	7.7	25,322,908	7.6	2,901
2016	9,305	6.6	27,458,070	8.4	2,951
2017	10,036	7.9	30,045,149	9.4	2,994
2018	10,665	6.3	32,014,280	6.6	3,002
2019	11,404	6.9	35,819,255	11.9	3,141

Eligibility for the credit was significantly expanded under 2007 Act 20, beginning in tax year 2009. The requirement that an eligible veteran had to have been a Wisconsin resident at the time of entry into active duty service was modified so as to also make eligible those veterans who lived in Wisconsin for any consecutive five-year period following their entry into active duty. Prior to Act 20, an eligible veteran must have attained the age of 65 in order to claim the credit (or in the case of a surviving spouse, their deceased spouse must have been at least age 65 at the time of death, unless they died while on duty). Act 20 removed these age requirements, such that any otherwise eligible veteran or surviving spouse could claim the credit regardless of age. Finally, Act 20 provided that veterans with a 100% disability rating equivalent based on their individual unemployability status could claim the credit. As shown in the table, total credit expenditures and the count of claimants increased considerably in tax year 2009 following Act 20.

Under 2013 Act 20, eligibility for the credit was further expanded to include unremarried surviving spouses of certain individuals, if the U.S. Department of Veterans Affairs verified that the individual met the following criteria: (a) the individual had served on active duty under honorable conditions in the U.S. armed forces or in forces incorporated as part of the U.S. armed forces; (b) the individual was a resident of Wisconsin at the time of entry into that service or had been a resident of Wisconsin for any consecutive five-year period after entry into that active duty service; (c) the individual was a resident of Wisconsin at the time of death; and (d) following the individual's death, the individual's spouse began to receive, and continues to receive, dependency and indemnity compensation, as defined under federal law. This expansion took effect beginning in tax year 2014.

Under Department of Revenue (DOR) administrative practice, an eligible veteran or surviving spouse who is a renter may claim the credit only if they meet all of the following conditions: (a) the rental unit is their principal dwelling; (b) the principal dwelling is located in Wisconsin; (c) they are required to pay the property taxes under a written agreement with their landlord; and (d) they remit property tax payments directly to the municipality.

DISCUSSION POINTS

1. The Committee could consider expanding the veterans and surviving spouses property tax credit by providing the credit to eligible renters beginning in tax year 2021 (Alternative 1a). An eligible claimant could claim the credit for 100% of their rent constituting property taxes. "Rent constituting property taxes" would have the same definition as under the current law property tax rent credit (generally 25% of rent if heat is not included in rent, or 20% of rent if heat is included). For married-separate filers, each spouse could claim the credit based on 50% of the total rent constituting property taxes paid during the taxable year for the eligible veteran's principal dwelling. Under this proposal, state GPR expenditures would be estimated to increase relative to current law by $4.9 million in 2021-22 and $5.1 million in 2022-23.

Such a proposal was included in Assembly Bill 68/Senate Bill 111 (AB 68/SB 111). However, when it was initially introduced as part of AB 68/SB 111, the estimated fiscal effect of Alternative 1a did not include an increase in individual income tax collections associated with these claimants who could no longer claim the nonrefundable PTRC (for which they are currently eligible). As a result, the fiscal effect of Alternative 1a also includes an estimated increase in individual income tax revenues of $0.5 million on an annual basis. The net increased cost of the credit would be $4.4 million in 2021-22 and $4.6 million in 2022-23.

2. Based on 2019 aggregate taxpayer data from DOR, an estimated 2,389 additional claimants would have been eligible for the veterans property tax credit in that year if the credit had been extended to renters. These claimants would have represented 17.3% of all individuals claiming the credit in tax year 2019. These data were used to calculate the fiscal effects of each of the alternatives presented in this paper. A distributional table of tax year 2019 credit claimants is included as an attachment to this paper. The attachment displays total veterans property tax credit claimants and amounts claimed by Wisconsin adjusted gross income (AGI) in tax year 2019.

3. In the Budget in Brief published by the Department of Administration (DOA), the administration states that expanding the veterans property tax credit to renters would provide financial

assistance to lower- and middle-income taxpayers. U.S. Census Bureau data compiled by the National Multifamily Housing Council show that median household income among all households who own their own home was $77,523 (in 2018 dollars). These same data report that median household income for all renter households (in 2018 dollars) was $41,515, or 53.6% of the median income for owner households. According to a 2017 report delivered to Congress by the U.S. Department of Housing and Urban Development, 64% of renters in the U.S. had incomes at or below 80% of the area median income, and 26% had incomes at or below 30% of the area median income.

4. The administration posits in its Budget in Brief that these lower/middle-income individuals have been disproportionately impacted by the adverse economic effects of the COVID-19 pandemic. A survey conducted by the Pew Research Center found that 26% of middle-income households and 33% of lower-income households experienced job loss in their household due to the COVID-19 pandemic, compared to only 14% of upper-income households. The survey also reported that 32% of lower-income individuals had difficulty making rent/mortgage payments since the onset of the pandemic, compared to only 3% of upper-income households.

5. According to Opportunity Insights, a nonpartisan research organization based at Harvard University, rates of employment at higher-income jobs (those that pay $60,000 or more per year) are lower by 2.0% as of February 1, 2021, relative to January, 2020. By contrast, for jobs that pay $27,000 or less per year, employment rates are nearly 30% lower as of February 1, 2021, compared to January, 2020. In Wisconsin, employment rates for higher-income workers are 3.6% higher, and employment rates for lower-income workers are 12.7% lower, over this same period. Because median incomes for renters are considerably lower than median incomes for homeowners, and because lower-income individuals are more likely to have experienced adverse economic effects from the pandemic, it could be argued that providing the veterans property tax credit to renters for tax year 2021 can help mitigate these negative economic impacts for these individuals.

6. According to 2019 American Community Survey data from the U.S. Census Bureau, an estimated 5.6% of veterans in Wisconsin earn incomes at or below the federal poverty line. Although disabled veterans comprise an estimated 28.3% of the overall veteran population in Wisconsin, an estimated 40.1% of veterans living at or below the federal poverty line in Wisconsin are disabled veterans. These data suggest that veterans who are disabled (and are thereby eligible for the veterans property tax credit) are disproportionately likely to live in poverty. It could be argued, therefore, that one goal of the credit is to provide property tax relief to those with a lower ability to pay property taxes. As noted above, median incomes for homeowners are nearly twice those for renters, so extending the credit to renters would expand the credit to lower-income veterans with disabilities.

7. DOA also promotes expanding the credit to renters as a way to promote tax equity. The concept of horizontal equity holds that tax policy should generally provide for the equal treatment of equals. In other words, individuals with comparable levels of income should generally be treated similarly for tax purposes. Under current state law, an eligible disabled veteran with $40,000 of annual income who owns her own home would receive a refundable credit for the full amount of property taxes paid on that home. By contrast, the same disabled veteran under current law would receive a lower level of property tax relief if she rented an apartment (such as through the nonrefundable PTRC). This differing tax treatment of otherwise similarly situated individuals under current law

violates the concept of horizontal equity.

8. Moreover, explicitly allowing the veterans property tax credit for renters would be in line with similar tax benefit programs provided to renters elsewhere in the state tax code, such as through the PTRC and the homestead credit. Unlike these other credits, the veterans property tax credit for renters under Alternative 1a (as for homeowners under current law) would not be income-limited nor limited to a certain amount of rent constituting property taxes. Similar to the credit for homeowners, the veterans property tax credit for renters would be disallowed if the claimant claimed a homestead, farmland preservation, or PTRC in the same tax year.

9. As displayed in the table above, veterans property tax credit expenditures have grown each year from tax year 2005 to 2019. During this span, the number of credit claimants has increased each year. More recently, the average credit has also increased, by a comprehensive annual average growth rate of 2.1% from $2,951 in 2016 to $3,140 in 2019. For the upcoming biennium, GPR expenditures for the credit are estimated at $41 million in 2021-22 and $42 million in 2022-23 under current law. If the Committee is concerned about the rising cost of the credit, it could consider imposing a cap on the amount of property taxes (or rent constituting property taxes) that may be claimed (Alternatives 2a and 2b). Such an approach would bring the credit in line with other property tax relief credits, such as the PTRC and homestead credits, which both employ a limit on the amount of property taxes that may be claimed.

10. If the Committee desired to limit the cost of the credit in this way, it could select a limit of $3,000 on the amount of property taxes or rent constituting property taxes that may be claimed, which approximates the average credit claimed in tax year 2018. Currently, the credit pays the full property tax bill of all eligible veterans without regard to their economic circumstances. Alternative 2a considers the net fiscal effect of expanding the credit to eligible renters and imposing the aforementioned limit of $3,000 of property taxes or rent constituting property taxes that may be claimed for all claimants, while Alternative 2b displays just the fiscal effect of imposing a property tax cap of $3,000 on the credit for homeowners that exists under current law (and not expanding the credit to renters). Alternative 2a would reduce the cost of the credit by an estimated $3.5 million in 2021-22 and $3.6 million in 2022-23 relative to current law. Alternative 2b would reduce the cost of the credit by an estimated $7.5 million in 2021-22 and $7.8 million in 2022-23.

11. Critics might counter that a credit which does not limit the amount of property taxes that may be claimed encourages eligible claimants to purchase more expensive homes than they otherwise would, with the knowledge that their full property tax bill will be paid by the state. Opponents of the current credit structure might worry that the unlimited property tax allowance under the current credit will cause credit expenditures to increase unchecked.

12. Another mechanism to control the cost of the credit would be to impose an income limit for claiming the credit (Alternatives 3a and 3b). Sound tax policy would suggest that such an income limit include a phase-out over a range of incomes in order to avoid a severe cliff effect. Such an effect is most severe when a tax benefit is fully disallowed as soon as income reaches a certain dollar amount, because this creates a significant and immediate increase in the marginal effective rate of tax paid by an individual with income over the relevant threshold. Alternative 3a considers the net fiscal effect of providing the credit to eligible renters and imposing a phase-out provision on renters and

homeowners. If the Committee chose not to extend the credit to renters, Alternative 3b considers applying the phase-out provision to the credit under current law.

13. As shown in the attachment, in tax year 2019, 883 veterans property tax credit claimants with Wisconsin AGI of $80,000 or more claimed $4.1 million of credits, for an average credit of $4,678 (49% higher than the average credit for all claimants). Such individuals comprised 7.7% of all credit claimants, and claimed 11.5% of total credits, in tax year 2019.

14. Also in tax year 2019, 509 credit claimants with Wisconsin AGI of $100,000 or more claimed $2.6 million of credits. Their average credit equaled $5,047, which is 61% higher than the average credit among all claimants. They comprised 4.5% of all claimants, and claimed 7.2% of total credits in tax year 2019.

15. Of all veterans property tax credit claimants in 2019, 172 (1.5% of all claimants) had Wisconsin AGI of $150,000 or more. These individuals claimed approximately $1.0 million of credits (2.8% of total credits), for an average credit of $5,741 (83% higher than the average credit among all claimants).

16. Under Alternatives 3a and 3b, the credit would phase out for married-joint filers with Wisconsin AGI between $100,000 and $150,000, for married-separate filers with Wisconsin AGI between $50,000 and $75,000 (half the threshold for married-joint filers), and for all other filers with Wisconsin AGI between $75,000 and $100,000. The phaseout would be structured such that the amount of property taxes the claimant could otherwise claim would be reduced by the amount by which their AGI exceeds the phase-out threshold over the total threshold amount. For example, a single filer with $85,000 of Wisconsin AGI would experience a 40% reduction in their creditable property taxes (excess = $85,000 - $75,000 = $10,000. Total threshold amount = $100,000 - $75,000 = $25,000. Reduction = $10,000 / $25,000 = 0.4, or 40%).

17. If the Committee chose to expand the veterans property tax credit to renters and adopt the phase-out provision described above, the cost of the credit would increase by $2.55 million in 2021-22 and $2.65 million in 2022-23 relative to current law (Alternative 3a). If the Committee chose not to expand the credit to renters but wished to adopt the income phaseout for eligibility for the credit, the cost of the credit would be reduced by $1.55 million in 2021-22 and $1.65 million in 2022-23 relative to current law (Alternative 3b).

18. Alternatives 2a and 3a could be adopted together. In this case, the credit would be extended to renters, limited to property taxes/rent constituting property taxes of $3,000, and would phase out for married-joint filers with Wisconsin AGI between $100,000 and $150,000, for married-separate filers with Wisconsin AGI between $50,000 and $75,000, and for all other filers with Wisconsin AGI between $75,000 and $100,000 (Alternative 4a). If Alternative 4a were adopted beginning in tax year 2021, it is estimated that the cost of the credit would decline relative to current law by $4.55 million in 2021-22 and $4.75 million in 2022-23.

19. On the other hand, if the Committee chose not to extend the credit to renters, Alternatives 2b and 3b could be adopted together, such that the current law credit would be limited to property taxes of $3,000, and would phase out for married-joint filers with Wisconsin AGI between $100,000

and $150,000, for married-separate filers with Wisconsin AGI between $50,000 and $75,000, and for all other filers with Wisconsin AGI between $75,000 and $100,000 (Alternative 4b). If Alternative 4b were adopted beginning in tax year 2021, the cost of the credit is estimated to decline relative to current law by $8.35 million in 2021-22 and $8.75 million in 2022-23.

20. From a tax policy perspective, adopting the phaseout and the property tax (or rent constituting property tax) cap together has the advantage of lowering the effective marginal rate of tax paid by individuals with incomes inside the phase-out range, relative to the tax rate they would pay if only the phaseout were adopted. This would apply to individuals who could otherwise claim property taxes (or the rent equivalent) in an amount greater than the proposed cap of $3,000. For example, a single filer with Wisconsin AGI of $90,000 and a property tax bill of $5,000 would face a steeper marginal rate of tax if only the phaseout were adopted. Under Alternative 3a or 3b, this filer would report the full $5,000 of property taxes initially, but could only claim $2,000 pursuant to the phase-out provision ($3,000 reduction in their credit). Conversely, under Alternatives 2 and 3 combined, this filer would only report the maximum allowable property taxes of $3,000 initially, and could then claim $1,200 pursuant to the phase-out provision ($1,800 reduction in their credit). This larger credit reduction under only Alternative 3 translates into a higher marginal effective tax rate in the phase-out range than the rate paid on the same income under Alternatives 2 and 3 together.

21. The Committee could reason that imposing a cap like the one described under Alternative 2 and 3 would cause undue economic consequences for veterans who currently claim the credit. As noted above, in order to claim the credit under current law, the veteran must have incurred a service-connected disability or died as a result of their service. It could be argued that the credit structure that exists under current law (no cap on the allowable amount of property taxes that can be claimed) is an appropriate response to the disabilities incurred by these veterans, and to the unmarried individuals who lost their spouse, in service to their country.

22. Critics of tax credits in general may argue that they are flawed as a mechanism to provide economic support to a particular group. They might worry that the veterans property tax credit disguises what is functionally an economic assistance program for disabled veterans and surviving spouses as simply a tax reduction. In their view, this practice can obfuscate the underlying goals of these support programs, which can complicate the ability of lawmakers and citizens to make informed decisions on the policy merits of such programs. If the Committee desires to provide economic assistance to disabled veterans and surviving spouses independent of the tax code, it could opt to convert the current law veterans property tax credit into a disabled veterans and surviving spouses grant program jointly administered by DOR and DVA (Alternative 5). Such a program would retain all the eligibility criteria and other relevant provisions that exist under the current law credit. Claimants could submit to DOR/DVA the same property tax and eligibility information they are required to submit under current law, and the agencies could then issue the associated grants. The Committee could also choose to adopt any of the other alternatives in this paper and incorporate those provisions into the rebate program under Alternative 5.

23. If the Committee chooses to create a disabled veterans and surviving spouses grant program to reimburse eligible veterans and surviving spouses for their property taxes incurred, the grant amounts and administrative costs incurred by DOR and DVA could be paid from a sum

sufficient miscellaneous GPR appropriation beginning in 2021-22. The Committee could require that, prior to issuing a rebate or incurring an expenditure under this appropriation, DOR and DVA submit a plan to the Committee for implementing the program within 90 days of the bill's effective date, including associated costs and positions needed to implement the program and to review applications received under the program. After receiving the plan, the Co-chairpersons of the Committee could either: (a) direct DOR and DVA to implement the plan; or (b) convene a meeting of the Committee within 14 days after the plan is submitted to approve, or modify and approve, the plan. DOR and DVA would be required to implement the plan as approved by the Committee, and could not utilize the sum sufficient appropriation to pay for administrative costs beyond the amount authorized by the Committee.

ALTERNATIVES

Provide the Veterans Property Tax Credit to Eligible Renters

1a. Expand the veterans and surviving spouses property tax credit by providing the credit to eligible renters beginning in tax year 2021. Permit an eligible claimant to claim a credit equal to 20% of rent if heat is included, and 25% of rent if heat is not included. Estimate increased GPR expenditures of $4,900,000 in 2021-22 and $5,100,000 in 2022-23 and annually thereafter. Estimate increased individual income tax collections of $500,000 on an annual basis, beginning in 2021-22.

ALT 1a	Change to Base
GPR	$10,000,000
GPR-Tax	1,000,000

1b. Take no action.

Limit Claimable Property Taxes to $3,000

2a. In addition to expanding the veterans property tax credit to renters under Alternative 1a, limit the total property taxes/rent constituting property taxes that could be claimed for purposes of the credit to $3,000. Estimate decreased GPR expenditures relative to current law of $3,000,000 in 2021-22 and $3,100,000 in 2022-23. Estimate increased individual income tax collections relative to current law of $500,000 on an annual basis, beginning in 2021-22.

ALT 2a	Change to Base
GPR	- $6,100,000
GPR-Tax	1,000,000

2b. Take no action on providing the credit to renters under Alternative 1a. However, limit the total property taxes that could be claimed for purposes of the credit under current law to $3,000 beginning in tax year 2021. Estimate decreased GPR expenditures relative to current law of

$7,500,000 in 2021-22 and $7,800,000 in 2022-23.

ALT 2b	Change to Base
GPR	- $15,300,000

Phase Out the Credit at Higher Incomes

3a. In addition to expanding the veterans property tax credit to renters under Alternative 1a, stipulate that the credit phases out for married-joint taxpayers with Wisconsin AGI between $100,000 and $150,000, for married-separate filers with Wisconsin AGI between $50,000 and $75,000, and for all other filers with Wisconsin AGI between $75,000 and $100,000. Estimate increased GPR expenditures relative to current law of $3,000,000 in 2021-22 and $3,100,000 in 2022-23. Estimate increased individual income tax collections relative to current law of $450,000 on an annual basis, beginning in 2021-22.

ALT 3a	Change to Base
GPR	$6,100,000
GPR-Tax	900,000

3b. Take no action on providing the credit to renters under Alternative 1a. However, stipulate that the current law credit phases out for married-joint taxpayers with Wisconsin AGI between $100,000 and $150,000, for married-separate filers with Wisconsin AGI between $50,000 and $75,000, and for all other filers with Wisconsin AGI between $75,000 and $100,000, beginning in tax year 2021. Estimate decreased GPR expenditures relative to current law of $1,600,000 in 2021-22 and $1,700,000 in 2022-23. Estimate decreased individual income tax collections relative to current law of $50,000 on an annual basis beginning in 2021-22.

ALT 3b	Change to Base
GPR	- $3,300,000
GPR-Tax	- 100,000

Adopt Property Tax Limit and Phaseout

4a. In addition to expanding the veterans property tax credit to renters under Alternative 1a, limit the total property taxes/rent constituting property taxes that could be claimed for purposes of the credit to $3,000. Stipulate that the credit phases out for married-joint taxpayers with Wisconsin AGI between $100,000 and $150,000, for married-separate filers with Wisconsin AGI between $50,000 and $75,000, and for all other filers with Wisconsin AGI between $75,000 and $100,000. Specify that these changes take effect beginning in tax year 2021. Estimate decreased GPR expenditures relative to current law of $4,100,000 in 2021-22 and $4,300,000 in 2022-23. Estimate increased individual income tax collections relative to current law of $450,000 on an annual basis, beginning in 2021-22.

ALT 4a	Change to Base
GPR	- $8,400,000
GPR-Tax	900,000

4b. Take no action on providing the credit to renters under Alternative 1a. However, limit the total property taxes that could be claimed for purposes of the credit under current law to $3,000. In addition, stipulate that the current law credit phases out for married-joint taxpayers with Wisconsin AGI between $100,000 and $150,000, for married-separate filers with Wisconsin AGI between $50,000 and $75,000, and for all other filers with Wisconsin AGI between $75,000 and $100,000. Specify that these changes take effect beginning in tax year 2021. Estimate decreased GPR expenditures relative to current law of $8.4 million in 2021-22 and $8.8 million in 2022-23. Estimate decreased individual income tax collections relative to current law of $50,000 on an annual basis, beginning in 2021-22.

ALT 4b	Change to Base
GPR	- $17,200,000
GPR-Tax	- 100,000

Create Disabled Veterans and Surviving Spouses Grant Program

5. Sunset the current law veterans and surviving spouses tax credit, beginning in tax year 2021. Create a disabled veterans and surviving spouses grant program, jointly administered by DOR and DVA, beginning in tax year 2021. Specify that the eligibility criteria for claiming the rebate, and other relevant provisions of the rebate program, are identical to those that exist under the current law veterans and surviving spouses property tax credit. Create a sum sufficient miscellaneous GPR appropriation for this purpose. Maintain the current law prohibition that an individual claiming a disabled veterans and surviving spouses grant cannot use the same property taxes paid (or rent constituting property taxes paid) to claim the school property tax rent credit, homestead credit, or farmland preservation credit. Require DOR and DVA to submit a plan to the Committee for implementing the program, including associated costs and positions needed to implement the program and to review applications received under the program. Require the Co-chairpersons of the Committee, after receiving the plan, to either: (a) direct DOR and DVA to implement the plan; or (b) convene a meeting of the Committee within 14 days after the plan is submitted to approve, or modify and approve, the plan. Require DOR and DVA to implement the plan as approved by the Committee, and prohibit DOR and DVA from utilizing the sum sufficient appropriation to pay for administrative costs beyond the amounts authorized by the Committee. Alternative 5 can be adopted together with any other alternative presented above. In this case, the provisions of the other alternative would be incorporated into the grant program.

Prepared by: Dan Spika
Attachment

ATTACHMENT

Distribution of Veterans Property Tax Credit Claimants and Amounts Claimed by Wisconsin AGI, Tax Year 2019

Total Adjusted Gross Income	Count	% of Count	Amount	% of Amount	Average
Under $5,000	4,095	35.9%	$10,804,111	30.2%	$2,638
5,000 - 10,000	982	8.6	2,873,769	8.0	2,926
10,000 - 15,000	683	6.0	2,035,229	5.7	2,980
15,000 - 20,000	670	5.9	1,977,879	5.5	2,952
20,000 - 25,000	599	5.3	1,852,921	5.2	3,093
25,000 - 30,000	578	5.1	1,787,572	5.0	3,093
30,000 - 40,000	1,013	8.9	3,277,454	9.1	3,235
40,000 - 60,000	1,219	10.7	4,431,516	12.4	3,635
60,000 - 80,000	682	6.0	2,647,934	7.4	3,883
80,000 - 100,000	374	3.3	1,561,870	4.4	4,176
100,000 - 150,000	337	3.0	1,581,575	4.4	4,693
150,000 - 200,000	108	0.9	601,231	1.7	5,567
Over 200,000	64	0.6	386,194	1.1	6,034
Total	11,404	100.0%	$35,819,255	100.0%	$3,141