



**PRELIMINARY DRAFT – NOT READY FOR INTRODUCTION**  
**SENATE AMENDMENT ,**  
**TO 2009 ASSEMBLY BILL 75**

1           At the locations indicated, amend the bill as follows:

2           **1.** Page 765, line 25: after that line insert:

3           “**SECTION 1515m.** 70.11 (intro.) of the statutes is amended to read:

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

1      taxation district where the property is located a form that the department of revenue  
2      prescribes. Leasing Except as provided in subs. (4) (b), (4a) (e), and (4d), leasing a  
3      part of the property described in this section does not render it taxable if the lessor  
4      uses all of the leasehold income for maintenance of the leased property or  
5      construction debt retirement of the leased property, or both, and, except for  
6      residential housing, if the lessee would be exempt from taxation under this chapter  
7      if it owned the property. Any lessor who claims that leased property is exempt from  
8      taxation under this chapter shall, upon request by the tax assessor, provide records  
9      relating to the lessor's use of the income from the leased property. Property exempted  
10     from general property taxes is:".

11            **2.** Page 766, line 16: after that line insert:

12            **"SECTION 1516d.** 70.11 (4) of the statutes is renumbered 70.11 (4) (a) and  
13            amended to read:

14            70.11 (4) (a) Property owned and used exclusively by educational institutions  
15            offering regular courses 6 months in the year; or by churches or religious, educational  
16            or benevolent associations, including benevolent nursing homes and retirement  
17            homes for the aged but not including an organization that is organized under s.  
18            185.981 or ch. 611, 613 or 614 and that offers a health maintenance organization as  
19            defined in s. 609.01 (2) or a limited service health organization as defined in s. 609.01  
20            (3) or an organization that is issued a certificate of authority under ch. 618 and that  
21            offers a health maintenance organization or a limited service health organization  
22            and not including property owned by any nonstock, nonprofit corporation which  
23            services guaranteed student loans for others or on its own account, and also including  
24            property owned and used for housing for pastors and their ordained assistants,

1 members of religious orders and communities, and ordained teachers, whether or not  
2 contiguous to and a part of other property owned and used by such associations or  
3 churches, and also including property that is low-income housing, as defined under  
4 sub. (4a) (a), and residential housing under par. (b); or by women's clubs; or by  
5 domestic, incorporated historical societies; or by domestic, incorporated, free public  
6 library associations; or by fraternal societies operating under the lodge system  
7 (except university, college and high school fraternities and sororities), but not  
8 exceeding 10 acres of land necessary for location and convenience of buildings while  
9 such property is not used for profit. Property owned by churches or religious  
10 associations necessary for location and convenience of buildings, used for  
11 educational purposes and not for profit, shall not be subject to the 10-acre limitation  
12 but shall be subject to a 30-acre limitation. Property owned by churches or religious  
13 or benevolent associations necessary for location and convenience of buildings, used  
14 for a low-income housing project, as defined under sub. (4a) (b), including other  
15 low-income housing projects under common control with such project, shall not be  
16 subject to the 10-acre limitation but shall be subject to a limitation of 30 acres and  
17 a limitation of 10 contiguous acres in any one municipality. Property that is exempt  
18 from taxation under this subsection and is leased remains exempt from taxation only  
19 if, in addition to the requirements specified in the introductory phrase of this section,  
20 the lessee does not discriminate on the basis of race.

21 **SECTION 1516e.** 70.11 (4) (b) of the statutes is created to read:

22 70.11 (4) (b) 1. Leasing a part of residential housing described in par. (a) that  
23 is owned and operated by a nonprofit organization as a facility that is licensed,  
24 certified, or registered under ch. 50 does not render the property taxable, regardless  
25 of how the lessor uses the leasehold income.

1           2. Leasing a part of residential housing described in par. (a) that is occupied  
2           by one or more individuals with permanent disabilities for whom evidence is  
3           available that demonstrates that such individuals meet the medical definition of  
4           permanent disability used to determine eligibility for programs administered by the  
5           federal social security administration does not render the property taxable,  
6           regardless of how the lessor uses the leasehold income.

7           **SECTION 1516f.** 70.11 (4a) of the statutes is created to read:

8           **70.11 (4a) LOW-INCOME HOUSING.** (a) For purposes of sub. (4), “low-income  
9           housing” means any housing project described in sub. (4b) or any residential unit  
10          within a low-income housing project that is occupied by a low-income or very  
11          low-income person or is vacant and is only available to such persons.

12          (b) For purposes of this subsection and sub. (4), “low-income housing project”  
13          means a residential housing project for which all of the following apply:

14               1. At least 75 percent of the occupied residential units are occupied by  
15               low-income or very low-income persons or are vacant and available only to  
16               low-income or very low-income persons.

17               2. At least one of the following applies:

18                   a. At least 20 percent of the residential units are rented to persons who are very  
19                   low-income persons or are vacant and are only available to such persons.

20                   b. At least 40 percent of the residential units are rented to persons whose  
21                   income does not exceed 120 percent of the very low-income limit or are vacant and  
22                   only available to such persons.

23               (c) For purposes of this subsection, low-income persons and very low-income  
24               persons shall be determined in accordance with the income limits published by the

1 federal department of housing and urban development for low-income and very  
2 low-income families under the National Housing Act of 1937.

3 (d) For purposes of this subsection and sub. (4), all properties included within  
4 the same federal department of housing and urban development contract or within  
5 the same federal department of agriculture, rural development, contract are  
6 considered to be one low-income housing project.

7 (e) Leasing property that is exempt from taxation under sub. (4) or (4b) as  
8 low-income housing does not render it taxable if the lessor uses all of the leasehold  
9 income from the property for any of the following expenditures directly related to the  
10 low-income housing project to which the property belongs, except that the lessor may  
11 use up to 10 percent of the leasehold income for any of the following expenditures  
12 directly related to any other low-income housing project under common control with  
13 that project and located in this state, and except that the lessor may use any of the  
14 leasehold income for debt service for any other low-income housing project under  
15 common control with that project, under the same mortgage, and located in this state  
16 and such amount is not considered for purposes of the 10 percent maximum  
17 described in this paragraph:

- 18 1. Maintenance.
- 19 2. Capital replacements.
- 20 3. Insurance premiums.
- 21 4. Project management.
- 22 5. Debt retirement.
- 23 6. Moneys reserved for project-related purposes.
- 24 7. General and administrative expenses.
- 25 8. Social services and other resident services provided at the project.

1           9. Utilities.

2           10. Financing costs.

3           11. Any other expenditure related to preserving and managing the project.

4           12. Any other similar project-related expenditure.

5           (f) 1. Annually, no later than March 1, each person who owns a low-income  
6 housing project shall file with the assessor of the taxation district in which the project  
7 is located a statement that specifies which units were occupied on January 1 of that  
8 year by persons whose income satisfied the income limit requirements under par. (a),  
9 as certified by the property owner to the appropriate federal or state agency, and a  
10 copy of the federal department of housing and urban development contract or federal  
11 department of agriculture, rural development, contract, if applicable.

12           2. The format and distribution of statements under this paragraph shall be  
13 governed by s. 70.09 (3).

14           3. If the statement required under this paragraph is not received on or before  
15 March 1, the taxation district assessor shall send the property owner a notice, by  
16 certified mail to the owner's last-known address of record, stating that failure to file  
17 a statement is subject to the penalties under subd. 5.

18           4. In addition to the statement under subd. 1., the taxation district assessor  
19 may require that a property owner submit other information to prove that the  
20 person's property qualifies as low-income housing that is exempt from taxation  
21 under sub. (4).

22           5. A person who fails to file a statement within 30 days after notification under  
23 subd. 3. shall forfeit \$10 for each succeeding day on which the form is not received  
24 by the taxation district assessor, but not more than \$500.

25           **SECTION 1516g.** 70.11 (4b) of the statutes is created to read:

1           **70.11 (4b)** HOUSING PROJECTS FINANCED BY HOUSING AND ECONOMIC  
2 DEVELOPMENT AUTHORITY. All property of a housing project that satisfies all of the  
3 following:

4           (a) It is owned by a corporation, organization, or association described in  
5 section 501 (c) (3) of the Internal Revenue Code that is exempt from taxation under  
6 section 501 (a) of the Internal Revenue Code.

7           (b) It is financed by the Housing and Economic Development Authority under  
8 s. 234.03 (13).

9           (c) The Housing and Economic Development Authority holds a first-lien  
10 mortgage security interest on it.

11           (d) It is in existence on January 1, 2008.

12           **SECTION 1516h.** 70.11 (4d) of the statutes is created to read:

13           **70.11 (4d)** RETIREMENT HOMES FOR THE AGED. Property that is used as a  
14 retirement home for the aged, but not exceeding 30 acres of land necessary for the  
15 location and convenience of buildings, while such property is not used for profit, if  
16 the fair market value of the individual dwelling unit is less than 160 percent of the  
17 average fair market value of improved parcels of residential property located in the  
18 county in which the retirement home for the aged is located in the previous year, as  
19 determined by the assessor of the taxation district in which the property is located  
20 based on the sum of the average per parcel value of residential land and the average  
21 per parcel value of residential improvements, as determined by the department of  
22 revenue. For purposes of determining the fair market value of an individual dwelling  
23 unit under this subsection, the fair market value of any common area is excluded.  
24 The common area of a retirement home for the aged is exempt from general property  
25 taxes if 50 percent or more of the home's individual dwelling units are exempt from

1 general property taxes under this subsection. Leasing a part of property used as a  
2 retirement home for the aged, as described in this subsection, does not render it  
3 taxable, regardless of how the lessor uses the leasehold income. For purposes of this  
4 subsection, “retirement home for the aged” includes all housing provided for the  
5 aged, including all facilities licensed, certified, or registered under ch. 50 that are  
6 part of the retirement home.”.

7 **3.** Page 1686, line 20: after that line insert:

8 “(3d) OMITTED PROPERTY. Notwithstanding section 70.44 (1) of the statutes,  
9 section 70.44 (1) of the statutes does not apply to property described under section  
10 70.11 (4) (b), (4a), and (4d) of the statutes, as created by this act, for the years before  
11 2009 during which the property was omitted from assessment.”.

12 **4.** Page 1721, line 22: after that line insert:

13 “(21cd) LOW-INCOME HOUSING. The treatment of section 70.11 (intro.), (4a), (4b),  
14 and (4d) of the statutes, the renumbering and amendment of section 70.11 (4) of the  
15 statutes, and the creation of section 70.11 (4) (b) of the statutes first apply to the  
16 property tax assessments as of January 1, 2009.”.

17 (END)