



State of Wisconsin  
2025 - 2026 LEGISLATURE

LRB-4509/P1

JK:ads&cdc

**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION**

1     **AN ACT** *to amend* 71.10 (4) (i); *to create* 20.835 (2) (fm) and 71.07 (8d) of the  
2             statutes; **relating to:** an income tax credit for property taxes paid by certain  
3             senior citizens and making an appropriation.

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

This bill creates a refundable income tax credit equal to 75 percent of the property taxes paid on the principal dwelling of an individual who is at least 65 years of age, if the individual's annual household income is no more than \$24,500 and the assessed value of the individual's principal dwelling is no more than \$300,000. An individual who claims a credit under the bill may not claim the school property tax credit, the veterans and surviving spouse property tax credit, or the homestead tax credit.

Because the credit is refundable, if the amount of the claim for which a claimant is eligible exceeds the claimant's tax liability, the difference will be paid to the claimant by check.

For further information see the state fiscal estimate, which will be printed as an appendix to this bill.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

4             **SECTION 1.** 20.835 (2) (fm) of the statutes is created to read:

**BILL****SECTION 1**

1           20.835 (2) (fm) *Senior citizen property tax credit*. A sum sufficient to make the  
2       payments under s. 71.07 (8d).

3           **SECTION 2.** 71.07 (8d) of the statutes is created to read:

4           **71.07 (8d) SENIOR CITIZEN PROPERTY TAX CREDIT.** (a) *Definitions.* In this  
5       subsection:

6           1. "Household" means an individual and his or her spouse.

7           2. "Household income" means all income received by an individual and his or  
8       her spouse.

9           3. "Claimant" means an individual who has reached age 65 by December 31 of  
10      the taxable year to which the claim relates or an individual and his or her spouse  
11      filing a joint return, either of whom has reached age 65 by December 31 of the  
12      taxable year to which the claim relates, and who files a claim under this subsection.

13          4. "Principal dwelling" means a dwelling that is owned and used by the  
14      claimant as a primary dwelling for the entire taxable year for which the credit  
15      under this subsection is claimed and the land surrounding it that is reasonably  
16      necessary for use of the dwelling as a primary dwelling, including a part of a  
17      multidwelling or multipurpose building and a part of the land upon which it is built  
18      that is used as the claimant's primary dwelling.

19          5. "Property taxes" means the property taxes, exclusive of special  
20      assessments, delinquent interest, and charges for service, paid by a claimant, and  
21      the claimant's spouse if filing a joint return, levied on the claimant's principal  
22      dwelling in this state less any property taxes levied that are properly included as a  
23      trade or business expense under section 162 of the Internal Revenue Code. If the  
24      principal dwelling on which the taxes were paid is owned by 2 or more persons or

**BILL****SECTION 2**

1 entities as joint tenants or tenants in common or is owned by spouses as marital  
2 property, "property taxes" is that part of the property taxes paid that reflects the  
3 ownership percentage of the claimant, except that this limitation does not apply to  
4 spouses who file a joint return. If the principal dwelling is sold during the taxable  
5 year, the "property taxes" for the seller and buyer shall be the amount of the tax  
6 prorated to each in the closing agreement pertaining to the sale or, if not so  
7 provided for in the closing agreement, the tax shall be prorated between the seller  
8 and buyer in proportion to months of their respective ownership. "Property taxes"  
9 includes monthly municipal permit fees with respect to a principal dwelling  
10 imposed under s. 66.0435 (3) (c).

11 (b) *Filing claims.* For taxable years beginning after December 31, 2025, and  
12 subject to the limitations provided in this subsection, a claimant may claim as a  
13 credit against the tax imposed under s. 71.02, an amount equal to 75 percent of the  
14 amount of the property taxes the claimant paid in the taxable year on the  
15 claimant's principal dwelling. If the allowable amount of the claim exceeds the  
16 income taxes otherwise due on the claimant's income, the amount of the claim not  
17 used as an offset against those taxes shall be certified by the department of revenue  
18 to the department of administration for payment to the claimant by check, share  
19 draft, or other draft from the appropriation under s. 20.835 (2) (fm).

20 (c) *Limitations.* 1. No credit may be claimed under this subsection if the  
21 claimant's household income for the taxable year for which the claim relates is  
22 \$24,500 or more or if the assessed value of the claimant's principal dwelling for the  
23 taxable year for which the claim relates is \$300,000 or more.

24 2. No credit may be allowed under this subsection if the claimant has not paid

**BILL****SECTION 2**

1 the property taxes on the principal dwelling for the taxable year for which the claim  
2 relates.

3 3. a. No credit may be allowed under this subsection if the claimant or the  
4 claimant's spouse files a claim under sub. (6e) that relates to the same taxable year  
5 for which a claim is made under this subsection.

\*\*\*\*NOTE: This subdivision prohibits an individual from claiming the veterans  
and surviving spouses property tax credit for the same year in which the individual  
claims a credit under the bill.

6 b. No credit may be allowed under this subsection for an amount of property  
7 taxes claimed as a credit under sub. (9) or subch. VIII that relates to the same  
8 taxable year for which a claim is made under this subsection.

\*\*\*\*NOTE: This subdivision prohibits an individual from claiming the school  
property tax credit and the homestead credit for the same year in which the individual  
claims a credit under the bill.

9 4. Except as provided in subd. 6., only one claimant per household per taxable  
10 year may claim a credit under this subsection.

11 5. No credit may be allowed under this subsection for property taxes that the  
12 claimant pays on his or her principal dwelling that is leased to the claimant.

13 6. If married persons who are eligible to claim the credit under this subsection  
14 file separate returns, each spouse may claim a credit under this subsection based on  
15 his or her respective ownership interest in the principal dwelling.

16 7. No credit may be allowed under this subsection unless it is claimed within  
17 the time period under s. 71.75 (2).

18 (d) *Administration.* 1. In administering this subsection, the department of  
19 revenue shall make available suitable forms with instructions for claimants,  
20 including a form that may be included with, or as a part of, the individual income  
21 tax form.

# BILL

## SECTION 2

2. Subsection (9e) (d), to the extent that it applies to the credit under that subsection, applies to the credit under this subsection.

**SECTION 3.** 71.10 (4) (i) of the statutes, as affected by 2025 Wisconsin Act 15,  
is amended to read:

71.10 (4) (i) The total of claim of right credit under s. 71.07 (1), farmland preservation credit under ss. 71.57 to 71.61, farmland preservation credit, 2010 and beyond under s. 71.613, homestead credit under subch. VIII, jobs tax credit under s. 71.07 (3q), business development credit under s. 71.07 (3y), research credit under s. 71.07 (4k) (e) 2. a., film production services credit under s. 71.07 (5f) (b) 2., veterans and surviving spouses property tax credit under s. 71.07 (6e), senior citizen property tax credit under s. 71.07 (8d), enterprise zone jobs credit under s. 71.07 (3w), electronics and information technology manufacturing zone credit under s. 71.07 (3wm), earned income tax credit under s. 71.07 (9e), estimated tax payments under s. 71.09, and taxes withheld under subch. X.

**(END)**