



State of Wisconsin  
2025 - 2026 LEGISLATURE

LRB-1887/P2

KP:wlj&skw

DOA:.....Quinn, BB0508 - Homestead credit name change

**FOR 2025-2027 BUDGET -- NOT READY FOR INTRODUCTION**

**AN ACT ...; relating to:** the budget.

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*Analysis by the Legislative Reference Bureau*

**TAXATION**

**INCOME TAXATION**

***Changing the name of the homestead credit***

The bill renames the homestead income tax credit to the property tax and rent rebate. Under current law, the homestead credit is a refundable income tax credit that may be claimed by homeowners and renters. The credit is based on the claimant's household income and the amount of property taxes or rent constituting property taxes on the claimant's Wisconsin homestead.

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

**SECTION 1.** 20.835 (2) (c) (title) of the statutes is repealed and recreated to read:

20.835 (2) (c) (title) *Property tax and rent rebate.*

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

**SECTION 2.** 71.03 (4) (a) of the statutes is amended to read:

71.03 (4) (a) Natural persons whose total income is not in excess of \$10,000 and consists entirely of wages subject to withholding for Wisconsin tax purposes and not more than \$200 total of dividends, interest and other wages not subject to Wisconsin withholding, and who have elected the Wisconsin standard deduction and have not claimed either the ~~credit for homestead property tax relief~~ property

**BILL****SECTION 2**

tax and rent rebate under subch. VIII or deductions for expenses incurred in earning such income, shall, at their election, not be required to record on their income tax returns the amount of the tax imposed on their Wisconsin taxable income. Married persons shall be permitted this election only if the joint income of the ~~husband and wife~~ spouses does not exceed \$10,000, if both report their incomes on the same joint income tax return form, and if both make this election.

\*\*\*\*NOTE: This is reconciled s. 71.03 (4) (a). This SECTION has been affected by drafts with the following LRB numbers: -0912/P1 and -1887/P1.

**SECTION 3.** 71.07 (4) of the statutes is amended to read:

71.07 (4) ~~HOMESTEAD CREDIT~~ PROPERTY TAX AND RENT REBATE. The ~~homestead credit property tax and rent rebate~~ under subch. VIII may be claimed by individuals against taxes otherwise due.

**SECTION 4.** Subchapter VIII (title) of chapter 71 [precedes 71.51] of the statutes is repealed and recreated to read:

**CHAPTER 71****SUBCHAPTER VIII****PROPERTY TAX AND RENT REBATE**

**SECTION 5.** 71.55 (3) of the statutes is amended to read:

71.55 (3) **FORMS TO BE PROVIDED BY DEPARTMENT.** In administering this subchapter, the department of revenue shall make available suitable forms with instructions for claimants, including a form that may be included with, or as a part of, the individual income tax form. In preparing ~~homestead credit~~ property tax and rent rebate forms, the department of revenue shall provide a space for identification of the county and city, village or town in which the claimant resides.

**SECTION 6.** 71.55 (5) of the statutes is amended to read:

**BILL****SECTION 6**

71.55 (5) LEGISLATION MAY BE PROPOSED BY DEPARTMENT. At the end of each fiscal year, the department of revenue shall review the ~~homestead tax credit~~ property tax and rent rebate program and may propose legislation to adjust the amounts of claims allowable under the program, taking into account findings that social security benefits and the cost of living, as reflected in the index computed by the U.S. bureau of labor statistics, have increased or decreased.

**SECTION 7.** 71.55 (7) of the statutes is amended to read:

71.55 (7) RECORDS MAY BE REQUIRED BY DEPARTMENT TO DETERMINE CORRECT CREDIT. To ascertain the correctness of any claim under this subchapter or to determine the amount of the credit under this subchapter of any person, the department may examine, or cause to be examined by any agent or representative designated by the department, any books, papers, records or memoranda bearing on the ~~homestead credit~~ property tax and rent rebate of the person, may require the production of the books, papers, records or memoranda, and require the attendance, of any person having relevant knowledge, and may take testimony and require proof material for its information. Based on the information it discovers, the department shall determine the true amount of ~~homestead credit~~ the property tax and rent rebate during the year or years under investigation.

**SECTION 8.** 71.80 (3m) (c) of the statutes is amended to read:

71.80 (3m) (c) If the department determines that a spouse is otherwise entitled to a state tax refund or ~~homestead~~ property tax and rent rebate or farmland credit, it shall notify the spouses under s. 71.74 (11) that the state intends to reduce any state tax refund or a refundable credit due the spouses by the amount credited against any liability under par. (a) or (b) or both.

**BILL****SECTION 9**

**SECTION 9.** 71.83 (5) (a) 1. of the statutes is amended to read:

71.83 (5) (a) 1. “Credit” means the earned income tax credit under s. 71.07 (9e), the ~~homestead-credit~~ property tax and rent rebate under subch. VIII, the farmland preservation credit under subch. IX, or any refundable credit under s. 71.07, 71.28, or 71.47.

**SECTION 10.** 73.03 (40m) of the statutes is amended to read:

73.03 (40m) To include on the form on which a ~~homestead-credit~~ property tax and rent rebate is claimed information about the property tax deferral program.

(END)