

## Wisconsin Association of Homes and Services for the Aging, Inc.

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October 26, 2004

To: Mary Matthias, Legislative Council

From: John Sauer, Executive Director

Subject: WAHSA Position to the Legislative Council Special Committee on  
Tax Exemptions for Residential Property (Columbus Park)

WAHSA recommends that the Legislative Council Special Committee on Tax Exemptions for Residential Property (Columbus Park) modify the property tax exemptions statutes related to senior housing providers as summarized below.

1. Define **“benevolent retirement home for the aged”** under section 70.11 (4), Wis. Stats., to mean:

Property owned by a nonprofit organization providing housing for five or more individuals which may provide care or services that are above the level of room and board and is exempt from federal taxation under s. 501(c) of the Internal Revenue Code. A benevolent retirement home for the aged includes either:

- a) Not-for-profit nursing homes, community-based residential facilities, and residential care apartment complexes; or
  - b) Senior housing facilities that met the requirements for “housing for older persons” under s.106.50(1m)(m) and s.106.50(5m)(a)1, Wis. Stats., and satisfied the requirements under s.501(c) of the Internal Revenue Code as interpreted in rulings by the Internal Revenue Service.
2. Modify s.70.11 (intro), Wis. Stats., by deleting the rent use language and replacing it with provisions that would permit leasehold income to be used “to further the lessor’s benevolent purpose.”
  3. Repeal the provision in s.70.11 (4) which limits the property tax exemption for property owned by benevolent associations to 10 acres.



Our position simply seeks to address the current statutory exemption for benevolent retirement homes for the aged. It is not intended to further clarify the exemption for non-senior residential housing. If Council members wish to modify the status quo for non-senior residential housing, we would gladly review such proposals.

Thank you for the opportunity to advance WAHSA's positions to the Legislative Council Special Committee on Tax Exemptions for Residential Property.