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Testimony in Support of Assembly Bill 102

Senate Committee on Universities and Revenue

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Chairman Hutton and committee members, thank you for this opportunity to testify in support of Assembly Bill (AB) 102 today. I would like to thank Senator Jacque for continuing to work with me on this important legislation.

For many years Wisconsin has been a national leader in providing benefits and services for veterans. AB 102 builds upon that legacy by expanding the eligibility for the Veterans and Surviving Spouses Property Tax Credit. Currently, a veteran's service-connected disability rating must be 100% for them, or their unremarried surviving spouse, to qualify for this tax credit. AB 102 makes this credit available to more of these deserving individuals by lowering the threshold to a disability rating of 70% and above. The maximum credit that an eligible veteran could claim is multiplied by the percentage of that veteran's service-connected disability rating. For example, an eligible veteran with a 70% disability rating may claim a 70% property tax credit.

You've likely seen stories of deserving wounded combat veterans receiving support from the community and non-profits to either build or renovate a home to accommodate their disability. However, these improvements often increase the property value resulting in higher property taxes. Due to their injuries, many of these veterans live on fixed incomes and struggle to pay their property taxes. Unfortunately, unless a veteran has a 100% service-connected disability rating they are not eligible for the property tax relief provided by this tax credit. By expanding the eligibility for this credit we are providing property tax relief that will allow more of our disabled veterans and their spouses to stay in their homes and out of more costly alternatives such as long-term care facilities. Not only does keeping these folks in their homes save money, but also preserves a higher quality of life.

Since AB 102, cleared the Assembly Ways and Means Committee earlier in the session, we have been working with stakeholders to address concerns that prevented this proposal from advancing any further. The result of this work is Assembly Amendment 1 which was adopted prior to the bill's passage by the Assembly last month. This amendment ensures that the property tax relief provided by this legislation is going to veterans and surviving spouses who truly need it to stay in their homes. I would like to thank Senator Nass and Chairman Hutton for their willingness to work with us on this amendment. I would also like to thank the Wisconsin American Legion, Veterans of Foreign Wars, and Disabled American Veterans for their support of this compromise.

Under this amendment, nothing changes for individuals who are currently receiving the tax credit. Going forward, income limits will be implemented for individuals who first become eligible for the credit for tax years beginning after December 31, 2023. The limit is \$100,000 for an individual and \$150,000 for a married couple. Both limits apply regardless of whether the couple files a joint return or a separate return. In addition, for those with a service-connected disability rating of less than 100%, the amount of the credit is limited to the amount of the property taxes paid on the first \$350,000 of the assessed value of the individual's principal dwelling.

As I've worked on this legislation over the past several years, I've heard from veterans across the state about how this will make their life better. I've even heard from veterans who will not personally benefit, but support this bill because it will help their fellow veterans. AB 102 is the top legislative priority for many of our state's veteran service organizations and you will hear from some of them today.

When our veterans joined the military, they did so knowing that they may give their life in service to the nation we love. It is our duty to help support those who were significantly injured in defense of the freedoms we hold dear. While disabled veterans certainly appreciate benefits like a free state park pass or a discounted turkey tag, this legislation will be life-changing for many Wisconsin veterans.

I would like to close by saying, if you love your freedom, thank a veteran. With the passage of this legislation, that is exactly what we are doing. Mr. Chairman and members, I ask for your support in getting AB 102 out of committee and to Governor Evers' desk. Thank you again for allowing me to testify before you today.

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