Chapter 22

Property Tax Exemptions

The state constitution grants the legislature power to prescribe what property shall be taxed. This mandate also implies the power to prescribe what property is exempt from taxation.

The authority to levy property tax comes from sec. 70.01, Wis. Stats., which states, "taxes shall be levied...upon all general property in this state except property that is exempt from taxation."

The power given to the legislature to exempt property from taxation can range from exempting a person to exempting an entire class of property according to its views of public policy or expediency within the restrictions of the uniformity clause of the Wisconsin Constitution.

Part I of this chapter gives general information including the process for applying for an exemption, evaluating exemptions, categories of exemptions, and definitions that are applicable to multiple exemptions.

Part II contains detail requirements and considerations related to some of the more complex exemptions.

Part III is an Exemption Guide showing all exemptions under sec. 70.11 Wis. Stats., in table format.

Part 1: Overview of Exemptions

There are two categories of exempt property:

- Property specifically exempted by statute through ownership, use of the property, or a combination of ownership and use.
- Property that is exempt from property tax, but taxable by special methods.

Some taxable property is assessed by someone other than the local assessor. An example is manufacturing property which is assessed by the state. While the municipal assessor is not responsible for valuing such property it is still taxable and should not be confused with property which is exempt.

Burden of Proof

In 1998, the state legislature codified the presumption of taxability by enacting sec. 70.109, Wis. Stats., which states, "Exemptions under this chapter shall be strictly construed in every instance with a presumption that the property in question is taxable, and the *burden of proof is on the person who claims the exemption*."

In the case of *University of Wisconsin Medical Foundation, Inc.* v. *City of Madison*, Appeal 02-1473, District IV, September 25, 2003, the Court stated, "This presumption in favor of taxability is motivated by 'the public interest to stem the erosion of municipal tax bases.' *International Found. Of Employee Benefit Plans, Inc.* v. *City of Brookfield,* 95 Wis. 2nd 444, 454, 290 N.W.2d 175 (1981). As we explained in *International Foundation,*

> [t]he more exceptions allowed, the more inequitable becomes the apportionment of the tax burden. The continuous removal of real property from taxation thus imposes a particular hardship upon local government and the citizen taxpayer.
>
> Accordingly, the legislature mandated that only certain institutions are relieved of their normal tax load. *See* generally [Wis. Stat. §70.11… The legislature has recognized that some organizations actually serve a public rather than a private purpose and should be relieved of their tax burden.

Id. Put another way, specific and limited property tax exemptions are based on a theory of mutual consideration: the public relieves an organization of its property tax burden when it provides a public benefit. *See id.* at 455 (noting that, generally, organizations are relieved of their tax burden when they "provide a benefit to the taxpaying community")."

Exemptions Strictly Construed

In many of the cases discussed in WPAM Chapter 21, the courts consistently held that taxation is the rule and exemption the exception. In the case of *State ex rel. Bell v. Harshaw, 76 Wis. 230 (1890)*, the court said: "Exemptions from taxation are regarded as in derogation of the sovereign authority and of common right, and, therefore, not to be extended beyond the exact and express requirements of the language used, construed strictissimi juris.

Railroad Co. v. Thomas, 132 U.S. 185, 10 Sup. Ct. Rep. 68; Railroad Co. v. Dennis, 116 U.S. 668, 6 Sup. Ct. Rep. 625."

The Exemption Application

Real Property Exemptions

In 1998 sec 70.11 Wis. Stats., was amended to require the owner seeking exemption of a property, to file, **on or before March 1**, an application (Form PR-230) along with any necessary attachments. The form must be filed with the assessor of the taxation district where the property is located. The filing requirement applies only to new exemption requests. Owners of properties already exempt are not required to fill out the form. Failure to complete the form in its entirety and file with the assessor by March 1 may result in denial of the exemption.

Some entities are not required to file a Property Tax Exemption Request form. These include:

- Property of the State — Sec. 70.11(1) Wis. Stats
- Municipal property — Sec. 70.11(2) Wis. Stats.
- Housing exempt under section 66.12012(22) — Sec. 70.11(18) Wis. Stats.
- Crops — Sec. 70.11(30) Wis. Stats.
- Manufacturing machinery & specific processing equipment — Sec. 70.11(27) Wis. Stats.

The Property Tax Exemption Request (PR-230) compels an owner seeking exemption of property to provide the assessor with pertinent information to enable the assessor to determine whether the property meets the statutory requirements for exemption. The form has four sections that must be completed by the property owner or the owner's representative.

1. Applicant information
2. Subject Property Information
3. Tenant Information
4. Supporting documentation. Depending on the type of exemption, supporting documentation must be attached to the request. Examples of supporting documentation include copies of:

    - Proof of non-profit status
    - Partnership Agreement, Association Documents, Articles of Incorporation, Charter and By-laws, including any amendments
    - Latest annual report filed with State Department of Financial Institutions
    - Educational curriculum
    - Part II of IRS Form 1023
    - Form 990
    - Form 990T
    - Ordination papers of occupants
    - Leases and subleases

- Concessionaire and license agreements
- Covenants, restrictions, rules and regulations affecting use and occupancy
- Mortgages
- Survey of subject property
- Appraisal of subject property
- Deeds
- Income data to support an exemption for low-income housing
- Any other information that would aid in determining exempt status

Personal Property Exemptions

The computer exemption requires an additional step for the assessor. The property owner identifies equipment believed to be exempt by entering it in a separate section of the Personal Property Form (PA-003). The assessor reviews the computer exemptions filed on each PA-003. If the values entered by the property owner are inaccurate, or if items do not meet exemption requirements, the assessor sends the property owner a Notice of Change in Exempt Computer Value (Form PR-307). The assessor is then required to submit an Exempt Computer Report (ECR) electronically by midnight on 2nd Monday of June of the current tax year.

Evaluating Exemption Requests

It is the duty of the assessor to determine whether the property is exempt. In deciding whether a property meets the requirements for exemption, the assessor must look to the actual activities or dominant purpose of the organization. The assessor should be more concerned with what the organization *actually* does than *what it says it does* in its constitution or by-laws.

The assessor should make a physical viewing of the property to verify that the information in the application is correct and that the property is being used for the exempt purpose. The assessor may also wish to periodically re-viewing the property to verify that it continues to be used for exempt purposes.

It is the responsibility of the party seeking exemption to show that it falls within the statutory criteria for exemption. The courts have repeatedly ruled that the assessor should base exemption decisions on a "strict but reasonable" construction of the statutes. This means that an association must clearly show that it meets the criteria for exemption. If there is any doubt, the assessor should deny the exemption. However, the assessor must not be so strict as to be unreasonable. In *St. John's Lutheran Church* v. *City of Bloomer*, 118 Wis. 2d 398 (1984), one reason the City denied the exemption was because the word "benevolent" was not used in the articles of incorporation. The court ruled that the association met all of the tests for a benevolent association. To deny an exemption because the word "benevolent" was not included in the articles of incorporation was an unreasonable interpretation of the statutes.

The assessor should neither grant nor deny an exemption just because another assessor granted or denied the exemption. The assessor may wish to consult the other assessor

regarding that decision. However, the facts regarding an organization may vary from municipality to municipality and from year to year. The assessor should base the decision solely on whether or not the organization meets the criteria for exemption within the particular municipality.

The assessor should be familiar with WPAM Chapter 21, Section 7 of Volume I, which deals with court cases and Attorney General Opinions regarding property exemptions. The assessor can discuss Volume I with the District Equalization Supervisor or the Office of Technical and Assessment Services. In situations where the analysis is complex, the assessor may wish to confer with the municipal attorney before making a decision. The municipal attorney may in turn confer with the County Corporation Counsel, the League of Wisconsin Municipalities, or the Wisconsin Towns Association legal staff. The assessor should keep a file containing all information regarding an exemption request. This includes all forms, correspondence, notes, etc. This will help when presented with similar exemption requests in the future. In addition, if the assessor's decision is appealed, a complete written record will help demonstrate that the assessor acted properly.

Recurring Exemption Requirements

This section contains discussion of exemption criteria that are not unique to a specific exemption, but can be applied to multiple exemptions. For requirements unique to a specific exemption, refer to Part 2 in this chapter.

Benevolence

The statutes do not define the word benevolence. Wisconsin courts have recognized that "benevolence" is a broader term than charity. The following definitions and authority may be helpful to assessors:
"The word "benevolent" means, literally, `well-wishing.' It is a word of larger meaning than `charitable.' It has been well said that, `though many charitable institutions are very properly called benevolent, it is impossible to say that every object of man's benevolence is also an object of his charity.'" *Family Hospital Nursing Home, Inc. v. Milwaukee*, 78 Wis.2d 312, 318 (1977) (citations omitted).

Here are relevant definitions of benevolent and benevolence from The American Heritage Dictionary of the English Language, 3 ed. (1992)

- "**benevolent 1.** Characterized by or suggestive of doing good. **2.** Of, concerned with, or organized for the benefit of charity."
- "**benevolence 1.** An inclination to perform, kind, charitable acts"

Non-Profit

The organization must be a non-profit organization. This means that the organization must be free from the fact or even the possibility of profits accruing to the founders, directors, officers, or members. In *Prairie du Chien Sanitarium Co. v. Prairie du Chien, 242 Wis. 262*, the court ruled that the hospital did not qualify for exemption. The court decided that a group of doctors who were members of the owners association used the hospital as an adjunct to their private practice. Therefore, the property was not exempt.

This does not mean that the organization must operate at a loss or break even. The issue is what is done with the "profit." This issue was addressed in *Order of St. Joseph v. Plover, 239 Wis. 278*. The Order operated a hospital that occasionally received income that exceeded expenses. Any "profit" was used to improve the facilities or to establish or support other hospitals or educational institutions. The court ruled that since the profit, if any, was payable to no one, but was used only to improve the facilities or expand the benevolent purpose of the organization, it was a non-profit organization.

The assessor should note that all of the income was received by the organization's pursuit of its exempt purpose. If part of the income is received from non-exempt activities, the organization may be subject to being "taxed in part." This issue is addressed more fully in another section of this chapter.

Acreage Limitations

Most organizations seeking exemption under sec. 70.11(4), Wis. Stats., are subject to an acreage limitation, beyond which the property remains taxable. The acreage limit is specific to the exemption. For many exemptions the limit is 10 acres; however, the assessor must review the statute for each specific exemption in order to determine the applicable limitation.

The acreage limitation is a cumulative figure for each municipality and does not apply to each site that an organization owns within the municipality. For example, assume that a benevolent organization has two facilities in a municipality and each facility is 10 acres. Only one of the facilities is entitled to exemption. The assessor should allow the organization to decide which one of the facilities it wants exempted. However, a benevolent organization located in several municipalities is entitled to a 10-acre exemption in each municipality. Additionally, an organization may be entitled to separate exemptions for separate purposes under sec. 70.11(4), Wis. Stats. In *Wisconsin Evangelical Lutheran Synod v. Prairie du Chien, 125 Wis. 2d 541 (1985)*, the court ruled that the association was entitled to a 30 acre exemption for its educational purpose plus 10 acres for its religious housing purpose. The assessor must be sure that there are separate and distinct purposes to qualify for more than one exemption.

The acreage limitation is determined by the land necessary for the location and convenience of buildings. This means that assessors cannot exempt just the land located under the building. The exemption must include the land necessary for the convenience of the buildings, which includes driveways, parking areas, yards, etc. Likewise, an organization cannot base its claim for exemption only on the land located under its buildings. It must also include the land used for driveways, parking areas, yards, etc. in making its claim.

Vacant Property

The property must be exclusively used for the exempt purpose of the organization. If the property becomes vacant or is no longer used by the organization for exempt purposes, it loses its exemption.

This issue of vacant property was addressed in *Dominican Nuns v. City of La Crosse, 142 Wis. 2d 577 (1987)*. The order maintained a convent on its property until December, 1983, when it moved its headquarters and all of its members to a new facility in another part of the country. The court held that the property was not "used" for any of the order's exempt activities. Heating the property, keeping it in repair, listing it for sale, and maintaining a mortgage did not make the property "exclusively used" for religious purposes. The former convent was vacant and premises, which are "wholly vacant and unoccupied," do not qualify for exemption.

Vacant land held solely for expansion, or acquired for future building, is not exempt even when owned by an exempt organization. However, vacant land adjacent, or in close proximity, to an exempt building, and currently used for exempt purposes, may qualify for exemption. Consider a church-owned lot located across the street from the church. The lot was used exclusively for church related outdoor activities such as parking, picnics, socials, recreational activities, etc. The lot was exempt as "land necessary for the location and convenience of buildings." However, vacant land located a substantial distance from an exempt building is not entitled to exemption.

Improvements Under Construction

Property under construction on the assessment date that is owned by an exempt association is entitled to exemption. The assessor must conduct a thorough review of the association to ensure that the property will be used for an exempt purpose when completed. This includes monitoring the property to ensure that construction is proceeding at a reasonable pace. In addition, the assessor should review the property when construction is complete to ensure that it is being used for an exempt purpose.

In *Family Nursing Home, Inc. v. Milwaukee, 78 Wis. 2d 312 (1977)*, the City contended that the nursing home was not "exclusively used" for benevolent purposes on the assessment date because the home was not occupied by patients until several months later. The home was equipped and in the process of hiring staff on the assessment date. The nursing home was not used for any other purpose during the period. The court ruled that the nursing home should not be taxable during the period as it was readying itself for benevolent purposes.

The assessor must base exemption decisions on a "strict but reasonable" construction of the statutes. This means that the assessor must not interpret the exemption so narrowly as to deny reasonable claims for exemption. If a property under construction is readying itself for exempt purposes and is not being used for other purposes, it would appear reasonable to exempt such property.

Leased Property

In 1955, the Legislature revised sec. 70.11(4), Wis. Stats., to require that the property be both owned, and used, by an exempt organization in order to qualify for exemption. In 2003, Wisconsin Act 195 allowed the renting of property for residential purposes provided it met the strict requirements for use of rental income.

In 2009, under Act 28, the legislature loosened restrictions on the use of rental income for certain types of residential properties, but retained strict limitations on the use of rental income for all other exemptions.

Unrestricted Use of Rental Income

Unrestricted use of rental income applies only to the following exemptions; all other exemptions are subject to the restricted use of rental income criteria below.

- benevolent low income housing
- benevolent retirement homes for the aged
- Residences occupied by at least one person who meets the medical definition of permanent disability used to determine eligibility for programs administered by the federal social security administration.

In these instances, leasing property for residential purposes "does not render it taxable, regardless of how the leasehold income is used".

Restricted Use of Rental Income

In response to the 2003 Wisconsin Supreme Court case *Columbus Park Housing Corporation v. City of Kenosha, 267 Wis. 2d 259,* 2003 Wisconsin Act 195 changed the preamble to sec. 70.11, Wis. Stats., which allows property to be leased as residential property without losing its exemption status, provided that rental income is applied toward construction debt retirement, maintenance of the subject property, or both.

Organizations exempt under sec. 70.11, Wis. Stats., may lease their property to other exempt organizations under the following conditions:

- All of the leasehold income must be used for maintenance of the leased property, construction debt retirement of the leased property, or both, and
- The lessee would be exempt from taxation if it owned the property, and the lessee does not discriminate based on race.

Maintenance is defined in *Webster's Third Unabridged Dictionary* as "…the labor of keeping something (as buildings or equipment) in a state of repair or efficiency." The International Association of Assessing Officers defines maintenance as "An expenditure of a fixed asset that increases or tends to preserve the asset's value".

Section 70.109, Wis. Stats., provides for a strict interpretation of exemptions, a presumption of taxability, and places the burden of proof with the entity requesting the exemption. In 2003, Dane County Circuit Court ruled on the definition of maintenance in *Future Madison Eastpointe, Inc. et al*. v. *City of Madison*. The decision stated that there was clear legislative intent to limit the expenditure of leasehold income to only include expenses for the physical upkeep of the premises.

As provided in sec 70.11 Wis. Stats., "Maintenance" is specific to the leased property. Only expenses for maintenance of the exterior structure, the grounds, and the interior components of the leased property qualify. Examples of expenses that qualify as maintenance include:

- cleaning costs

- ventilation system repairs and maintenance
- elevator repairs and maintenance
- flooring repairs
- wall repairs and painting
- refuse collection, grounds maintenance, and snow removal
- property insurance
- cost of labor and related supplies required to complete the aforementioned items
- Annual allowances set aside as reserves for replacement of building components, fixtures, and equipment.

Examples of acceptable reserves that qualify as maintenance include funds set aside for:

- flooring replacement
- roof replacement
- window replacement
- ventilation system replacement
- asphalt driveways and service roads

Expenses associated with the entity's going concern do not qualify as maintenance. Examples of non-qualifying expenses include:

- business insurance, advertising
- depreciation
- property additions and property acquisitions
- debt payments and financing fees
- management fees, legal fees, accounting fees
- taxes, including income taxes, franchise taxes, corporation taxes, and real estate taxes
- fees and expenses associated with a different property or business of the entity
- costs associated with providing social, healthcare, and other services for residents
- costs of labor and related supplies for any of the above unqualified expenses

The examples given in this section are meant to assist the assessor in identifying the types of items to consider and should not be construed as all-inclusive.

Debt Retirement. Construction debt retirement is specific to the leased property under sec. 70.11 Wis. Stats. Payment of construction debt due to initial construction of the leased property qualifies, along with debt due to subsequent construction of the leased property.

A construction loan, converted to a conventional loan, would continue to qualify as construction debt retirement. However, refinancing that includes other debt, such as new appliances, inventory, unpaid utilities, etc., is not considered construction debt retirement. When such debts are combined, the property does not comply with sec. 70.11., Wis. Stats., and would result in the property losing its tax exempt status.

Leasehold income used for debt retirement associated with the business of operating the property, the debts of a parent or subsidiary entity, and the debts incurred from the construction of another property, are not considered construction debt and would render the property taxable.

Taxed in Part

Under sec. 70.1105(1), Wis. Stats., an exempt organization may be assessed and taxed in part, when:

> "Property that is exempt under s. 70.11, and that is used in part in a trade or business for which the owner of the property is subject to taxation under sections 511 to 515 of the internal revenue code, as defined in s. 71.22 (4m), shall be assessed for taxation at that portion of the fair market value of the property that is attributable to the part of the property that is used in the unrelated trade or business. This section does not apply to property that is leased by an exempt organization to another person or to property that is exempt under sec. 70.11(34), Wis. Stats."

The Internal Revenue Service provides guidelines to determine the taxability of unrelated income in *Publication 598 Tax on Unrelated Business Income of Exempt Organizations*. This document may be viewed or downloaded at Internal Revenue Service.

Unrelated business income is defined as income from a trade or business that is regularly carried on by an exempt organization that is not substantially related to the performance of its exempt purpose or function, except for the profits derived from this activity.

Trade or business generally includes income-producing activities related to selling goods or performing a service.

Regularly carried on activities are performed with frequency and continuity comparable to commercial activities of nonexempt organizations.

Not substantially related activities do not significantly contribute to accomplishing the exempt purpose of the organization. The following examples describe activities generating unrelated business income by exempt organizations:

- A Humane Society provides pet boarding and grooming services to the general public for a fee.
- A Nonprofit Medical Research Foundation rents its labs to a for profit drug company for research on the effectiveness of a new drug. The research is performed entirely by the drug company's staff. The Foundation's staff and students are not involved in the research.
- An Art Gallery rents the facility to a commercial event promoter for concerts, weddings, parties and lectures.

The Internal Revenue Service determines if an organization is subject to taxation for unrelated business income. If the assessor feels an exempt organization may have unrelated business income, an Unrelated Business Income Report (PC-227) should be sent to the organization. The organization will know if it is being taxed by the IRS for unrelated business income and should complete and return this form.

After receiving the return, the assessor should estimate the market value of the part of the property used to generate unrelated business income using the three approaches to value. If only part of the building is used to generate unrelated business income, the assessor should determine that percentage and multiply it times the market value of the building. For example, assume a lodge operates a kitchen and dining room that is regularly open to the public. The assessor estimates that the market value of the building is $500,000. The area of the kitchen and dining room is 1,000 square feet and the area of the building is 5,000 square feet. The percentage used to generate unrelated business income is 20% (1,000/5,000). The market value of the unrelated business use is $100,000 ($500,000 x .20). The percentage is not applied to the land unless the organization receives separate compensation for the land.

If an entire building is used part of the time to generate unrelated business income, the assessor can base the assessment on either the percentage of income attributable to the non-exempt use or the percentage of time the property is used for the non-exempt use. For example, an exempt organization publishes a student newspaper and also regularly does printing for the public which provides 20 percent of its income. The assessor would estimate the market value of the building and multiply it times 20 percent to estimate the market value of the unrelated business use.

Appealing Exemption Decisions

A property owner who wishes to appeal the assessor's decision should generally be advised to follow the procedures for Recovery of Unlawful Taxes, sec 74.35(2m) Wis. Stats.

Section 74.35, Wis. Stats., provides for the recovery of unlawful taxes under very specific conditions. An unlawful tax occurs when one or more of the following errors are made:

- A clerical error was made in the description of the property or in the computation of the tax;
- The assessment included real property improvements which did not exist on the assessment date (Jan 1);
- The property was exempt from taxation;
- The property was not located in the municipality;
- A double assessment was made; or
- An arithmetic, transpositional or similar error has occurred.

Please note that an "unlawful tax" does not include judgmental questions about the valuation. Valuation issues must be addressed through the Board of Review appeal process.

You can recover unlawful taxes under sec. 74.35, Wis. Stats., by filing a claim with your municipality.

A claim for recovery of unlawful taxes must include all of the following:

- Be in writing,
- State the alleged circumstances for the claim,
- State the amount of the claim,
- Be signed by the claimant or the claimant's agent, and
- Be served to the municipal clerk.

A claim for the recovery of unlawful taxes paid to the wrong municipality must be filed within two years after the last date specified for timely payment of the tax. All other claims for recovery of unlawful taxes must be filed by January 31 of the year in which the tax is payable. No claim may be made unless the tax, or any authorized payment of the tax, is timely paid.

If the municipality denies the claim, it must notify you by certified or registered mail within 90 days after the claim is filed. You may appeal the decision to Circuit Court if you feel the decision is incorrect. You must commence action within 90 days after receiving notice that the claim is denied.

If the municipality does not act on the claim within 90 days, you have 90 days to appeal to Circuit Court.

There are three exemptions that cannot be appealed under sec 74.35, Wis. Stats., and must instead be resolved by the State Board of Assessors per sec 70.995(8), Wis. Stats. These three are:

1. Exempt computers under secs. 79.095(2) and (3), Wis. Stats.
2. Waste Treatment and Pollution Abatement Equipment exempt under sec 70.11(21), Wis. Stats.
3. Manufacturing machinery and equipment exempt under sec. 70.11(27), Wis. Stats.

Part 2: Specific Exemptions

Educational Institutions

The exemption for educational institutions is granted under sec. 70.11(4)(a), Wis. Stats. To qualify for exemption as an educational institution, the property must meet the following criteria:

1. The organization must be an educational association;
2. The property must be owned and used exclusively for the purpose of such association;
3. The property must be 10 acres or less. Property owned by churches and religious associations used for educational purposes is subject to a 30-acre limitation;
4. The property must be necessary for the location and convenience of buildings;
5. The property must not be used for profit.

The educational association must be engaged in "traditional" educational activities "and must provide systematic instruction, either formal or informal, directed to an indefinite class of persons. Furthermore, it must be a type of education which directly benefits the general public and would ordinarily be provided by the government or would in some way lessen the burden of government.

"*An indefinite class of persons*" means that the education is available to the general public rather than a limited or specific group of people. For example, an association that provided continuing education to the members of a certain profession was not directed to an "indefinite class of persons." The association claiming the exemption must show that the education is

provided primarily to the general public rather than to a limited group of people. *"Traditional"* educational activities are not limited to a formal academic curriculum in a formal school setting. *In Janesville Community Day Care Center, Inc., 126 Wis. 2d 231*, the court ruled that the Day Care Center provided "traditional" educational activities and met all the other requirements including being a non-profit institution. The Center made daily use of structured instructional curriculum administered by a staff of teachers who had post-secondary education in early childhood training. The Center offered speech therapy, vision and hearing tests, as well as special programs tailored to both gifted children and those with learning disabilities. In addition, a public school principal testified that diverse and challenging preschool experience and education reduced the burden on public schools by eliminating the need in many instances for counseling, testing, and speech therapy and by increasing the likelihood of the students' academic success.

Religious Institutions

Section 70.11(4)(a), Wis. Stats., exempts property owned and used by churches or religious associations including property owned and used for housing for pastors and their ordained assistants, members of their religious orders and communities, and ordained teachers, whether or not contiguous to and a part of other property owned and used by such associations or churches.

Black's Law Dictionary defines religion as "man's relation to divinity, to reverence, worship, obedience, and submission to mandates and precepts of supernatural or superior beings. In its broadest sense it includes all forms of belief in the existence of superior beings exercising power over human beings by volition, imposing rules of conduct, with future rewards and punishments."

The courts have been reluctant to set down precise, clear-cut rules or guidelines to define religion. To do so could interfere with the freedom of religion. For example, the beliefs of one religion may be in disagreement with another religion. To say that one set of religious beliefs is entitled to exemption while another set of beliefs is not could seriously jeopardize the freedom of religion.

However, certain things appear to be common to most religions. These include a superior being or beings, some type of reverence, obedience, or worship of these beings, and some sort of mandates or code of conduct for the members of the religion.

Another requirement for exemption as a religious institution is that the property be used exclusively for religious purposes. There have been several instances where individuals or groups have tried to organize churches or religious institutions merely to avoid taxation. In *Oshkosh v. Graf, Court of Appeals, District II*, the taxpayer argued that his chiropractic personal property had been given to a church (he founded) and was exempt under sec. 70.11(4), Wis. Stats. The court disagreed on the basis that no gift to the church had occurred because he never relinquished his control over the property he continued using in his practice.

In determining whether property is used for religious purposes, the assessor should ask several questions:

- How is the property used for religious purposes?
- Are religious services conducted on a regular basis? If so, when, where, and how often?
- Is any part of the property used for pecuniary profit? If so, what areas and to what extent?

Donated Property

In the case of property purportedly donated for religious purposes:

- Does the person making the donation have any ownership or other interest, in this property, either recorded or unrecorded?
- Does the person making the donation have any control over the use of the property? e.g., Is it used for the person's business? Is it used for the person's recreational, residential, or social purposes?
- Does the person making the donation have any responsibility toward making mortgage payments or paying for repairs and maintenance of the property?
- If donated property is sold, will any portion of the proceeds pass to the donor or the donor's family, relative, heirs, or assigns?

Housing for Religious Persons

The assessor should obtain copies of ordination papers of pastors, assistants, teachers, etc. when determining eligibility for the housing exemption.

If the assessor is not satisfied with the answers to the above questions, the assessor may be justified in denying the exemption.

Benevolent Associations

A property must meet all of the following criteria in order to qualify for an exemption as a benevolent association under sec. 70.11(4)(a) Wis. Stats.

1. The organization must be a benevolent association.
2. The real and personal property must be owned by the association.
3. The real and personal property must not be used for pecuniary profit (compensation for purposes not included in the objectives of the organization).
4. The organization cannot be organized under sec.185.981 Wis. Stats., or Ch. 611, 613, or 614 and offer a health maintenance organization as defined in sec. 609.01(2) Wis. Stats.
5. The organization cannot offer a limited service health organization as defined in sec. 609.01(3) Wis. Stats.
6. The organization cannot be issued a certificate of authority under Ch. 618 and offer a health maintenance organization or a limited service health organization.

Determining whether the organization operates for a benevolent purpose is sometimes difficult. The assessor should be familiar with the definitions of benevolence found in Part I of this chapter.

A mission statement of benevolence is not adequate proof that the association is a benevolent association. The assessor must look beyond the stated purpose of the organization to determine whether its activities are truly benevolent. The assessor should obtain a list of the services provided by the benevolent association. An organization claiming to be benevolent must show that it does benevolent activities and how those activities benefit society.

This does not necessarily mean that the activity benefits everyone directly. It means that because the organization provides this service, activity, or benefit, society as a whole is a better place. This includes providing services that would otherwise have to be provided at government expense and services that make people less dependent on government care. It also includes activities that make people better members of society by improving their social, physical, or mental condition.

In *M.E. Baraca Club v. City of Madison, 167 Wis. 207*, the court ruled that an organization whose benevolent activities consisted of securing positions for a few young men and furnishing a small number of free meals, is not a "benevolent association" whose property is exempt from taxation.

It is not necessary that an organization be charitable to be benevolent. An organization does not have to provide its services for free or at a reduced cost to be benevolent. Providing charity is an activity that may help demonstrate the benevolence of an organization, however, it is not a requirement for being considered a benevolent association.

Benevolent Low-Income Housing

Wisconsin Act 28, passed June 2009, created sec 70.11(4a) Wis. Stats., which exempts certain benevolent low-income housing. Due to the complexity of the criteria for exemption, the assessor should approach the evaluation of the exemption request in stages.

Reporting Requirements

The property owner, must complete and submit to the assessor, no later than March 1, a *Property Tax Exemption Report* (Form PR-230) if one is not already on file. The property owner must also submit to the assessor on an annual basis, no later than March 1, the state prescribed form *Property Owner's Certification of Occupancy* (Form PR-231).

In any given year, if the property owner fails to submit the Property Owner's Certification of Occupancy (POCO), the assessor must notify the property owner. Notification must be by certified mail and state that if a completed POCO is not filed within 30 days after notification, the owner shall forfeit $10 for each succeeding day on which the form is not received by the assessor, not to exceed $500.

If the owner fails to file a POCO before the time the assessment roll is completed, the owner loses the exemption for the current tax year. In order to receive an exemption for the subsequent year, the property owner must reapply by submitting a Property Tax Exemption Request to the assessor, on or before March 1.

Identifying a Low-Income Project

The POCO requires the owner to identify all parcels that are part of the low income project. All locations included under a single contract to provide low income housing are considered one property for purposes of defining the low-income housing project. Sec. 70.11(4a) requires that property must meet the following criteria to be considered part of a low-income housing project:

1. Property is owned by a non-profit entity and
2. Owner is a benevolent association, and
3. Property is used for low-income residential housing.

Income Limits

If the property meets the three criteria above, it is then evaluated against the following income limits:

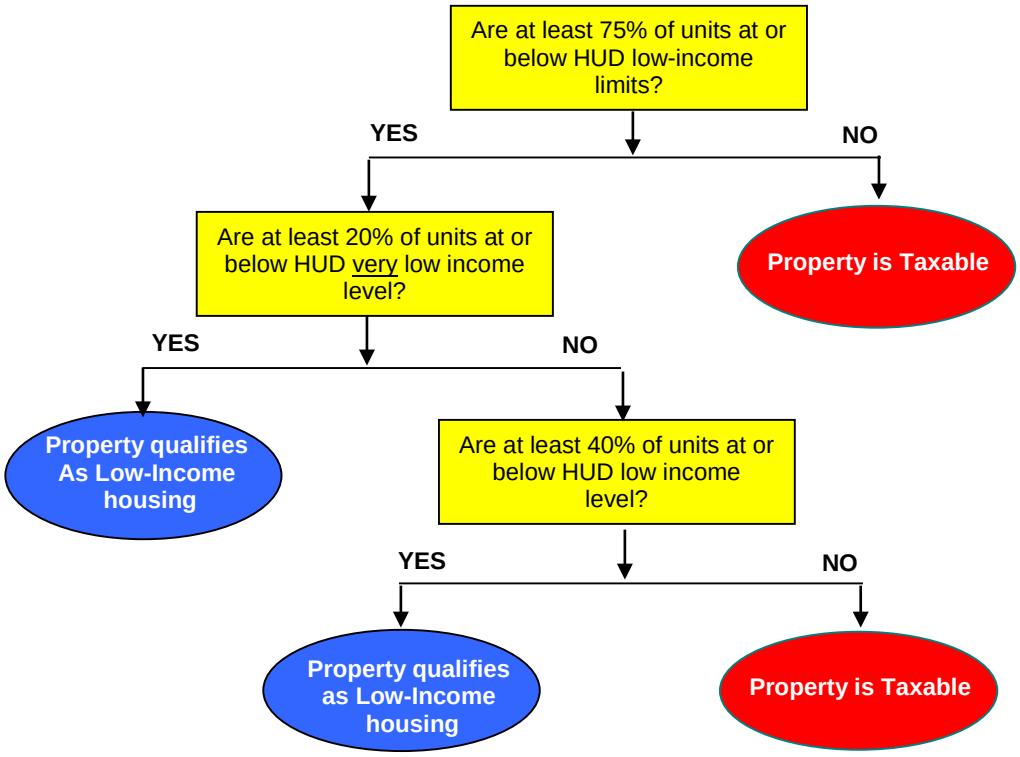
> At least 75% of the units are occupied by, or vacant and only available to, persons who meet the definition of low-income for the county according to the most recent HUD data at http://www.huduser.org/portal/datasets/il.html .

Properties meeting the 75% requirement must also meet one of the following:

1. at least 20% of the units must be occupied by very-low income persons as defined by the data provided in the HUD website above, or
2. at least 40% of the units must be occupied by very low income persons, or persons whose income is no more than 120% above the limit for very-low income persons using the HUD limits at the above website.

Diagram 22-2

Overview of Income Criteria



Determine What Portions of Property Are Exempt

For non-WHEDA projects, and for WHEDA projects not in existence on January 1, 2008, the following are exempt:

- All common areas
- All units occupied by low-income persons
- All units vacant and available only to low income persons

Determine What Portions of Property Are Taxable

There are some situations in which the overall project qualifies for exemption, yet portions of the project remain taxable and must be valued.

- Units occupied by persons not meeting the income limitations are taxable.
- Any portion of the project that exceeds 30 acres within a single municipality, or 10 acres at a given site, is taxable.

Chapter 50 Facilities

Section 70.11(4)(a), Wis. Stats., provides an exemption for property owned and used exclusively by a nonprofit entity licensed, certified, or registered under Chapter 50. Some properties may be used for multiple purposes, offering retirement facilities, assisted living facilities, and nursing home facilities. This range of services is commonly referred to as the 'continuum of care'. The assessor must distinguish between these various components as they have different exemption criteria. Benevolent nursing homes include organizations providing nursing care and assisted living services whereas a retirement home does not necessarily offer these, or offers them as part of a continuum of care. The provision of skilled medical care, and the residents' need for skilled care, determines whether the facility is a nursing home or is offering some other level in the continuum. The assessor must evaluate each of these uses separately for exemption purposes and assess, and/or exempt, the property based on the criteria for the specified use.

Under sec. 70.11(4)(b)1, Wis. Stats., leasing part of a property owned and operated by a nonprofit organization licensed, certified, or registered under Chapter 50, as residential housing, does not render the property taxable, regardless of how the lessor uses the leasehold income.

Nursing Home vs. Retirement Home
Comparison of Exemption Criteria

Table 22-2b

	Nursing Home	*Retirement Home*
Must be Non-Profit	Yes	Yes
Must be Benevolent	Yes	Yes
Acreage limitation	10 acres for location/convenience of buildings	30 acres for location/convenience of buildings
Rent Use limitations	No	No
Other requirements	Registered, licensed or certified under Chapter 50	Value of unit less common area is 130% or less of average single family residential for county
Exemption Status	Exemption continues if property was exempt in previous year and use, occupancy or ownership did not change in a way that makes it taxable	Assessor evaluates each unit on an annual basis to determine if it meets the value limitations (no more than 130% of less of average single family residence in the county)

Retirement Homes for the Aged

In 2009, the legislature passed Act 28 which created sec. 70.11(4d), Wis. Stats., a separate subsection exempting benevolent retirement homes specifically and identified exemption criteria different than that for other types of benevolent activities.

This is a complex exemption in that the law does not specifically define 'aged' nor does it fully define the criteria for determining whether a facility is a retirement home. Adding to complexity is the fact that property can be partially taxable, the valuation of the unit requires considerable appraisal skill, and, unlike most exemptions, the assessor must allocate value to various parts of the property to determine which portions are exempt.

Overview of the Process

The statute requires that the property be used as a non-profit facility by a benevolent association, for the purpose of providing retirement housing for the aged. In addition, the value of the unit, exclusive of common areas, must not exceed 130% of the average equalized value of improved residential property in the county for the prior year.

The steps for determining whether all or a portion of the property is exempt are identified below and discussed in detail in the following sections.

1. Verify that the property is owned and used by a non-profit entity engaged in non-profit activities
2. Verify that the entity is a benevolent association engaged in benevolent activities
3. Verify that the property is used as retirement housing for the aged
4. Remove from analysis any portion of the property not related to providing retirement homes for the aged, including any portions exempt under other statutes.
5. Value the individual units using the assessment hierarchy. Consider sale of the subject, sales comparison approach, income approach or cost approach, where appropriate.
6. Deduct or exclude the value of any common area from the individual unit value.
7. Determine whether the unit is exempt by comparing the result of step 5 with 130% of the average equalized value of improved residential property in the county for the prior year.
8. If more than 50% of the units are exempt then all common areas are exempt.
9. Identify and value any taxable areas of the property including space used to engage in 'for-profit' activities, land and improvements in excess of 30 acres necessary for the location and convenience of buildings, units exceeding the 130% limit, and common area not excluded under #8 above.

Non-Profit Test

The entity must have non-profit status for this exemption under this section. In addition, the property may not be used for profit. If the occupant has the *possibility* of recovering an amount greater than the entrance fee paid by, or on behalf of, that occupant, then the unit is being used for profit and is taxable.

There may be certain spaces within the residential facility or other buildings on the property that may appear to be profit centers for the benevolent association. For example, the retirement complex may have an association-run cafeteria for staff and residents, or a resale shop. Space utilized for these types of activities are treated as exempt common areas provided the association uses the income to support benevolent activities of the retirement facility.

Taxable profit centers may occur when the association leases space to a for-profit entity such as a salon, gift shop, restaurant, etc. Use of property in this manner does not disqualify the association from exemption so long as profits do not accrue to individuals or entities employed by or connected with the association. The portion of the property leased to for-profit organizations is subject to property taxes.

Benevolence Test

The organization must be a benevolent association, the real and personal property must be owned by the association, and the property must not be used for pecuniary profit (compensation for purposes not included in the objectives of the organization). Benevolence does not require that the entity offer its services free of charge or at below-market rates.

- In *Milwaukee Protestant Home v. Milwaukee* 41 Wis. 2d 284, the Court said, "To help retired persons of moderate means live out their remaining years is 'benevolent' whether or not it is also considered, as we would consider it to be charitable." Sec. 70.11(4d)'s limitation of the exemption based on the unit's fair market value is consistent with the Court's focus on moderate means.

Chapter 21 of the *Wisconsin Property Assessment Manual* (WPAM) includes case law as it relates to the issue of benevolence and may be helpful to the assessor in determining whether this test has been met.

Age Test

The Housing & Urban Development (HUD) Fair Housing Act of 1968 describes a retirement home as a residential facility in which at least 80% of the units have at least one occupant age 55 years or older.

Portions of Property Excluded from Analysis

If any portion of the property is used for exempt purposes other than providing retirement homes, these areas should be removed from analysis. Examples of areas to be removed are nursing homes and other entities that qualify as exempt under sec. 70.11(4)(a), Wis. Stats.

The retirement association may lease portions of the property to a non-exempt entity without losing exemption status, regardless of how the rental income is used. However, if the leasee is using the rented space to engage in for-profit enterprise then the space under lease is taxable.

Valuing Units

This exemption requires the assessor to value the unit exclusive of the value of common areas. Note that decks, balconies, and patios that are for the sole use of the unit occupant are not considered common area and should be valued as part of the unit.

Before valuing individual units, the assessor should consider the following:

- If the value of the least expensive unit is likely to exceed the maximum of 130% of the average cost of the equalized value of a single family residence in the county, then value the least expensive unit first. If the least expensive unit is greater than the 130% limitation, then all units, plus the common area, are taxable.

- If the value of the most expensive unit is probably less than the 130% limitation in the county, then value the most expensive unit first. If the most expensive unit is at or below the 130% limitation, then all units are exempt and do not need to be valued.

When selecting comparable sales or rentals, the assessor should consider the following:

- Comparable functional utility of units
- Similar design of units (e.g., townhouse, one story, garden style, basement, parking level)
- The existence of any common area amenities (swimming pools, clubhouses, etc.)
- Comparison to condominiums and/or rentals in age-restricted associations and projects, if available.
- Similar external amenities (e.g., proximity to desirable shops and services)

Sales Comparison Approach

In accord with sec. 70.32 Wis. Stats., and case law, the sales comparison method typically provides the most reliable indicator of value. The assessor should first look to whether there are adequate comparable sales to use this method for valuing units. For average to higher end retirement homes, condominium sales may be most representative of value. For modest to average retirement units, sales of rental property may yield a more accurate unit value. Sales of age-restricted apartment projects and age-restricted condominiums should be utilized, if available.

In seeking comparable sales, the assessor should attempt to avoid those with amenity-type common areas such as clubhouses, swimming pools, and fitness centers. These amenities are likely to give the unit a higher value than those without amenities. Because the statute requires that the unit be valued independent of common areas, choosing sales without these amenities will simplify unit valuation.

In cases where retirement projects have significant common area amenities, the assessor may find that the quality of units more closely approximates sales where amenities are similar. In those instances, the sale must be adjusted to exclude the value of amenities.

In small communities, it may be necessary to look for sales of age-restricted housing in nearby communities of similar appeal. Private, age-restricted facilities are likely to be more similar to subject in design, functional utility, and appeal than housing projects that have no age restriction.

Income Approach

In some cases, comparable sales will be unavailable and the assessor will need to use the income approach in valuing units.

The easiest way to apply the income approach is to base the unit value on market rents of comparable apartments and/or condominiums, whichever are most similar to the retirement units. As with the sales comparison approach, the assessor must adjust market rents to eliminate the value of common area amenities.

A more complicated application of the income approach is to base unit value on cash flow. This method is complicated because of the many steps and judgments involved, can be more prone to disputable results. Cash flow analysis requires significant data gathering by the assessor to ascertain income and expenses, apportioning them for amenities as needed. Some considerations in applying this method include:

- Develop value based on market rent for units of similar size, design, amenities, and functional utility
- Calculate a capitalization rate based on typical market expenses and income of apartment buildings or condominiums, whichever is most similar to the subject in amenities, functional utility, design, and location.
- Develop value based on the monthly fee of the unit (contract based) subtracting the cost of any items not related to the maintenance of the unit or to maintenance and repair of the common areas directly supporting the residential units. The monthly fee should be adjusted to eliminate any portion of the fee intended for medical services, nursing care, therapy, cleaning services within the unit, and any other amenities not found in the typical residence apartment or condominium.
- Consider the value and/or cost of any entrance or endowment fees, any reversionary interest of the resident, and the potential for profit of any reversionary interest.

Cost Approach

The cost approach is typically not a reliable indicator of value for retirement homes unless the facility is under construction or in its first year of operation. The assessor may need to consider the cost approach in ascertaining the value of unique amenities. An example might be tennis courts, a chapel, a commercial quality kitchen, or other unique spaces.

Adjust Unit Value to Exclude Common Areas

By statute, common areas are to be excluded when valuing individual units. Before valuing the unit, the assessor should already have removed common area amenities such as swimming pools, fitness centers, cafeterias, etc. Following valuation of the unit, an adjustment must be made for general and service type common areas such as land under the units, parking lots and sidewalks, hallways, elevators, mailboxes and foyers, and similar areas required to service the building and provide access to units. The department suggests calculating the contributory value of these areas at 20% of the market value of the unit. The assessor should therefore reduce the value of the unit by 20% to account for these areas before comparing the unit value to the 130% limitation in the next step.

Communities who choose to adjust for common areas by a method other than the 20% adjustment must fully document the method used, apply the method consistently, and prepare to adequately defend departure from the standard 20% adjustment, should the need arise.

Determine Whether Unit is Exempt

Compare the adjusted value of the unit from step 6 with the statutory limit for the county in which the property is located. A chart of these values can be found on DOR's website.

The chart shows 130% of the average equalized value of residential property by county for the preceding assessment year. If the unit is at or below the 130% limit, the unit is exempt. Units exceeding 130% of the limit are taxable.

Determine Whether Common Areas are Exempt

If at least 50% of the units are exempt then all common areas are exempt. If fewer than 50% of the units are exempt then all common areas are taxable.

When valuing taxable common area, exclude any common area that is shared with another activity. For example, if a hallway, entryway, or parking lot is used by both a nursing home and the retirement home, prorate the value between the two entities based on percent of use, square footage, time, or some other logical and quantifiable method.

Identify Taxable Portions of Property

1. Units are taxable if they do not house at least one resident who meets the minimum age requirement.
2. Units are taxable if the unit value exceeds 130% of the average equalized value of a single family residence in the county for the prior year.
3. Land and improvements supporting for-profit activities are taxable and must be valued.
4. Common areas are taxable if more than 50% of the units are taxable.
5. Land and improvements in excess of 30 acres, or which are not necessary for the location and convenience of buildings, are taxable and must be valued, provided the excess is not used for a separate exempt use. For example,

- a retirement home of 40 acres could potentially have 30 exempt acres and 10 taxable acres
- a 40 acre property that has both retirement units and a nursing home would be entitled to a maximum of 30 acres under the retirement exemption and 10 acres under the nursing home exemption.

Fraternal Societies

Section 70.11(4), Wis. Stats., exempts fraternal societies operating under a lodge system (except university, college, and high school fraternities and sororities).

Black's Law Dictionary defines fraternal as "Relating or belonging to a fraternity or association of persons formed for mutual aid and benefit, but not for profit." Thus, the activity of the organization must be to provide mutual aid and benefit to the members. This definition is sufficiently broad to include many organizations. However, there are some limitations.

The fraternal society must be operating under the lodge system. This is a form of organization that includes local branches chartered by a parent organization. These local branches may be called lodges, chapters, etc. There must be parent and local organizations that are active. An organization that operates on its own without a parent and branches would not be exempt.

In addition, any fraternal society engaging in racial discrimination loses eligibility for this exemption. This includes not only the organization's constitution and by-laws but also its actual practices. The organization may claim that it does not discriminate. However, if its activities demonstrate racial discrimination, it is not exempt.

The assessor must also review public or non-member use of lodge facilities. Public use of parts of the lodge may make those areas subject to being "taxed in part" under sec. 70.1105, Wis. Stats. In *Madison Aerie No. 623 F.O.E. v. Madison, 275 Wis. 472*, the dining area, bar, and bowling alley of the lodge were open to both members and non-members. The court ruled that because these areas were open to the public, they were no longer exempt. This issue is more fully discussed earlier in this chapter under the "Taxed in Part" section of Part I.

United States Government Owned Property

Most U.S. Government real and personal property is exempt from the general property tax, as long as beneficial ownership does not accrue to someone other than the federal government. The assessor should refer to WPAM Chapter 21.7 for court cases and Attorney General Opinions that discuss assessment of U.S. Government property. The federal government does permit the assessment and taxation of certain federally owned property under the United States Code (USC). This generally consists of property acquired as a result of foreclosures on property on which federal agencies have insured the mortgage. As

a result of these foreclosures, the federal agencies take ownership of these properties until they can be resold. The assessor should value these properties in the same manner as similarly classed properties are valued e.g., foreclosed agricultural property should be assessed as is other agricultural property.

The following federally owned properties should be assessed. The number in parenthesis is the United States Code reference that authorizes assessment. In addition, property owned by these agencies but not assessed in any of the prior 2 years should be assessed as omitted property under sec. 70.44, Wis. Stats.

1. Real property acquired as a result of foreclosure on which the mortgage is insured by the Federal Housing Administration (12 USC 1706b).
2. Real property acquired as a result of foreclosure on which the mortgage is insured by the Department of Housing and Urban Development (12 USC 1714).
3. Real estate held by a Federal Land Bank or a Federal Land Bank Association (12 USC 2055).
4. Property acquired as a result of foreclosure on which the mortgage is insured by the Veterans Administration (38 USC 1820).
5. Non-administrative property held by the Farmers Home Administration (42 USC 1490).
6. Buildings and lands leased to Post Offices are taxable to the lessor (39 USC 2005).

Archaeological Sites

Section 70.11(13m), Wis. Stats., exempts archaeological sites that are identified by the State Historical Society including any contiguous land necessary to protect the site and are listed in the national register of historic places in Wisconsin or the state register of historic places. This exemption applies to land only.

Note: Properties where part is exempt due to an archaeological site may not necessarily experience a reduction in total property value. As with other property factors and market conditions, the market must be carefully analyzed to determine the effect on value.

Native American Property

Real Property

Native American owned real property on an Indian reservation is **not** subject to state and local taxation unless an Act of Congress provides for state and local taxation.

On February 8, 1887, Congress enacted the General Allotment Act which applies to all Wisconsin tribes. Under that Act, real property that an individual Native American owns on a reservation in fee simple is subject to property tax. However, due to certain language in the Treaty of 1854[1], real property located within the reservation boundary of Bad River, Lac Courte Oreilles, Lac du Flambeau, and Red Cliff Chippewa bands is **exempt** if:

- It was allotted before February 8, 1887 under that Treaty,

1 See Wisconsin Attorney General Opinion 72 OP Atty Gen. 74 (1983).

- It is owned in fee simple by the tribe or tribal members, and
- There has been no conveyance of the land to nontribal members since it was first allotted under the 1854 Treaty. For example, if the land had been exempt under the provisions of the 1854 Treaty, but was then sold to a nontribal member, the land would lose its exemption and be subject to property tax. Even if the land was later repurchased by an 1854 Tribe, the land would remain subject to property tax.

Assessors should review tax roll information at the Municipality and County along with ownership information at the Register of Deeds office. The information will assist in determining if a property has changed ownership, was subject to property tax, and remains subject to property tax even though re-purchased by an 1854 Tribe.

As with other exemptions, a property owner may contest a determination that their property is subject to tax under sec. 74.35(2m), Wis. Stats., by paying the alleged unlawful tax in a timely manner, and properly serving the Municipal Clerk with a claim to recover the unlawful tax, before January 31 of the year in which the tax is due. The procedure and details for filing such claims is outlined in sec. 74.35, Wis. Stats.

Non-Native American owned real property on an Indian reservation is subject to state and local taxation unless an Act of Congress expressly prohibits such taxation. It is the responsibility of the owner to provide evidence of the Federal law that prohibits taxation.

Personal Property

Any personal property owned by an enrolled member of the tribe upon whose reservation the personal property is kept is not taxable. Personal property owned by the tribe and kept on the reservation is also not taxable. Personal property owned by Native Americans or tribes kept on land held in trust by the Federal Government is also not taxable unless it can be shown that beneficial ownership is shared or wholly attributable to non-Native American interests.

Personal property owned by non-Native Americans and kept on a reservation is taxable unless it can be shown that taxation has been preempted by Federal law. Structures or buildings built on leased land and owned by non-Native Americans are taxable to the owner. These structures are taxed as personal property even if they are located on reservation or trust land. Structures or buildings and other items of personal property owned jointly by non-Native Americans and Native Americans are taxed according to the extent of non-Native American ownership.

For the purposes of determining Native American ownership, a corporation is considered to be a Native American corporation and not taxable if the corporation is owned and controlled by Native Americans who are enrolled members of the tribe of the tribal land on which the corporation operates. Control requires ownership of 51% or more of the corporation's stock. For example, a structure used for a shopping center constructed on land held in trust for the tribe and located on the reservation where the ownership of the structure is shared by a Native American (individual or tribe) and a non-Native American the structure would be taxed at a value equal to the same percent of its fair market value as the non-Native

American's ownership interest is to the total ownership; i.e., if each party owns 50% of the structure one half of its fair market value is taxable.

Guidelines

The guidelines provide a standard for determining the property tax status of Native American property in Wisconsin. As a general rule, ownership is the deciding factor for determining taxability.

Guideline One: Real Estate Held in Trust. All real estate exclusively owned by a Native American or a Native American tribe when held in trust by the Federal Government is not taxable. "Exclusive ownership" means control of all rights in the property

- Property held in trust by the Federal Government is not taxable, regardless of whether it is located on or off the reservation
- Either an individual tribal member or the tribe can be the beneficiary of trust status

Guideline Two: Real Estate Owned by Native Americans. In general, any real estate owned by either a Native American individual or a Native American tribe which is not held in trust by the Federal Government is taxable.

- Property that is not within reservation boundaries or on trust land is taxable.
- Property within the reservation boundaries that is owned in fee simple by an individual tribal member or tribe is taxable, except for certain allotted property, within the reservation boundaries of one of the four Chippewa tribes included under the Treaty of 1854, (Bad River, Lac Courte Oreilles, Lac du Flambeau, and Red Cliff.)
- Property within the reservation boundaries of the Bad River, Lac Court Oreilles, Lac du Flambeau and Red Cliff Tribes, owned in fee simple by the tribe or tribal member, is taxable if it has not been continuously owned by the tribe or tribal member since allotment (e.g. if the land was conveyed to and owned by a nontribal member, even if the land was later repurchased by the tribe.)
- Property within the reservation boundaries of the Bad River, Lac Court Oreilles, Lac du Flambeau and Red Cliff Tribes, owned in fee simple by the tribe or tribal member, is NOT taxable if it has been continuously owned by the tribe or a tribal member since allotment.

Guideline Three: Personal Property Owned by Native Americans. Any personal property owned by an enrolled member of the tribe upon whose reservation the personal property is kept or a Native American tribe on a reservation is not taxable.

- Personal property owned by Native Americans and kept on trust land or on the owner's tribal reservation is not taxable unless beneficial ownership is shared with or wholly attributable to non-Native American interests.

Guideline Four: Personal Property Owned by Non-Native Americans. Personal property owned by non-Native Americans located either on a reservation or on trust land is taxable to the owner.

- This includes personal property which is leased to a Native American or to the tribe such as vending machines or gambling machines.

Guideline Five: Structures on Leased Land. A structure owned by a non-Native American on leased land is taxable to the owner even when located on land held in trust by the Federal Government is assessed as personal property.

Guideline Six: Personal Property Owned jointly by non-Native Americans and Native American individuals or tribes. Personal property owned jointly by non-Native Americans and Native Americans is taxed according to the extent of non-Native American ownership.

- Where each party owns 50% of the property it is taxed on 50% of its value
- Native American corporation's interest not taxable
- This tax treatment is similar to that allowed by sec. 70.11(8), Wis. Stats.

Computer Exemptions

Section 70.11(39), Wis. Stats., exempts "mainframe computers, minicomputers, personal computers, networked personal computers, servers, terminals, monitors, disk drives, electronic peripheral equipment, tape drives, printers, basic operational programs, system software and prewritten software" if the owner fulfills the requirement under sec. 70.35, Wis. Stats., to report the fair market value of all such equipment. The exemption in sec. 70.11(39), Wis. Stats., does not apply to "custom software, fax machines, copiers, equipment with embedded computerized components or telephone systems, including equipment that is used to provide telecommunications services, as defined in sec. 76.80(3), Wis. Stats." Custom software should not be reported.

Computer exemption guidelines can be found on the DOR website.

FILING DEADLINE: The assessor must file an electronic Exempt Computer_Report with the department by midnight 2nd Monday in June. The taxation district will not receive a municipal or TID computer exemption if the assessor fails to meet the 2nd Monday in June deadline. Failure to meet the deadline also means the assessor cannot file an amended Exempt Computer Report should the need arise.

Energy Systems

2013 Act 20 amended state law (sec. 70.111 (18), Wis. Stats.) to identify additional exempt energy systems. Eligible equipment and structures must directly convert biomass into biogas or synthetic gas. The equipment and any structure must be located at the same site to qualify for the exemption. Equipment and components that are part of a conventional energy system are not eligible for exemption.

Definitions:

- Biogas: a mixture of methane and carbon dioxide produced by the bacterial decomposition of organic wastes and used as a fuel

- Synthetic gas: a gas that qualifies as a renewable resource under state law (sec. 196.378 (1) (h) 1. h, Wis. Stats.). It is derived from biomass and other wastes. It is

often referred to as a gaseous fuel derived from other solids such as plastics or rubber wastes

- Biomass: defined under section 45K (c) (3) of the Internal Revenue Code, as any organic material *other* than oil and natural gas (or any product thereof), and coal (including lignite) or any product thereof

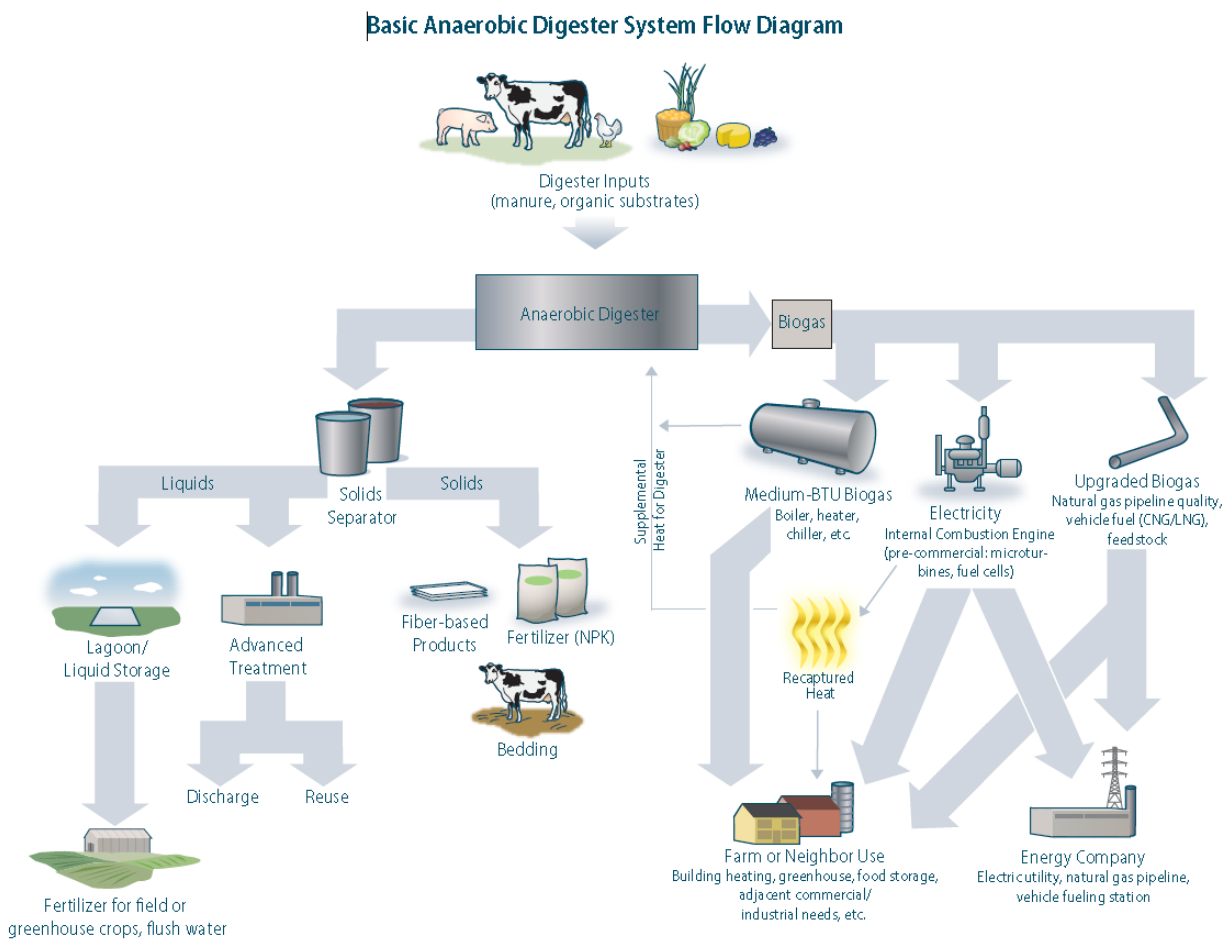
- Synthetic gas cleaning equipment: removes multi contaminants in a bio-gas fuels compression system. The cleaning equipment removes outlet contamination concentrations when biogas is compressed. The feed materials used in these systems dictates the cleaning equipment installed

- Compression equipment: a compressor may be used to bubble collected gas back through the digester and to compress gas prior to combustion in gas generators

- Digester: directly converts biomass, as defined under section 45K (c) (3) of the Internal Revenue Code, into biogas or synthetic gas

- Anaerobic manure digesters: (methane digesters) collect manure and convert the energy stored in its organic matter into methane, which is used to produce energy (gas or electricity) for on-farm or off-farm use

- Biomass feedstock: any renewable, biological material that can be used directly as a fuel or converted to another form of fuel or energy product. They can include: corn starch, crop residues, purpose grown grass crops and woody plants



Exempt Equipment

1. Generates electricity, heat, or compressed natural gas exclusively from biogas or synthetic gas.
2. Used exclusively for the direct transfer or storage of biomass, biogas or synthetic gas.

Examples of exempt equipment:

- Manure, substrate and other biomass feedstock collection and delivery systems
- Pumping and processing equipment
- Gasifiers and digester tanks
- Biogas and synthetic gas cleaning and compression equipment
- Fiber separation and drying equipment
- Heat recovery equipment

Exempt Structures

Must be used in one of these ways:

1. Exclusively to shelter or operate the equipment that converts biomass into biogas or synthetic gas
2. Portion used in part to shelter or operate the equipment that converts biomass into biogas or synthetic gas

Examples:

1. Taxable: a facility engaged in the production of ethanol (fermentation and distillation) from corn or other materials does not qualify as an "energy system" under state law (sec. 70.111(18), Wis. Stats.). However, this activity is typically classified as manufacturing. Manufacturing machinery and equipment used in the production process are exempt under state law (sec. 70.11(27), Wis. Stats.)
2. Exempt: anaerobic digesters utilizing whey products to generate methane gas
3. Exempt: anaerobic digesters utilizing manure to generate methane gas

The structure and all equipment are exempt if:

- All are located at the same site
- This includes manure, substrate, and other biomass feedstock collection and delivery systems.

Pumping and Processing Equipment		Fiber Separation

Fiber Separation

Gasifiers and Digester Tanks

Digesters

Fiber Separators and dryers are exempt

Fiber Separator Exempt

Complex Mix Digester		Plug-Flow Digester

Covered Lagoon Digester

Fiber Separators and Manufacturing Assessment
Dry organic materials and equipment used to bag value added materials sold for soil conditioners are not exempt. Since the sale of soil conditioners do not represent a predominant source of income for the operation, this portion is assessed locally.

Biogas/ Compressed Natural Gas (CNG)
Biogas converted to CNG (for transportation) fuel adds income to the digester operations. However, the income from electrical generation and tipping fees associated with treating materials taken in by the operation may exceed CNG sales. For this reason the Department of Revenue may not assess this portion of the operation as manufacturing since the predominant activity is not CNG production.

The local assessor must assess personal property directly associated with the sale and distribution of CNG auto fuels. The law exempts all equipment associated with the creation, compression and cleaning of methane gas, whether the gas is used for electrical power generation or as automotive fuel.

Local assessors must discover, list and value personal property associated to retail operations when CNG auto fuels are part of a commercial operation connected to or part of the digester facility.

BIO CNG System		CNG Pumps

Manufacturing Assessment

Operations that may qualify as a manufacturer under state law (sec. 70.995, Wis. Stats.) should contact the Manufacturing & Utility District Office before March 1 for the year requesting classification. These operations will be asked to write a letter explaining the operation or make an appointment with DOR staff to visit and discuss the operation.

Part 3: Exemption Guide

Property exempt from general property tax is listed in alphabetical order by the owner or type of property. The chart shows the respective statute reference number, a synopsis of the statute, whether the exemption applies to realty, personalty, or both, and limits or exceptions to the exemption.

This guide is meant to be a quick reference guide only. When researching an exemption request, the assessor must use the statutory language to make the determination.

The "All" in the columns should be read to mean, all real or personal property of the specific organization is exempt within the limits of the subsection of the statutes.

Owner or Type	**Wis. Statutes**	**Conditions**	**Amount Real**	**Exempt Personal**
Agricultural Society	70.11 (5)	Property owned and used exclusively by any state or county agricultural society, or by any other domestic corporation formed to encourage agricultural and industrial fairs and exhibitions and necessary for fairgrounds or for exhibition and sale of agricultural and dairy property, not exceeding 80 acres. The use of such property for celebrations or as places of amusement shall not render it taxable.	Not to exceed 80 acres	All
Air Carriers	70.112(4)(a)	See "Public Utilities"		
Aircraft	70.112(6)	All exempt—Pay registration fee	—	All
All-terrain vehicle club	70.11(45m)	See 'Trail Groomers'		
American Legion	70.11(9)	See "Memorial Halls"	All	All
Ancient Man-works of	70.11(20)	See "Animal Life"	All	All
Animals, farm poultry & animals, fur-bearing animals	70.111(2)	Under four months of age and the hides and pelts of all farm and fur-bearing animals in the hands of the grower NOTE: 70.111(17) exempt all livestock as of January 1, 1981.	—	All
Animal Life	70.11(20)	Property that is owned by, or held in trust for, a nonprofit organization, if all	All	All

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
		of the following requirements are fulfilled: (a) The property is used to preserve native wild plant or native wild animal life, Indian mounds or other works or ancient persons or geological or geographical formations of scientific interest. b) The property is open to the public subject to reasonable restrictions. (c) No pecuniary profit accrues to any owner or member of the organization or to any associate of any such owner or member from the use or holding of the property. (d) The county board of the county where the property is located has not determined that the property is not owned by, or held in trust for, a nonprofit organization and has not determined that at least one of the requirements under pars. (a) to (c) has not been fulfilled.		
Archaeological Sites	70.11(13m)	Archaeological sites and contiguous lands identified under sec. 44.02(23), Wis. Stats., if the property is subject to a permanent easement, covenant, or similar restriction running with the land and if that easement, covenant, or restriction is held by the state historical society or by an entity approved by the state historical society and protects the archaeological features of the property.	All	—
Armed Forces (member of) Non-resident	U.S. Statutes	U.S. Soldiers' and Sailors' Relief Act, 50, United States Code 574, provides: "For the purpose of taxation in respect of any person, or of his personal property by any State or political subdivision ... such person shall not be deemed to have lost a residence or domicile in any State solely by reason of being absent therefrom in compliance with military or naval orders, or to have acquired a residence or domicile in, or to have become resident in or a resident of any other State ... while and solely by reason of being, so absent. For the purpose of taxation in respect of the personal property ... of any such person by any	None	All

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
		State ... or political subdivision ... of which such person is not or in which he is not domiciled ... personal property shall not be deemed to be located or present or to have a situs for taxation in such State ... or political subdivision." (The section then goes on to exclude personal property used in or arising from a trade or business from the exemption.)		
Armory	70.11(7)	Land owned by military organizations and used for armories, public parks or monument grounds but not used for private gain.	All	—
Arts and Arts Education Centers	70.11(43)	Property owned or leased by a corporation, organization, or association that is exempt from taxation under section 501 (c) (3) of the Internal Revenue Code, if the property satisfies the following conditions: (a) It is used for the purposes for which the exemption under section 501 (c) (3) of the Internal Revenue Code is granted to the corporation, organization, or association that owns or leases the property. (b) It includes one or more buildings that are owned or leased by the corporation, organization, or association and that are located within, or are surrounded by, a municipal park. (c) It includes one or more theaters for the performing arts that are operated by the corporation, organization, or association and the seating capacity of the theater or theaters is not less than 600 persons. (d) It includes facilities that are used for arts education.	All	All
Art Gallery Public	70.11(14)	Property of any public art gallery, if used exclusively for art exhibits and for art teaching, if public access to such gallery is free not less than 3 days in each week.	All	All
Assessment Freeze	70.105	*Manuel Gottlieb et al. v. City of Milwaukee,* Wis. Supreme Court, August 1966 held 66.409(1) to be unconstitutional because it violated uniformity requirements of Wisconsin Constitution. This ruling may affect assessment freezes under 70.105.	—	—

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
Associated Hospital	70.11	*Associated Hospital Services, Inc. v. City of Milwaukee* Wis. Supreme Court, (1961) 13 Wis. (2d) 447. It is considered a non-profit corporation of hospital service.	All	All
Automobiles	70.112(5)	Every automobile, motor bicycle, motor bus, motorcycle, motor-driven cycle, motor truck, power-driven cycle, road tractor, school bus, snowmobile, station wagon, truck tractor, or other similar motor vehicle, or trailer or semitrailer used in connection therewith.	—	All
Auto Bus	70.112(5)	See "Automobiles"	—	All
Barges	70.111(3)	See "Watercraft"	—	All
Bees and bee equipment	70.111(2)	Exempt from general property tax. Exempt from occupational tax.	—	All
Benevolent institutions	70.11(4)	Property owned and used exclusively by ... benevolent associations ... but not exceeding 10 acres of land necessary for location and convenience of buildings while such property is not used for profit. Leasing such property to similar organizations for educational or benevolent purposes is not taxable if all of the following occurs: (1) where all the income derived therefrom is used for the maintenance, construction debt retirement or both; and (2) if the lessee would be exempt from taxation under s. 70.11 if it owned the property; and (3) the lessee does not discriminate on the basis of race. NOTE: This does not include organizations established under s. 185.98, ch. 611, 613 or 614 AND that offer a health maintenance organization (HMO) or a limited service health organization defined in s. 609.01(2) and (3).	Not to exceed 10 acres	All
Bible Camps	70.11(11)	All real property not exceeding 30 acres and the personal property situated therein, of any Bible Camp conducted by a religious non-profit corporation	Not to exceed 30 acres	All if located on the exempt

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
		organized under the laws of this State, so long as the 30 acres property is used for religious purposes and not for pecuniary profit of any individual.		real estate.
Bicycle	70.111(1)	If kept for personal use by owner.	—	All
Blue Cross		See "Associated Hospital Service, Inc."		
Boats	70.111(3) 70.111(3m)	See "Watercraft"		
Bonds		See "Money"	—	All
Boy Scouts	70.11(12)	See "Certain Charitable Organizations"		
Briquettes	70.42	See "Coal"		
Buses	70.112(5)	See "Automobiles"	—	All
Camper body	66.0435 70.112(7) 70.111(19)	Installed or mounted on pickup truck (see Mobile Homes)(may be subject to parking fee -refer to Ch. 15)	—	All
Camp Fire Girls	70.11(12)	See "Certain Charitable Organizations"		
Camping Trailers (pop-up)	66.0435 70.112(7) 70.111(19)	Designed to expand into living tent (see Mobile Homes)(may be subject to parking fee in municipalities if not located in a campground or located on land where the principal residence of the mobile home owner is located.)	—	All
Camp Wawbeek	70.11(22)	Owned by Easter Seal Society (see "Easter Seal Society")		
Camp for Mentally or Physically Disabled Persons	70.11(33)	Land, not exceeding 50 acres, and the buildings on that land used as a residential campground exclusively for mentally and physically disabled persons and their families as long as the property is used for that purpose and not for the pecuniary profit of any individual.	Not to exceed 50 acres	—
Camps for visually impaired children	70.11(10m)	Wisconsin Lions Foundation Camps Lands not exceeding 40 acres and the buildings thereon owned by the Wisconsin Lions Foundation and used as camps for children with visual	Not to exceed 40 acres	—

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
		impairments, so long as the property is used for such purposes and not for pecuniary profit of any individual.		
Car Line Co.	70.112(4)(a)	See "Public Utilities"		
Carriages	70.111(7)	See "Horses"	—	All
Cemetery association	70.11(13)	Land owned by cemetery authorities, as defined in s. 157.061(2), and used exclusively as public burial grounds and tombs and monuments therein, and privately owned burial lots; land adjoining such burial grounds, owned and occupied exclusively by the cemetery authority for cemetery purposes; personal property owned by any cemetery authority and necessary for the care and management of burial grounds; burial sites and contiguous land which are cataloged under s. 157.70(2)(a).	All	All
Certain Charitable Organizations	70.11(12)	(a) Property owned by units which are organized in this state of the following organizations: the Salvation Army; Goodwill Industries, not exceeding 10 acres of property in any municipality; the Boy Scouts of America; the Boy's Clubs of America; the Girl Scouts or Camp Fire Girls; the Young Men's Christian Association, the Young Women's Christian Association, not exceeding 40 acres for property that is located outside the limit of any incorporated city or village and not exceeding 10 acres for property that is located inside the limit of any incorporated city or village; or any person as trustee for them of property used for the purposes of those organizations, provided no pecuniary profit results to any individual owner or member. (b) Real property not exceeding 40 acres and the personal property located thereon owned by units that are not organized in this state of the organization listed in par. (a). No such unit, which is not organized in this state,	All Limited Goodwill Industries is limited to 10 Ac. in a municipality. YMCA & YWCA is limited to 40 Ac. (10 Ac. in City or Village). All others have no limits. See (b) for limits for non-	All All, if located thereon

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
		may claim an exemption for more than a total of 80 rods of shoreline on lakes, rivers, and streams.	WI groups.	
Charter Boats	70.111(3m)	See "Watercraft"	—	All
Checks	70.112(1)	See "Money"	—	All
Cheese—natural	70.111(11)	Natural cheese while in storage for the purpose of further aging in preparation for cutting, packaging, or other processing.	—	All
Children's Institution	70.11(19)	See "Dependent Children"		
Christmas Trees	70.111(4)	See "Crops"		
Churches	70.11(4)	Owned and used exclusively for religious purposes. Lands necessary for location and convenience of buildings, including property owned and used for housing for pastors and their ordained assistants, members of religious orders and communities, and ordained teachers, whether or not contiguous to and a part of other property owned and used by such associations or churches. NOTE: Property owned by churches or religious associations necessary for location and convenience of buildings, used for educational purposes and not for profit, shall not be subject to the 10 acre limitation but shall be subject to a 30 acre limitation. Property owned and used exclusively by ... benevolent associations ... but not exceeding 10 acres of land necessary for location and convenience of buildings while such property is not used for profit. Leasing such property to similar organizations for educational or benevolent purposes is not taxable if all of the following occurs: (1) where all the income derived therefrom is used for the maintenance, construction debt retirement or both; and (2) if the lessee would be exempt from taxation under s. 70.11 if it owned	Not to exceed 10 acres Not to exceed 30 acres	All All

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
		the property; and (3) the lessee does not discriminate on the basis of race.		
City Property	70.10	Property owned by any city; lands belonging to cities of any other state used for public parks. Except where the grantor or others are permitted to occupy the land or part thereof in consideration for the conveyance.	All	All
		All real property conveyed to any city by condemnation, gift, purchase, tax deed, or power of eminent domain, or in any other manner, before the second day of January shall not be assessed. (Except where occupied by Grantor as part of conveyance).	All	All
Coal coke, briquettes	70.42	Coal, petroleum carbon, coke, and briquettes in the possession of a person operating a coal dock. Subject to an occupational tax.	—	All handled
Colleges (incorporated) and universities	70.11(3)	(a) Grounds of any incorporated college or university, not exceeding 80 acres, (b) The fact that college or university officers, faculty members, teachers, students or employees live on the grounds does not render them taxable. The leasing of land by a university or college, for educational or charitable purposes, shall not render it liable to taxation provided the income derived therefrom is used for the maintenance of the institution and if the lessee would be exempt from taxation under s. 70.11 if it owned the property, or for charitable purposes.	Not to exceed 80 acres	All

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
Commercial Storage, merchandise in storage in a warehouse	70.18(2)	Goods, wares, and merchandise in storage in a commercial storage warehouse or on a public wharf shall be assessed to the owner thereof and not to the warehouse or public wharf, if the operator of the warehouse or public wharf furnishes to the assessor the names and addresses of the owners of all goods, wares and merchandise not exempt from taxation. NOTE: 70.111(17) exempts merchants' stock-in-trade as of January 1, 1981.		
Computer Equipment and Software	70.11(39)	If the owner of the property fulfills the requirements under s. 70.35, mainframe computers, minicomputers, personal computers, networked personal computers, servers, terminals, monitors, disk drives, electronic peripheral equipment, automatic teller machines, tape drives, printers, basic operational programs, systems software, and prewritten software. The exemption also applies to leased modems for satellite TV. The exemption under this subsection does not apply to custom software, fax machines, copiers, equipment with embedded computerized components or telephone systems, including equipment that is used to provide telecommunication services, as defined in sec. 76.80 (3), Wis. Stats. For the purposes of sec. 79.095, Wis. Stats., the exemption under this subsection does not apply to property that is otherwise exempt under this chapter. NOTE: Section 70.35, Wis. Stats., requires owners to report the fair market value of property exempt under sec. 70.11(39), Wis. Stats., on the statement of personal property return.	—	All
Conservation & Regulation Co.	70.112(4)(a)	See "Public Utilities"		

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
Counties	70.11(2) 70.10	Property owned by any county...Except where occupied by grantor as part of conveyance and except residence located upon county property used for park purposes rented out for non-park purposes. All real property conveyed to any county by condemnation in any other manner, by gifts, purchases, tax deed, or power of eminent domain before the second day of January in such year should not be included in such assessment.	All All	All —
Crops	70.111(4)	Growing and harvested crops and the seed, fertilizer and supplies used in their production or handling, in the hands of the grower, including nursery stock and trees growing for sale as such, medicinal plants, perennial plants that produce an annual crop and plants growing in greenhouses or under hotbeds, sash or lath. This exemption also applies to trees growing for sale as Christmas trees.	All	All
Crude Oil Refined in this state	70.421	Crude oil and all petroleum products refined there from in possession of such refiner. Subject to occupational tax.	—	All
Cultural and Architectural Landmarks	70.11(35)	Real property and improvements designated in an executive order as a valued historical landmark and an architectural masterpiece, or an educational tourist center located adjacent to the real property and improvements designed in an executive order as a valued historical landmark and an architectural masterpiece. Properties described in sec. 234.935(1), 1997 Wis. Stats.	All	—
Day Care Center	70.11(4)	Must qualify as a benevolent or educational organization	Not to exceed 10 acres	All

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
Dependent children and Persons who have Developmental Disabilities	70.11(19)	Institutions licensed under Sec. 48.60 for care of dependent, neglected, or delinquent children while property is used for such purpose and any nonprofit institution that is subject to examination under s. 46.03(5) and that has a full-time population of at least 150 individuals who have developmental disabilities, as defined in sec. 51.01(5), if that property is used for that purpose.	All	All
Digital Broadcasting Equipment	70.111(25)	Owned and used by a radio station, television station, or cable television systems, as defined in sec. 66.0420(12), Wis. Stats.	—	All
Easter Seal Society	70.11(22)	Camp Wawbeek for persons with disabilities. Ten acres including buildings and up to 371 acres adjoining, not including caretaker's home and ten acres of land in connection therewith, so long as the property is used solely for such purposes and not for pecuniary profit of any individual.	As shown	—

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
Educational Institutions or associations (also see "colleges")	70.11(4)	Property owned and used exclusively by educational institutions offering regular courses in 6 months in the year; but not exceeding 10 acres of land necessary for location and convenience of buildings while such property is not used for profit. Property owned and used exclusively by benevolent associations, but not exceeding 10 acres of land necessary for location and convenience of buildings while such property is not used for profit. Leasing such property to similar organizations for educational or benevolent purposes is not taxable if all of the following occurs: (1) where all the income derived therefrom is used for the maintenance, construction debt retirement or both; and (2) if the lessee would be exempt from taxation under s. 70.11 if it owned the property; and (3) the lessee does not discriminate on the basis of race.	Not to exceed 10 acres	All
	70.11(4)	Property owned by churches or religious association necessary for location and convenience of buildings, used for educational purposes and not profit, subject to the 30-acre limitation.	Not to exceed 30 acres	All
Electric Co-op Association	70.112(4)(a)	See "Public Utilities"		
Electric Utilities	70.112(4)(a)	See "Public Utilities"		
Exposition District, Local	70.11(37)	The property of a local exposition district under subch. II of ch. 229, including sports and entertainment arena facilities, as defined in s. 229.41(11g), except that any portion of the sports and entertainment arena facilities, excluding the outdoor plaza area, that is used, leased, or subleased for use as a restaurant or for any use licensed under ch. 125, and is regularly open to the general public at times when the sports and entertainment arena, as defined in s. 229.41 (11e), is not being used for events that involve the arena floor and	Except portion used, leased, or subleased for restaurant use or alcohol beverage use under chapter 125 and is	All

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
		seating bowl, is not exempt under this subsection.	open to the public	
Family Care District	70.11(2)	Property owned by any county...Except where occupied by grantor as part of conveyance and except residence located upon county property used for park purposes rented out for non-park purposes.	All	All
Family Supplies	70.111(5)	Provisions & fuel to sustain the owner's family; but no person paying board shall be deemed a member of a family.	—	All
Farmers' Temples	70.11(17)	Property owned and used exclusively for social and educational purposes and for meetings by any corporation, all of whose members are farmers; provided no pecuniary profit results to any member.	All	All

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
Farm Machinery and equipment	70.111(10)	"Building" means any structure that is intended to be a permanent accession to real property; that is designed or used for sheltering people, animals or plants, for storing property or for working, office, parking, sales or display space, regardless of any contribution that the structure makes to the production process in it; that in physical appearance is annexed to that real property; that is covered by a roof or encloses space; that is not readily moved or disassembled; and that is commonly known to be a building because of its appearance and because of the materials of which it is constructed. "Machine" means an assemblage of parts that transmits force, motion and energy from one part to another in a predetermined manner. Tractors and machines; including accessories, attachments, fuel and repair parts for them; whether owned or leased, that are used exclusively and directly in farming; including dairy farming, agriculture, horticulture, floriculture and custom farming services; but not including personal property that is attached to, fastened to, connected to or built into real property or that becomes an addition to, component of or capital improvement to real property and not including buildings or improvements to real property, regardless of any contribution that personal property makes to the production process in them and regardless of the extent to which that personal property functions as a machine. For purposes of this subsection, the following items retain their character as tangible personal property, regardless of the extent to which they are fastened to, connected to or built into real property: 1. Auxiliary power generators. 2. Bale loaders. 3. Barn elevators. 4. Conveyors. 5. Feed elevators and augers. 6. Grain dryers and grinders. 7. Milk coolers. 8. Milking machines; including piping, pipeline washers and compressors. 9. Silo unloaders. 10. Powered feeders, but not including platforms or troughs constructed from ordinary building materials.	—	All
	70.11(15)	Manure Storage Facilities. Any manure storage facility used by a farmer. This exemption shall apply whether the facility is deemed personal property or is so affixed to the realty as to be classified as real estate.	All	All
	70.111(14)	Milk house equipment used by farmer.		All

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
Federal Land Bank			—	All
Feed	70.111(6)	Feed and feed supplements owned by the operator or owner of a farm and used in feeding on the farm and not for sale. NOTE: 70.111(17) exempts merchants' stock-in-trade as of January 1, 1981.	—	All
Firearms	70.111(1)	If kept for personal use by the owner.	—	All
Fire Company	70.11(6)	Property of any fire company used exclusively for its purposes.	All	All
Forest Crop Lands	77.02 77.04	Must comply with Forest Crop Law. Special classification. Buildings on forest crop lands to be assessed as personal property. Also, see "Wood Lands" and "Managed Forest Lands."	All All	— —
Fox River Navigational System Authority	70.11(41)	All property owned by the Fox River Navigational System Authority, if use of the property is primarily related to the purposes of the authority.	All	All
Fraternal Societies	70.11(4)	Property owned and used exclusively by ... fraternal societies operating under the lodge system (except universities, college and high school fraternities and sororities) but not exceeding 10 acres of land necessary for location and convenience of buildings, while such property is not used for profit. Property owned and used exclusively by ... benevolent associations ... but not exceeding 10 acres of land necessary for location and convenience of buildings while such property is not used for profit. Leasing such property to similar organizations for educational or benevolent purposes is not taxable if all of the following occurs: (1) where all the income derived therefrom is used for the maintenance, construction debt retirement or both; and (2) if the lessee would be exempt from taxation under s. 70.11 if it owned the property; and (3) the lessee does not discriminate on the basis of race.	Not to exceed 10 acres	All

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
Fuel (Family)	70.111(5)	See "Family Supplies"		
Fur-bearing animals	70.111(2)	See "Animals"		
Furnishings—household	70.111(1)	Personal ornaments and jewelry, family portraits, private libraries, musical instruments other than pianos, radio equipment, household furniture, equipment and furnishings, apparel, motor bicycles, bicycles, and firearms, if such items are kept for personal use by the owner and pianos if they are located in a residence.	—	All
Gas Utilities	70.112(4)(a)	See "Public Utilities"		
Generating plants	70.112(4)(a)	See "Public Utilities"		
Geological or geographical formations of scientific interest	70.11(20)	See "Animal Life"	All	All
Ginseng	70.111(4)	The Wisconsin Supreme Court in *Kuehn v. Antigo* 139 Wis. 132 (1909) held that Ginseng was not a growing crop.		
Ginseng Structures	70.111(21)	Any temporary structure in the hands of a grower of ginseng used or designed to be used to provide shade for ginseng plants.	—	All
Girls Scouts	70.11(12)	See "Certain Charitable Organizations"		
Goods in original package	70.18(2)	Goods, wares and merchandise in storage in a commercial storage warehouse or on a public wharf shall be assessed to the owner thereof and not to the warehouse or public wharf, if the operator of the warehouse or public wharf furnishes to the assessor the names and address of the owners of all goods, wares and merchandise not exempt from taxation	—	All
Grain	70.111(6)	See "Feed"		
Harnesses	70.111(7)	See "Horses"	—	All

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
Hay, Grain, and other feed	70.111(6)	See "Feed"	—	All
Health Care Cooperatives	185.981(5)	See "Cooperative Health Care Associations"	All	All
Hides, Pelts	70.111(2)	The hides and pelts of all farm and fur-bearing animals in the hands of the growers.	—	All
High Density Sequencing Systems	70.111(26)	In this subsection, "production process" has the meaning given in s. 70.11 (27) (a) 5., except that storage is not excluded. (b) A high density sequencing system that by mechanical or electronic operation moves printed materials from one place to another within the production process, organizes the materials for optimal staging, or stores and retrieves the materials to facilitate the production or assembly of such materials.	—	All
Historical Properties	70.11(34)	Real property all of which fulfills the following requirements: 1. Is listed on the national register of historic places in Wisconsin or the state register of historic places. 2. Is a public building as defined in sec. 101.01(12), Wis. Stats. 3. Is owned or leased by an organization that is exempt from taxation under section 501of the Internal Revenue Code as amended to December 31, 1986. 4. Is used for civic, governmental, cultural, or educational purposes. 5. Is subject to an easement, covenant or similar restriction running with the land that is held by or approved by the state historical society or by an entity approved by the state historical society, that protects the historic features of the property and that will remain effective for at least 20 years after January 1, 1989.	All	—

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
Historical Societies (Domestic, incorporated)	70.11(4)	Property owned and used exclusively by...domestic, incorporated, historical societies...but not exceeding 10 acres of land necessary for location and convenience of buildings while such property is not used for profit. Property owned and used exclusively by...benevolent associations...but not exceeding 10 acres of land necessary for location and convenience of buildings while such property is not used for profit. Leasing such property to similar organizations for educational or benevolent purposes is not taxable if all of the following occurs: (1) where all the income derived therefrom is used for the maintenance, construction debt retirement or both; and (2) if the lessee would be exempt from taxation under s. 70.11 if it owned the property; and (3) the lessee does not discriminate on the basis of race.	Not to exceed 10 acres	All
Hockey Associations	70.11(32)	See "Youth Hockey Associations"		
Homes, Mobile	70.112(7) 66.0435	See "Mobile Homes"		
Horses	70.111(7)	All horses, mules, wagons, carriages, sleighs, harnesses.	—	All
Hospitals	70.11(4m) (a) and (b)	Non-profit hospitals, 10 beds or more used exclusively for hospital purposes. NOTE: Any portion of the property that is used for commercial purposes, such as a health and fitness center (defined in s. 70.11(4m)(c)), doctor's office or a for-profit pharmacy, is not exempt and should be assessed. For further information, please see the Legal Reference in WPAM Chapter 21.7.	All Unless used for commer-cial purposes	All Unless used for commer-cial purposes

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
Hospital Services/ Insurance Corporations	613.80	Non-profit organized under s. 613.80. NOTE: This does not include organizations established under s. 185.98, ch. 611, 613 or 614 AND that offer a health maintenance organization (HMO) or a limited service health organization defined in s. 609.01(2) and (3).	All	All
Household furniture (furnishings)	70.111(1)	See "Furnishings"—household		
Housing Authorities	70.11(18)	Property of Housing Authorities exempt from taxation pursuant to Section 66.1201(22).	All	All
Humane Societies	70.11(28)	Property owned and operated by a humane society organized primarily for the care and shelter of homeless, stray or abused animals, on a nonprofit basis, no part of the net income of which inures to the benefit of any member, officer or shareholder, if the property is used exclusively for the primary purposes of the humane society.	All	All
Hub Facility	70.11(42)	"Air carrier company" means any person engaged in the business of transportation in aircraft of persons or property for hire on regularly scheduled flights. In this subdivision, "aircraft" has the meaning given in s. 76.02(1). "Hub facility" means any of the following: a. A facility at an airport from which an air carrier company operated at least 45 common carrier departing flights each weekday in the prior year and from which it transported passengers to at least 15 nonstop destinations, as defined by rule by the department of revenue, or transported cargo to nonstop destinations, as defined by rule by the department of revenue. b. An airport or any combination of airports in this state from which an air carrier company cumulatively operated at least 20 common carrier departing flights each weekday in the prior year, if	All	All

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
		the air carrier company's headquarters, as defined by rule by the department of revenue, is in this state. (b) Property owned by the air carrier company that operates a hub facility in this state, if the property is used in the operation of the air carrier company.		
Ice Training Center	70.11(1)	Property exempt under this subsection includes general property owned by the state and leased to a private, nonprofit corporation that operates an Olympic ice training center, regardless of the use of the leasehold income.	All	All
Implements	70.111(9) 70.111(10)	See "Farm Machinery" and "Tools"	All	All
Imported goods (in original package)	Art. I, U.S. Constitution	38 OAG563 November 10, 1949 ad valorem taxation of baked pulp and pulpwood logs, imported and stored in the original package or imported form by a Wisconsin paper manufacturing company for future use violates the provision in Art. I, Sec 10, of the Constitution of the United States against state taxation of imports, in the absence of facts, showing they are kept on hand to meet current operational needs or have been otherwise integrated into manufacturing process.	—	All
Indian Mounds	70.11(20)	See "Animal Life"	All	All
Industrial Development Agencies	70.11(26)	All real and personal property owned by an industrial development agency formed under s. 59.57(2). Any such property subject to contract of sale or lease shall be taxed as personal property to the vendee or lessee thereof.	All	All
Industrial fairs	70.11(5)	See "Agricultural Society"	Not to exceed 80 acres	All
Inventories	70.111(17)	See "Merchants' Stock-In-Trade"		

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
Irrigation Equipment	70.111(9) 70.111(10) 70.04(2)	See discussion in the section on Special Purpose Lands and the discussion of Real v. Personal Property in the legal section		
Jewelry (& personal ornaments)	70.111(1)	Personal ornaments and jewelry if such items are kept for personal use.	—	All
Labor organizations "Labor Temples"	70.11(16)	Property owned exclusively by any labor organization or by any domestic corporation whose members are workmen associated according to crafts, trades or occupations or their authorized representatives or associations composed of members of different crafts, trades, or occupations; provided no pecuniary profit results to any member.	All	All
Leased / Subleased Property - School District	70.11(2m)	See "School District - Property Leased or Subleased to"		
Libraries, private	70.111(1)	Private libraries . for personal use by the owner.	—	All
Library associations	70.11(4)	Property owned and used exclusively by or by domestic incorporated, free public library associations; but not exceeding 10 acres of land necessary for location and convenience of buildings while such property is not used for profit. Leasing such property to similar organizations for educational or benevolent purposes is not taxable if all of the following occurs: (1) where all the income derived therefrom is used for the maintenance, construction debt retirement or both; and (2) if the lessee would be exempt from taxation under s. 70.11 if it owned the property; and (3) the lessee does not discriminate on the basis of race.	Not to exceed 10 acres	All
Lions Club Foundation	70.11(10m)	Camps for children with visual impairments.	Not to exceed 40 acres	—
Livestock	70.111(17)	See "Merchants' stock-in-trade"	—	All 1/1/81

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
Lodges—fraternal	70.11(4)	Property owned and used exclusively, see "Fraternal" Societies.	Not to exceed 10 acres	All
Logging Equipment	70.111(20)	All equipment used to cut trees, to transport trees in logging areas or to clear land of trees for the commercial use of forest products.	—	All
Low Income Housing	70.11(4a)	Must qualify as benevolent association and operate as non-profit. Unit occupants must not exceed income limits. Property owner must meet annual reporting requirements to maintain the exemption. Property may be partially taxable. See WPAM Chapter 22 for specific criteria.	Not to exceed 10 acres in a municipality. Cannot exceed 30 acres total	All
Manufacturing Machinery & Specific Processing Equipment	70.11(27)	Machinery and specific processing equipment; and repair parts, replacement machines, safety attachments and specific foundations for that machinery and equipment, that are used exclusively and directly in the production process in manufacturing tangible personal property, regardless of their attachment to real property, but not including buildings. The exemption under this paragraph shall be strictly construed.	—	All specified
Machinery—farm, orchard and garden	70.111(9) 70.111(10)	See "Farm Machinery" and "Tools"		
Managed Forest Land	77.80 to 77.91	Suitable for growing timber and other forest products. Department of Natural Resources approval required. Special tax. Buildings on Managed Forest Land to be assessed as personal property.	*10 or more contiguous acres of forest land	—
Manure Storage Facilities	70.11(15)	Any manure storage facility used by a farmer. This exemption shall apply whether the facility is deemed personal property or is so affixed to the realty as to be classified as real estate.	All	All
Medicinal Plants	70.111(4)	"Growing crops and medicinal plants." (See "Crops")	All	All

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
Medical Research Foundation	70.11(25)	Non-profit foundation for the exclusive purposes of (a) medical and surgical research..(b) providing instruction for physicians.(c) providing diagnostic facilities and treatment must have received a certificate under sec. 501(c)(3) of the Internal Revenue code as a non-profit organization exempt from income tax purposes.	All	All
Memorial Halls	70.11(9)	All memorial halls and the real estate upon which the same are located, owned and occupied by any organization of United States war veterans organized pursuant to act of congress and domesticated in this state, containing permanent memorial tablets with the names of former residents of any given town, village, city or county, who lost their lives in the military, or naval service of the state or the U.S. in any war inscribed thereon, and all personal property owned by such organizations, and all buildings erected, purchased or maintained by any county, city, town or village as memorials under Sec. 45.72. The renting of such halls or buildings for public purposes shall not render them taxable, provided that all income derived therefrom be used for the upkeep and maintenance thereof. Where such hall or building is used in part for exempt purposes and in part for pecuniary profit, it shall be assessed for taxation to the extent of such use for pecuniary profit as provided in S.. 70.1105(1).	All	All
Merchants' stock-in trade	70.111(17)	As of January 1, 1981 merchants' stock-in-trade, manufacturers' materials and finished products, and livestock.	—	All 1/1/81
Methane Production Equipment	Chapter 76	Equipment used to convert industrial waste to methane by a qualified utility company is exempt if it produces at least 50 megawatts and extends into more than one municipality.		2007
	70.11(2)		All	All

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
Metropolitan Sewerage District		Property of Metropolitan Sewerage District, except where occupied by grantor or others for grantor's benefit as part of conveyance		
Metropolitan Transit Authorities	66.1039	Special Tax category	All	All
Military Organizations	70.11(7)	Land owned by military organizations and used for armories, public parks or monument grounds, but not used for private gain	All	—
Milk House Equipment	70.111(14)	Milk House equipment, when used by a farmer.	All	All
Mobile Homes	70.112(7)	Every mobile home subject to a monthly parking fee under s. 66.0435 is exempt from the general property tax.	Qualified	Qualified
Money	70.112(1)	Money and all intangible personal property, such as credit, checks, notes, bonds, stocks and other written instruments.	—	All
Motion Picture Theater Equipment	70.111(24)	Projection equipment, sound systems, and projection screens that are owned and used by a motion picture theater.	—	All
Motorcycle	70.112(5)	See "Motor Truck"	—	All
Motor truck	70.112(5)	Every automobile, low speed vehicle, motor bicycle, motor bus, motorcycle, motor-driven cycle, motor truck, power-driven cycle, road tractor, school bus, snowmobile, station wagon, truck tractor, or other similar motor vehicle, or trailer or semitrailer used in connection therewith.	—	All
Mules	70.111(7)	See "Horses"	—	All
Municipal Water District Property	76.02(13) See 70.11 (2)	Property of municipal water district or town sanitary district, except where occupied by grantor or others for grantor's benefit as part of conveyance.	All	All
Municipally owned property	70.11(2)	Exempt, unless occupied by grantor or others for grantor's benefit in consideration for the conveyance.	All	All

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
Musical instruments	70.111(1)	Musical instruments. See "Furnishings —household"	—	All
Nonprofit outdoor theaters	70.11(29p)	Nonprofit outdoor theaters exempt from taxation under section 501 (c) (3) of IRS Code confirmed by IRS no later than July 31, 1969.	All	All
Nonprofit Retail Stores	70.11(12)(c)	All property of a resale store that is owned by a nonprofit organization that qualifies for the income tax exemption under section 501(c)(3) of the Internal Revenue Code, if at least 50 percent of the revenue generated by the resale store is given to one other nonprofit organization located either in the same county where the resale store is located or in a county adjacent to the county where the resale store is located. In this paragraph "resale store" means a store that primarily sells used tangible personal property at retail.	All	All
Notes	70.112(1)	See "Money"	—	All
Nursery Stock	70.111(4)	See "Crops"	—	All
Nursing Homes	70.11(4)	Must qualify as benevolent institution.	Not to exceed 10 acres	All
Olympic Ice Center	70.11(44)	Beginning with the first assessment year in which the property would not otherwise be exempt from taxation under sub.(1), property owned by a nonprofit corporation that operates an Olympic Ice Training Center on land purchased from the state, if the property is located or primarily used at the center. Property that is exempt under this subsection includes property leased to a nonprofit entity, regardless of the use of the leasehold income, and up to 6,000 square feet of property leased to a for-profit entity, regardless of the use of the leasehold income.	* Up to 6,000 sf can be leased to a for-profit	All
	70.111(1)	Personal ornaments and jewelry.	—	All

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
Ornaments—Personal and jewelry				
Orphanages	70.11(19)	Licensed under s. 48.60 for care of dependent, neglected or delinquent children while it is used for such purposes.	All	All
Parsonages	70.11(4)	Property owned by religious organization and used for housing pastors, ordained assistants, members of religious orders and communities and ordained teachers, permanently occupied whether or not contiguous to part of other property owned.	Not to exceed 10 acres	All
Petroleum and Petroleum productions	70.421	Refined in this state in possession of refinery. See "Crude Oil"	—	All
Pianos	70.111(1)	See "Furnishings—household"		
Pipeline Companies	70.112(4)(a)	See "Public Utilities"		
Plant Life—wild, native	70.11(20)	See "Animal Life"		
Pollution abatement equipment	70.11(21) (a)	See "Waste Treatment Facility"	All	All
Portraits, family	70.111(1)	Family portraits, if such items are kept for personal use by the owner.	—	All
Poultry	70.111(2)	See "Animals"	—	All
Processing Equipment	70.11(27)	See "Manufacturing Machinery & Specific Processing Equipment"		

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
Professional Sports and Entertainment Home Stadiums	70.11(36)	Property consisting of or contained in a sports and entertainment home stadium; including but not limited to parking lots, garages, restaurants, parks, concession facilities, entertainment facilities, transportation facilities, and other auxiliary facilities. Including those facilities constructed by, leased to or primarily used by a professional athletic team. Leasing or subleasing the property; regardless of the lessee, the sublessee and the use of the leasehold income; does not render the property taxable.	All	All
Provisions-(family's)	70. 111(5)	See "Family Supplies" and fuel		
Public Inland Lake Protection & Rehabilitation District	70.11(2)	Property owned by public inland lake protection and metropolitan district except where occupied by grantor or others for grantor's benefit as part of conveyance.	All	All
Public Utilities: Railroads; Telegraph Co.'s; Conservation & Regulation Co.'s; Light, Heat & Power Co.'s; Air Carriers; Pipe Line Co.'s	70.112(4)(a) 76.23	Any public utility when operating in more than one taxation district is assessed by the Department of Revenue under Chapter 76 EXCEPT in cases where general structure (this does not include land) is used in part for non-operating purposes of a utility. In such cases, the general structure is assessed by the local assessor (as personal property) at the percentage of its full market value that fairly measures and represents the extent of its use for non-operating purposes. If the property is located wholly within a taxation district, it is assessed by the local assessor as personal property.	All (including leased property) except non-operating property	Qualified
Public Utilities – Carline Co.'s Electric Co-op Association	70.112(4)(a) 76.39(2) 70.112(4)(a) 76.48(1)	All special property assessed under the provisions of Chap. 76 and property of any car line company, and electric cooperative association that is used and useful in the operation of the business of leased such company or association. If a general structure (this does not include land) is used in part for non-operating purposes of a utility, it is assessed except	Except non-operating property	Qualified

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
		by the local assessor (as personal property) at the percentage of its full non-market value that fairly measures and represents the extent of its use for operating non-operating purposes. Nothing herein provided shall be deemed to exclude property any real estate from special assessments for local improvements under the provisions of Sec. 66.0705, nor any property which is separately accounted for under provisions of Sec. 196.59. (Gross receipts tax in lieu thereof)		
Public Utilities – Telephone Co.'s	70.112(4)(b)	Real estate and personal property not used in the operation of the business shall be subject to general property taxes (such as appliances for sale)		
Public Utilities – Railroads	70.112(4)(a)	See "Public Utilities"		
Railroad Historical Societies	70.11(31m)	Right-of-way and rolling stock owned by railroad historical societies.	All	All
Recreational Mobile Home	70.111(19)	Mobile homes, as defined in s. 66.0435, that are no larger than 400 square feet and that are used primarily as temporary living quarters for recreational, camping, travel or seasonal purposes.	—	All
Rehabilitation or Future Construction and Later Sale to Low-Income Persons	70.11(4g)	Real property owned by a nonprofit organization if all of the following requirements are fulfilled: (a) the nonprofit organization holds the property for the purpose of rehabilitating and existing structure or constructing a new structure on the property for sale to low-income persons for use as a personal residence. (b) the nonprofit organization offers low-income persons loans to purchase the property for which no interest is charged. (c) the nonprofit organization requires prospective purchasers to participate in the rehabilitation or construction of the property. (d) the nonprofit organization acquired the property within 3 years before the assessment date.	All	—

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
Religious associations	70.11(4)	Owned and used exclusively for religious purposes. Land necessary for location and convenience of buildings. NOTE: Property owned by churches or religious associations necessary for location and convenience of buildings, used for educational purposes and not for profit shall not be subject to the 10 acre limitation but shall be subject to a 30 acre limitation.	Not to exceed 10 acres	All
Rented Personal Property	70.111(22) (a) and (b)	(a) Except as provided in par. (b) personal property held for rental for periods of one month or less to multiple users for their temporary use, if the property is not rented with an operator, if the owner is not a subsidiary or affiliate of any other enterprise and the owner is engaged in the rental of the property subject to the exemption to the other enterprise, if the owner is classified in group number 735, industry number 7359 of the 1987 standard industrial classification manual published by the U.S. office of management and budget and if the property is equipment, including construction equipment but not including automotive and computer-related equipment, television sets, video recorders and players, cameras, photographic equipment, audiovisual equipment, photocopy equipment, sound equipment, public address systems and video tapes; party supplies; appliances; tools; dishes; silverware; tables; or banquet accessories. (b) Personal property held primarily for rental for periods of 364 days or less to multiple users for their temporary use, if the property is not rented with an operator, if the owner is not a subsidiary or affiliate of any other enterprise and the owner is engaged in the rental of the property subject to the exemption to the other enterprise, if the owner is classified under 532414 of the North American Industry Classification System, 2012 edition, published by the		

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
		U.S. bureau of census, and if the property is heavy equipment, well-drilling machinery and equipment, or cranes.		
Retirement Homes	70.11(4d)	Must be benevolent association and non-profit. Each unit must house at least one occupant age 55 or older and have a unit value less than 130% of the average single family residence in that county. Units are valued, exclusive of the value of common areas. Common areas may be exempt, wholly taxable, or partially taxable, depending on use of the space and the value of the individual units. The criteria for this exemption are complex and not fully defined in this table. Refer to the Retirement Homes for the Aged section of this chapter for specific requirements.	Not to exceed 30 acres	All
Salvation Army	70.11(12)	See "Certain Charitable Organizations"		
School District	70.11(2)	Property owned by any school district, except occupied by grantor or others for grantor's benefit as part of conveyance.	All	All
Property Leased or Subleased to	70.11(2m)	All of the property that is owned or leased by a corporation, organization or association that is exempt from federal income taxation under section 501(c)(3) of the Internal Revenue Code if all of that property is leased or subleased to a school district for no or nominal consideration for use by an educational institution that offers regular courses for six months in a year.	All that meet conditions	All that meet conditions
Scouts (Boy Scouts/Girl Scouts of America)	70.11(12)	See "Certain Charitable Organizations"		
Secondary Containment Structures	70.11(15m)	Secondary containment structures used to prevent leakage of liquid fertilizer or pesticides.	All	All
Sewerage District	70.11(2)	Metropolitan Sewerage District property, except where occupied by	All	All

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
		grantor or others for grantor's benefit as part of conveyance.		
Snowmobile	70.112 (5)	See "Motor Truck"	—	All
Snowmobile Club	70.11(45m)	See trail groomers		
Solar Energy System	70.111(18)	Equipment which directly converts and then transfers or stores solar energy into useable forms of thermal or electrical energy. This does not exempt equipment or components that would be present as part of a conventional energy system or a system that operates without mechanical means.	—	—
State of Wisconsin	70.11(1)	Property, owned by this state except land contracted to be sold by the state. This exemption includes general property owned by the state and leased to a private, nonprofit corporation that operates an Olympic ice-training center, regardless of the use of the leasehold income. This exemption shall not apply to land conveyed after September, 1933, to this state or for its benefit while the grantor or others for his benefit are permitted to occupy the land or part thereof in consideration for the conveyance. Nor shall it apply to land devised to the state while another person is permitted by will to occupy.		
State Owned Investment Board	70.115	All real estate owned or held by any of the funds invested by the investment board shall be assessed and taxed same as privately owned real estate.	—	All
State Owned public hunting grounds etc.	70.113(1) (2)	Department of Natural Resources to pay 80 cents per acre to city, village, or town Treasurer on 10 year schedule for "ORAP" lands.	All	—
State University	See 36.33(5)	Certain University land in City of Madison is not exempt if used for commercial purposes.	—	All

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
State University and Colleges	70.11(3)(c)	Property leased to nonprofit corporations for construction of dormitories, stadiums, etc.	All	All
Stock Feed	70.111(6)	See "Feed"		
Stocks and Bonds	70.112(1)	See "Money"		
Student Housing	70.11(3m)	STUDENT HOUSING FACILITIES. **(a)** All real and personal property of a housing facility, not including a housing facility owned or used by a university fraternity or sorority, college fraternity or sorority, or high school fraternity or sorority, for which all of the following applies: **1.** The facility is owned by a nonprofit organization. **2.** At least 90 percent of the facility's residents are students enrolled at the University of Wisconsin-Madison and the facility houses no more than 300 such students. **3.** The facility offers support services and outreach programs to its residents, the public or private institution of higher education at which the student residents are enrolled, and the public. **4.** The facility is in existence and meets the requirements of this subsection on July 2, 2013, except that, if the facility is located in a municipally designated landmark, the facility is in existence and meets the requirements of this subsection on September 30, 2014.	All	All
Telegraph Co.	70.112(4)(a)	See "Public Utilities"		
Telephone Companies	70.112(4)(b)	See "Public Utilities"		
Theater, Nonprofit	70.11(29m)	All property owned or leased by a corporation, organization or association exempt from taxation under section 501(c)(3) of the internal revenue code, if all of the property is used for the purposes for which the exemption was	All	All

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
		granted, the property includes one or more buildings listed on the national register of historic places, the property includes one or more theaters for performing theater arts which have a total seating capacity of not less than 800 persons and the corporation, organization or association operates the theater or theaters.		
	70.11(45)	All property owned or leased by a corporation, organization or association exempt from taxation under section 501(c)(3) of the internal revenue code, if: a) the property is used for the purposes for which the exemption was granted, and b) it's located on land the property owner owned prior to March 25, 2010, or on land donated by a local business owner or a municipality, and c) it is located on land within 20 miles of the Mississippi River, and d) it's located on a parcel at least ¼ of an acre but less than 2 acres, and e) it includes one or more theaters for the performing arts that are operated by the corporation, organization, or association and the seating capacity is not less than 450 persons, and f) it includes facilities used for arts education.	All	All
Tools and Garden Machines	70.111(9)	The tools of a mechanic if those tools are kept and used in the mechanic's trade; and garden machines and implements and farm, orchard and garden tools, if those machines, implements and tools are owned and used by any person in the business of farming or in the operation of any orchard or garden. In this subsection, "machine" has the meaning given in sub. (10)(a)2.	—	All
Towns	70.10	All real property conveyed to any town by condemnation, gift, purchase, tax deed, or power of eminent domain or in any other manner before the second day of January shall not be assessed.	—	All

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
Towns – Sanitary District or School District	70.11(2)	Property owned by any town or Town Sanitary District—Town School District, except where occupied by Grantor or others for grantor's benefit as part of conveyance.	All	All
Trail Groomers	70.11(45m)	Exempt when owned by a snowmobile club, all-terrain vehicle club or utility terrain vehicle club exempt from taxation under section 501(c)(3), (4), or (7) of the IRS Code		
Trailer, Semi	70.112(5)	See "Motor Truck"		
Trailers (travel)	70.111(19)	See "Mobile Homes"		
Universities	70.11 (3)	See "Colleges"		
University of Wisconsin Hospitals and Clinics Authority	70.11(38)	All property owned by the University of Wisconsin Hospitals and Clinics Authority and all property leased to the University of Wisconsin Hospitals and Clinics Authority that is owned by the state, provided that use of the property is primarily related to the purposes of the authority.	All	All
United States Property	70.177 U.S. Code 12USC1706 12USC1714 12USC2055 38USC1820 42USC1490	Most United States property is exempt except that property which the federal government has consented to be taxed in the United States Code (USC). Further information on the taxation of federally owned property is included in the front of this chapter and in the Legal Reference in WPAM Chapter 21.7.	*All except that to which the U.S. Govern-ment has consented to taxation.	*All except that to which the U.S. Govern-ment has consented to taxation.
Utility Company		See "Public Utility"		
Utility Terrain Vehicle Club	70.11(45m)	See trail groomers		
Vending Machines	70.111(23)	All machines that automatically dispense soda water beverages, as defined in s. 97.29(1)(i), and items included as a food or beverage under s. 77.51(3t) upon the deposit in the		

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
		machines of specified coins or currency, or insertion of a credit card, in payment for the soda water beverages, food or beverages.		
Vessels	70.111(3)	See "Watercraft"		
Veterans' (U.S.) Memorial Halls	70.11(9)	See "Memorial Halls"		
Veterans' Infirmary-domiciliary buildings	70.11(3a)	All buildings, equipment and leasehold interests in lands described in s. 45.03(5) (Wisconsin Veterans Home)	All	All
Village Property	70.11(2)	Property owned by … villages … except where occupied by grantor or others for grantor's benefit as part of conveyance.	All	All
Vocational School District	70.11(2)	Property owned by any … vocational, technical, and adult education district … except where occupied by grantor or others for grantor's benefit as part of conveyance.	All	All
Wagons	70.111(7)	See "Horses"	—	
Waste Treatment Facility	70.11(21) (am)	All property purchased or constructed as a waste treatment facility used exclusively and directly to remove, store or cause a physical or chemical change in industrial waste or air contaminants, for the purpose of abating or eliminating pollution of surface waters, the air, or waters of the state if that property is not used to grow agricultural products for sale and, if the property's owner is taxed under ch. 76, if the property is approved by the department of revenue. (Property purchased or constructed before July 31, 1975 need not have been approved by the Department of Revenue.)	All	All
Watches	70.111(1)	If kept for personal use by owner.	—	All
Water Authority	70.11(2)	Property owned by ... joint local water authority created under s. 66.0823 ... except where occupied by grantor or others for grantor's benefit as part of conveyance.	All	All

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
Watercraft	70.111(3)	Watercraft employed regularly in interstate traffic, watercraft laid up for repairs, all pleasure watercraft for recreational purposes, commercial fishing boats and equipment that is used by commercial fishing boats, charter sailboats and charter boats, other than sailboats, that are used for tours.	—	All
Watercraft – Motorboats	70.111(3m)	Motorboats, and the equipment used on them, which are regularly employed in carrying persons for hire for sport fishing in and upon the outlying waters as defined in s. 29.001(63) and the rivers and tributaries specified in s. 29.2285(2)(a) 1 and 2 if the owners and all operators are licensed guides under s. 29.512 or s. 29.514 or both and licensed by the U.S. Coast Guard to operate the boat for this purpose.	All	All
Wearing Apparel	70.111(1)	If kept for personal use by owner.	—	All
Wild Plant Life	70.11(20)	See "Animal Life"		
Wind Energy System	70.111(18)	Equipment which converts and then transfers or stores energy from the wind into useable forms of energy. This does not exempt equipment that would be present as part of a conventional energy system.	—	—
Wisconsin Economic Development Corporation	70.11(38r)	All property owned by the Wisconsin Economic Development Corporation, provided that use of the property is primarily related to the purposes of the Wisconsin Economic Development Corporation.	All	All
Wisconsin Housing & Economic Development Authority (WHEDA)	70.11(4b)	Residential housing owned by entity organized under section 501(c)(3) of IRS code and exempt from taxes under Section 501(a) of IRS code. Property must also be financed by WHEDA, who must hold a first-lien mortgage security interest on the property. Exemption applies only to projects in existence on Jan 1, 2008.		

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
Wisconsin Veterans Home buildings	70.11(3a)	See "Veteran's Infirmary - domiciliary buildings"		
Wisconsin, State of	70.11(1) 70.11(3)(c), 70.115	See under "State of Wisconsin"		
Wisconsin Aerospace Authority	70.11(38m)	All property owned or leased by the Wisconsin Aerospace Authority, provided that use of the property is primarily related to the purposes of the authority.	All	All
Women's Clubs	70.11(4)	Property owned and used exclusively by...women's clubs, but not exceeding ten acres of land necessary for location and convenience of buildings while such property is not used for profit. Leasing such property to similar organizations for educational or benevolent purposes is not taxable if all of the following occurs: (1) where all the income derived therefrom is used for the maintenance, construction debt retirement or both; and (2) if the lessee would be exempt from taxation under s. 70.11 if it owned the property; and (3) the lessee does not discriminate on the basis of race.	Not to exceed 10 acres	All
Wood Lands	77.02	For reforestation purposes. Approval by Department of Natural Resources 40 acres required. Special tax. Buildings on land assessed and taxed as personal property.	40 acres or more	
Young Men's Christian Associations or Young Women's Christian Associations	70.11(12)(a) and (b)	Property owned by units which are organized in this state of the following organizations: the Salvation Army; the Boy Scouts of America; the Boys' Clubs of America; the Girl Scouts or Camp Fire Girls; the Young Men's Christian Association, not exceeding 40 acres for property that is located outside the limit of any incorporated city or village and not exceeding 10 acres for property that is located inside the limit of any incorporated city or village; the Young	* Not to exceed 10 acres in incorporated city or village.	All

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
		Women's Christian Association, not exceeding 40 acres for property that is located outside the limit of any incorporated city or village and not exceeding 10 acres for property that is located inside the limit of any incorporated city or village; Jewish Community Centers of North America, not exceeding 40 acres for property that is located outside the limit of any incorporated city of village and not exceeding 10 acres for property that is located inside the limit of any incorporated city or village; or any person as trustee for them of property used for the purposes of those organizations, provided no pecuniary profit results to any individual owner or member. (b) Real property not exceeding 40 acres and the personal property located thereon owned by units, which are not organized in this state of the organizations listed in. No such unit, which is not organized in this state, may claim an exemption for more than a total of 80 rods of shoreline on lakes, rivers, and streams.	* Not to exceed 40 acres outside incorpo-rated city or village.	
Youth Baseball Association, Nonprofit	70.11(46)	Land not exceeding 6 acres, the buildings on that land, and personal property if the land is owned or leased by, and the buildings and personal property are owned by, a nonprofit youth baseball association and used exclusively for the purposes of the association. Leasing all or a portion of the property does not render the property taxable if all of the leasehold income is used for maintaining the leased property.	All	All

Owner or Type	Wis. Statutes	Conditions	Amount Real	Exempt Personal
Youth Hockey Association, Nonprofit	70.11(32)	Land not exceeding 13 acres, the buildings on that land and personal property if the land, buildings and personal property are owned by, and used exclusively for the purposes of, a nonprofit youth hockey association that owns its skating facilities, except that the exemption under this subsection does not apply to the property of a nonprofit youth hockey association if any of its property was funded in whole or in part by industrial revenue bonds unless that association's facilities were placed in operation after January 1, 1988. Leasing all or a portion of the property does not render that property taxable if all of the leasehold income is used for maintenance of the leased property and if the lessee would be exempt from taxation under s. 70.11 if it owned the property.	All	All