



The Homestead Tax Credit Program: Summary for FY18

Introduction

The Homestead Tax Credit Program was established in June of 1964 to mitigate the impact of high real estate taxes on low-income seniors by providing direct property tax relief through a circuit-breaker mechanism. From fiscal year 1974 to 2017 the program provided relief to all low-income households paying property tax directly or through rent. Beginning in fiscal year 2018, the program was scaled back to serving households in which claimants are 62 years of age, have a disability, or have earned income.

The underlying principle of a circuit-breaker is that property taxes exceeding a certain percentage of income constitute a burden to the taxpayer and should be offset at least partially with state-funded assistance. Assistance in this case takes the form of a refundable credit that can be applied against state income taxes due or received as a cash rebate. Wisconsin pioneered this method of relating property taxes to income in determining the amount of relief.

A total of 159,389 Wisconsin tax filers claimed Homestead credits amounting to \$80.2 million in FY18. The average credit was \$503.

Description of Credit Program

The amount of the credit is determined by a claimant's household income and property taxes. The maximum credit is \$1,168 for those with household income of no more than \$8,060 and property taxes of \$1,460 or more. The amount of the credit phases out as income surpasses \$8,060 and no credit is available for those with income over \$24,680.

Eligibility Criteria

The basic requirements for Homestead relief relate to age and income. To qualify for benefits on claims filed in 2018, for property taxes accrued in 2017, a person must own or rent his or her residence and have household income of not more than \$24,680. For renters, 25% of rent paid or accrued (or 20% if the rent includes heat) is considered property taxes for purposes of computing the credit. Claimants between the ages of 18 and 61 must have earned income or a disability, while claimants age 62 or more may claim the credit regardless of earned income or disability status. No individuals under the age of 18 may claim the credit.

"Household income" is broadly defined as total cash income, less \$500 for each dependent. It includes taxable income from all sources, such as wages and salaries, interest and dividends, and pension and annuity income. It also includes most nontaxable transfers, such as social security, railroad retirement benefits, veterans' pension and disability payments, public assistance, court-ordered support payments, scholarships and fellowships, GI benefits, and other cash amounts. In addition, depreciation claimed for state income tax purposes, excluded

long-term capital gains, contributions to individual retirement accounts (IRAs), and other types of tax-preference income are included in household income.

Additional conditions for Homestead eligibility require that an applicant—

- be a legal resident of Wisconsin for the entire calendar year for which the claim is made;
- not be claimed as a dependent on another person's federal income tax return during the current tax year;
- reside in a homestead subject to real estate taxes;
- not claim tax credits under the Farmland Preservation Program on property taxes for which relief is also being sought through the Homestead program;
- not claim the Veterans and Surviving Spouses Tax Credit;
- not live in a nursing home or receive Title XIX medical assistance; and
- not receive Wisconsin Works (W-2) payments of more than \$400 for each month of the year.

Formula for Determining Benefits

The two most important factors in determining the amount of benefits an applicant may receive under the Homestead program are the applicant's income and property taxes. For 2018 claims, the credit is available to households with income less than \$24,680. The maximum amount of property taxes recognized by the formula is \$1,460. For renters, 25% of rent is considered to be property taxes if the rent payment does not include heat; 20% of rent is considered to be property taxes if rent includes heat.

Farmers are permitted to claim relief on the portion of their total property taxes attributable to their home plus a maximum of 120 acres of surrounding farmland.

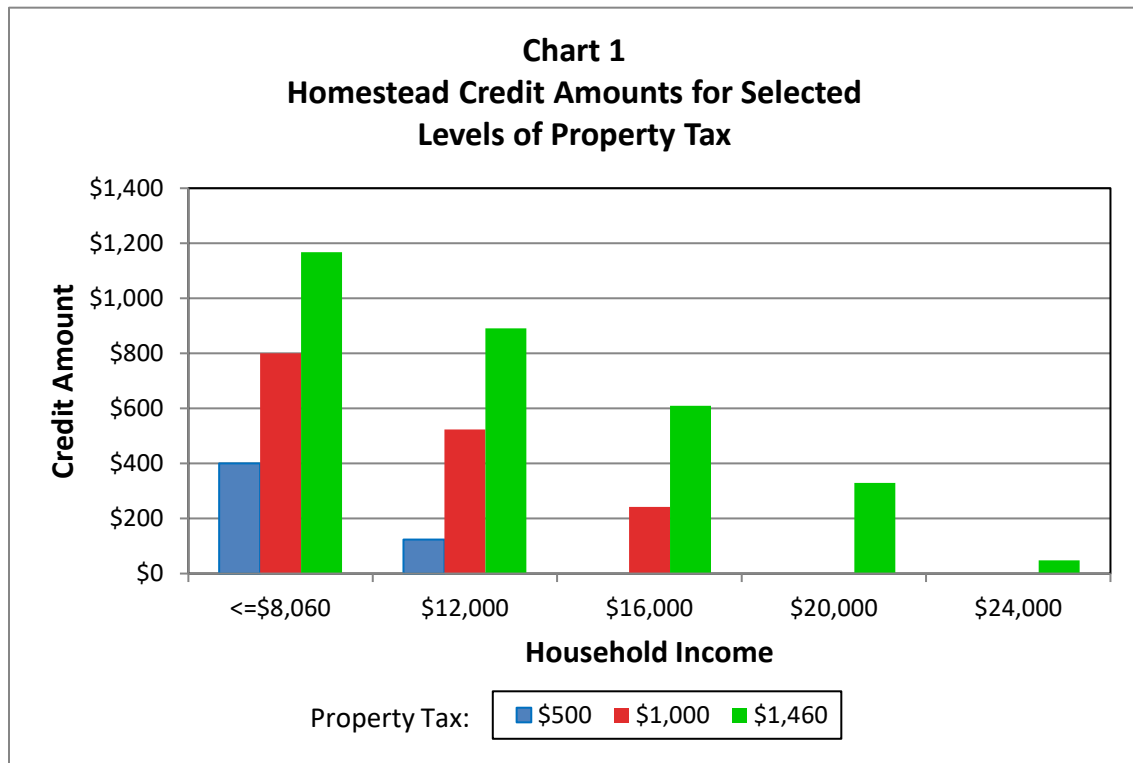
The parameters used to compute the credit are as follows:

- The property tax equal to the lesser of the claimant's property tax levied in 2017 or \$1,460, the maximum property tax allowed.
- The income threshold, the amount of household income at which Homestead benefits begin to phase out, is \$8,060. For persons with income equal to or below the threshold, the credit is 80% of the property tax paid (up to \$1,460).
- For persons with income above \$8,060, the credit is equal to 80% of the amount by which the reported property tax exceeds 8.785% of household income in excess of \$8,060. Thus:

$$\text{Credit} = .80 \times [\min(\text{claimant's property tax}, \$1,460) - .08785 \times (\text{household income} - \$8,060)].$$

- The maximum credit available is \$1,168 (i.e., 80% x \$1,460).

Chart 1 shows Homestead credit amounts for selected income and property tax levels.



History

Enactment and Legal Challenges

When first enacted in 1964, the Homestead program provided relief to low-income homeowners or renters aged 65 or older with household incomes of \$3,000 or less. The early Homestead credit faced legal challenges on the grounds that it violated the uniformity clause of the State Constitution, which requires that property taxes—including property tax relief—be uniform across all classes of property. However, in 1966, the Wisconsin Supreme Court ruled in *Harvey v. Morgan* that the Homestead program was essentially a welfare program rather than property tax relief. The Court's determination was based on the following:

- a. The statutory language creating the program explicitly stated that Homestead was a relief program;
- b. The relief is available to both renters and homeowners;
- c. The credit is tied to the characteristics of the individual (e.g., age, income, cost of shelter), not to the characteristics of the property;
- d. Property owners receiving the relief pay their property tax bill in full but receive a credit against their income taxes from the state's general fund; and
- e. The administration of the law is tied to the income tax system rather than to the property tax system.

Growth in Claims and Credits

Initially a small program, providing \$1.8 million in payments to 30,715 claimants, the Homestead credit program quickly grew in both the number of claimants and total credits. Table 1 shows that growth in Homestead expenditures has been uneven, the result of occasional changes in credit parameters that increase the number and amount of credits, followed by periods of declining claims and credits as inflation erodes the value of the income ceiling and the effects of property tax controls and relief efforts.

Fiscal Year (FY) 1980 remains the year with the highest number of claimants in the history of the program. As shown in the table, \$92.6 million in credits was provided to 318,000 claimants in FY1980. Fiscal Year 2012 saw the highest amount of credits paid, \$133.0 million to about 248,000 claimants. While the number of claimants and the amount of the credit have fluctuated, the average credit generally grew over time, rising from \$60 in FY1965 to \$536 in FY2012. Since FY2012, the average credit amount has declined somewhat to \$503 in FY2018.

Increases in the maximum property tax eligible for relief, the income threshold, and income ceiling have also contributed to spurts in the number of claims and the amount of credits.

Major expansion occurred in FY1967 (formula changes), FY1972 (formula changes and expansion of the program to include adults 62 years or older), FY1974 (expansion of the program to include adults under 62 years of age), FY1980 (formula changes), FY1985 (formula changes), and FY2001 (formula changes). From FY1980 through FY1999, the number of Homestead claimants generally declined, primarily because adjustments to the income ceiling did not keep up with the rate of inflation. From FY2001 to FY2017, the number of Homestead credit claimants decreased by an average of 0.3% annually. The additional eligibility requirements introduced in FY2018 reduced claims by 15.1% and the number of claimants by 13.2%.

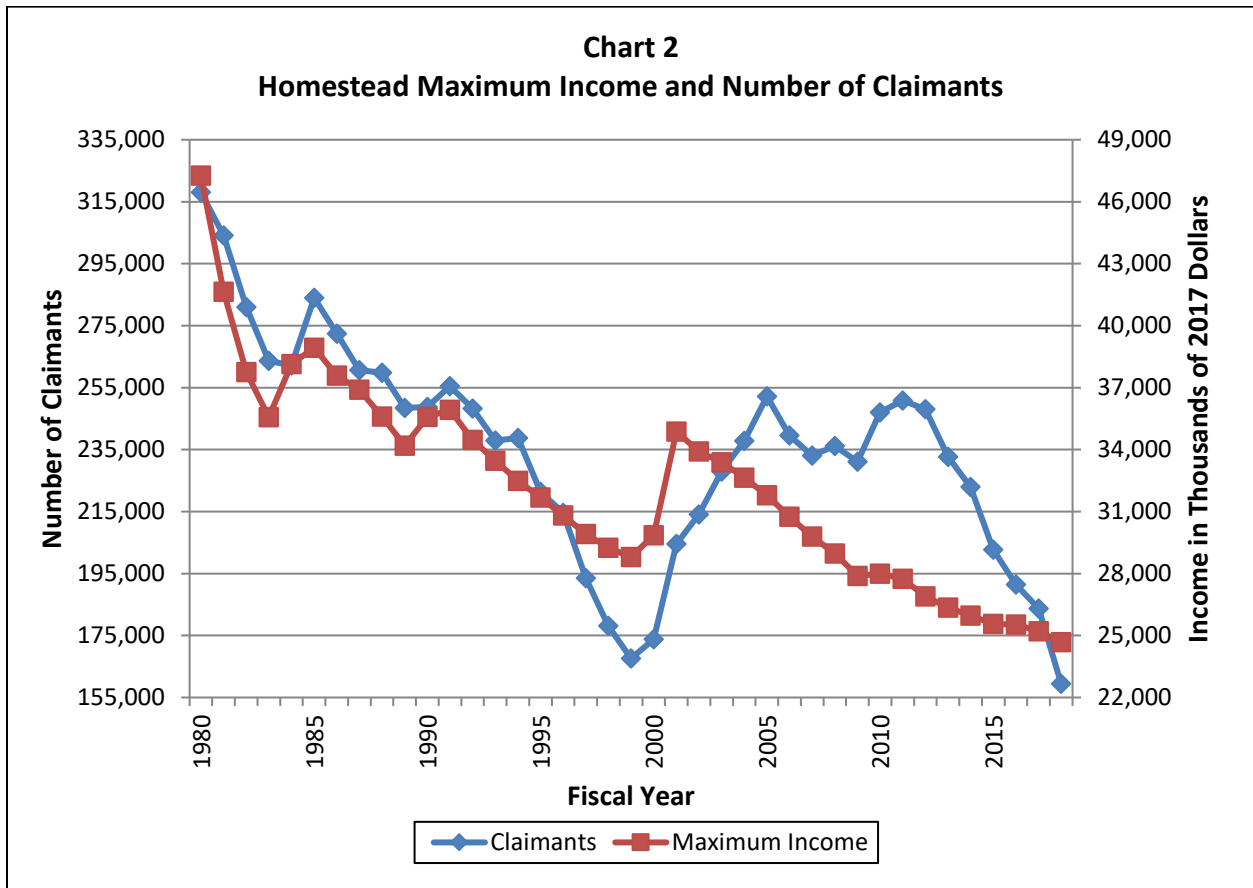
**Table 1
Wisconsin Homestead Tax Credit Historical Claims**

Fiscal Year	Homestead Funding		Claims		Average Credit	
	Amount	Pct. Change	Count	Pct. Change	Amount	Pct. Change
1965	\$1,829,400	-	30,715	-	\$60	-
1966	2,090,100	14.3%	33,046	7.6%	63	6.2%
1967	4,201,900	101.0%	58,716	77.7%	72	13.1%
1968	6,141,800	46.2%	66,786	13.7%	92	28.5%
1969	6,129,200	-0.2%	67,401	0.9%	91	-1.1%
1970	7,223,600	17.9%	73,680	9.3%	98	7.8%
1971	6,739,800	-6.7%	70,704	-4.0%	95	-2.8%
1972	10,025,800	48.8%	78,684	11.3%	127	33.7%
1973	9,178,400	-8.5%	80,786	2.7%	114	-10.8%
1974	35,410,800	285.8%	192,921	138.8%	184	61.6%
1975	41,613,700	17.5%	218,312	13.2%	191	3.9%
1976	49,754,500	19.6%	240,966	10.4%	206	8.3%
1977	48,139,000	-3.2%	234,201	-2.8%	206	-0.5%
1978	66,051,700	37.2%	251,374	7.3%	263	27.8%
1979	62,467,900	-5.4%	237,072	-5.7%	264	0.3%
1980	92,577,600	48.2%	318,030	34.1%	291	10.5%

Table 1 (Continued)
Wisconsin Homestead Tax Credit Historical Claims

Fiscal Year	Homestead Funding		Claims		Average Credit	
	Amount	Pct. Change	Count		Amount	Pct. Change
1981	91,937,000	-0.7%	304,065	-4.4%	302	3.9%
1982	90,516,700	-1.5%	281,028	-7.6%	322	6.5%
1983	83,750,174	-7.5%	263,597	-6.2%	318	-1.4%
1984	86,025,528	2.7%	262,177	-0.5%	328	3.3%
1985	105,214,720	22.3%	284,019	8.3%	370	12.9%
1986	102,662,679	-2.4%	272,410	-4.1%	377	1.7%
1987	102,618,681	0.0%	260,632	-4.3%	394	4.5%
1988	103,829,374	1.2%	259,814	-0.3%	400	1.5%
1989	99,449,998	-4.2%	248,414	-4.4%	400	0.2%
1990	106,410,166	7.0%	248,802	0.2%	428	6.8%
1991	112,273,243	5.5%	255,487	2.7%	439	2.7%
1992	105,505,779	-6.0%	248,249	-2.8%	425	-3.3%
1993	104,410,544	-1.0%	237,891	-4.2%	439	3.3%
1994	109,392,680	4.8%	238,708	0.3%	458	4.4%
1995	100,910,660	-7.8%	221,392	-7.3%	456	-0.5%
1996	96,323,808	-4.5%	214,530	-3.1%	450	-1.3%
1997	86,769,052	-9.9%	193,547	-9.8%	448	-0.4%
1998	79,816,730	-8.0%	178,150	-8.0%	448	-0.1%
1999	77,180,545	-3.3%	167,547	-6.0%	461	2.8%
2000	79,956,454	3.6%	173,739	3.7%	460	-0.1%
2001	99,568,850	24.5%	204,516	17.7%	487	5.8%
2002	104,420,000	4.9%	214,101	4.7%	488	0.2%
2003	113,411,348	8.6%	227,871	6.4%	498	2.0%
2004	119,752,255	5.6%	237,814	3.5%	508	2.0%
2005	127,227,514	6.2%	252,215	6.1%	504	-0.8%
2006	121,891,762	-4.2%	239,546	-5.0%	509	1.0%
2007	119,409,021	-2.0%	233,070	-2.7%	512	0.6%
2008	122,005,998	2.2%	236,193	1.3%	517	0.9%
2009	121,448,814	-0.5%	231,124	-2.1%	525	1.7%
2010	128,456,380	5.8%	247,011	6.9%	520	-1.0%
2011	132,870,216	3.4%	250,845	1.6%	530	1.9%
2012	133,005,620	0.1%	248,014	-1.1%	536	1.2%
2013	121,794,202	-8.4%	232,676	-6.2%	523	-2.4%
2014	116,981,040	-4.0%	222,942	-4.2%	525	0.2%
2015	105,304,258	-10.0%	202,687	-9.1%	520	-1.0%
2016	98,405,320	-6.6%	191,459	-5.5%	514	-1.1%
2017	94,511,893	-4.0%	183,717	-4.0%	514	0.1%
2018	\$80,204,000	-15.1%	159,389	-13.2%	\$503	-2.2%

Chart 2 shows the number of claimants (left axis) compared with the maximum income allowed for claiming the credit in 2017 dollars (right axis). As shown in the chart, the largest number of claimants occurred in 1980 when the real income ceiling was at its peak, at \$47,268 in 2017 dollars.



Homestead Formula Parameters

Since FY1974, the Homestead benefit formula has taken the form:

$$\text{Homestead Credit} = .80 \times [\text{property taxes} - (\text{phase-out rate} \times (\text{income} - \text{income threshold}))]$$

The maximum income, above which the Homestead credit is zero, is not explicitly shown in the formula; rather, it is implied by the phase out rate. The maximum income and phase out rate are specified by statute. In the formula, property taxes may not exceed the property tax ceiling, which is also set by statute. Taxes in excess of the property tax ceiling are ignored. Households with incomes below the income threshold receive credits equal to 80% of their property taxes. Households with incomes above the income threshold have their qualifying property taxes reduced by the phase out rate multiplied by the amount by which their income exceeds the income threshold.

Table 2 shows the formula parameters over the life of the Homestead program.

**Table 2
Homestead Formula Parameters, FY65-FY18**

Fiscal Years	Minimum Age	Maximum Benefit (\$)	Maximum Income (\$)	Property Tax Ceiling (\$)	Relief Rate	Income Threshold (\$)	Maximum Acres
1965-66	65	\$ 225	\$ 3,000	\$ 300	75%	-	1
1967-69	65	225	3,500	300	75%	500	40
1970-71	65	248	3,700	330	75%	500	40
1972-73	62*	400	7,000	500	75%	1,000	40
1974-75	18	400	7,000	500	80%	3,500	80
1976-77	18	428	7,500	535	80%	3,750	120
1978-79	18	640	9,300	800	80%	4,000	120
1980-81	18	800	14,000	1,000	80%	5,000	120
1982-83	18	800	14,000	1,000	80%	6,000	120
1984	18	880	15,500	1,100	80%	7,000	120
1985-86	18	960	16,500	1,200	80%	7,400	120
1987-89	18	960	16,500	1,200	80%	7,600	120
1990	18	1,080	18,000	1,350	80%	8,000	120
1991-99	18	1,160	19,154	1,450	80%	8,000	120
2000	18	1,160	20,290	1,450	80%	8,000	120
2001-10	18	1,160	24,500	1,450	80%	8,000	120
2011-17	18	1,168	24,680	1,460	80%	8,060	120
2018	18 or 62**	1,168	24,680	1,460	80%	8,060	120

* 60 for disabled.

** Beginning in 2018, claimants must be 62 years of age. To qualify between the ages of 18 and 61, claimants must have earned income or a qualified disability.

In addition to these changes, the definition of "household income" has been modified over time to take more fully into account the income items that are deducted or excluded from adjusted gross income. For example, depreciation (which is subtracted from income to determine Wisconsin adjusted gross income for income tax purposes) has been added back to determine household income for Homestead purposes since 1982.

Similarly, other minor adjustments have been made to household income items such as contributions to individual retirement accounts (IRAs), Keogh and deferred compensation plans, nontaxable income of American Indians, the housing allowance received by the clergy, value of a resident manager's free or reduced rent, net operating loss carry-forwards, capital loss carry-forwards and carrybacks, and IRC section 179 expense deductions.

Beginning with claims filed in 1990, household income was reduced by \$250 for each dependent. This change was enacted to recognize the economic burdens faced by larger families. Beginning with claims filed in 2011, for property taxes accrued in 2010, the dependent deduction was increased to \$500 per dependent.

Benefits by Characteristics of Participants

Persons must meet age and certain other requirements to claim the credit. The following sections provide information about applicants by age, income, and housing status.

Age

The Homestead program originally was limited to older, low-income property taxpayers and renters. From 1974 to 2017, eligibility was extended to all adults who meet income parameters. Beginning in 2018, the program was scaled back to serving adult households in which claimants are 62 years of age, have a disability, or have earned income.

Table 3 shows the distribution of claimants by age¹ in FY2018, the average property tax (or property tax equivalent²), the average household income, the average credit, and the percent of property tax covered by the credit. As the table shows, persons aged 66 and older, as a group, are the main beneficiaries of the program; they account for about 33% of the claimants and 29% of benefits received.

Also as shown in the table, persons 66 and older had the highest average property tax burden of the groups presented and received the lowest average credit. A lower average credit is likely because the credit phases out at higher levels of household income and that group had the highest average household income.

Table 3
Wisconsin Homestead Credit by Age, FY18

Age	Claimants		Property Tax		Household Income		Benefits			
	Count	% of Total	Amount	Avg. Tax	Amount	Avg. Income	Amount	% of Total	Avg. Credit	% of Relief
Unknown	862	0.5%	\$1,224,364	\$1,420	\$11,195,921	\$12,988	\$435,168	0.5%	\$505	35.5%
18-25	12,263	7.7%	15,823,949	1,290	162,195,631	13,226	5,686,992	7.1%	464	35.9%
26-35	20,973	13.2%	33,910,375	1,617	298,772,319	14,246	10,841,246	13.5%	517	32.0%
36-45	16,865	10.6%	29,679,284	1,760	238,338,053	14,132	9,217,740	11.5%	547	31.1%
46-55	22,750	14.3%	39,021,296	1,715	304,513,280	13,385	12,933,026	16.1%	568	33.1%
56-60	16,225	10.2%	26,850,082	1,655	216,112,703	13,320	8,968,692	11.2%	553	33.4%
61-62	6,828	4.3%	11,579,221	1,696	91,578,469	13,412	3,724,694	4.6%	546	32.2%
63-65	10,562	6.6%	18,284,814	1,731	150,094,797	14,211	5,378,350	6.7%	509	29.4%
66 and older	52,061	32.7%	95,940,247	1,843	831,454,077	15,971	23,018,092	28.7%	442	24.0%
Total	159,389	100.0%	\$272,313,632	\$1,708	\$2,304,255,250	\$14,457	\$80,204,000	100.0%	\$503	29.5%

¹ Some homestead claims are submitted without age information and must be verified for eligibility using other sources of information. These claims are classified in the table as "unknown".

² For renters, 25% of rent is considered to be property taxes if the rent payment does not include heat, 20% of rent is considered to be property taxes if rent includes heat.

Income

The Homestead credit provides relief to low-income households. As mentioned earlier, household income is broadly defined to include both taxable and nontaxable sources of income. The average household income of all Homestead claimants in FY2018 was \$14,457. The average income of renters was somewhat lower at \$13,777, while the average income of homeowners was higher at \$15,614. Table 4 shows the credit by household income group. As shown in the table, the average credit decreases as household income increases, ranging from \$1,013 for the lowest income group to \$309 for the highest income group.

Table 4
Homestead Benefits by Income Class, FY18

Household Income	Claimants		Property Tax		Credit			
	Count	% of Total	Amount	Avg. Tax	Amount	% of Total	Avg. Credit	% of Relief
Less than \$0	1,411	0.9%	\$ 4,228,584	\$ 2,997	\$ 1,429,488	1.8%	\$ 1,013	33.8%
\$0 to \$2,500	2,319	1.5%	3,842,582	1,657	2,014,196	2.5%	869	52.4%
\$2,500 to \$8,000	12,342	7.7%	16,979,366	1,376	10,019,076	12.5%	812	59.0%
\$8,000 to \$15,000	69,492	43.6%	96,497,579	1,389	43,905,334	54.7%	632	45.5%
\$15,000 to \$24,500	73,825	46.3%	150,765,521	2,042	22,835,906	28.5%	309	15.1%
Total	159,389	100.0%	\$ 272,313,632	\$ 1,708	\$ 80,204,000	100.0%	\$ 503	29.5%

Table 1A, in the appendix, shows the credit amount at selected levels of income and property tax.

Income Sources

Homestead claimants receive income from a variety of sources. Social security is the largest income source overall and second largest among filers with tax returns, which is consistent with the large number of Homestead claimants who are over age 62. Wages and salaries are the second largest source of income overall and largest among filers with tax returns.

Table 5 details the sources of income for Homestead claimants. The information in the table is derived from the 2014 Individual Income Tax Model using a stratified sample of 23,207 income tax and Homestead credit returns filed for tax year 2014 weighted to represent the population of tax filers and Homestead claimants. More recent data are not yet available, so this table does not reflect the 2018 changes in eligibility requirements.

Nearly four-fifths (79.9%) of Homestead claimants file income tax returns, though only 15% of these claimants actually have a net tax liability before the Homestead credit is applied. For those claimants with tax liability prior to the Homestead credit, the average tax amount was \$167 and the average Homestead credit was \$256, so the majority of these claimants receive a refund check.

Table 5
Sources of Household Income for Homestead Filers, 2014

	Filers with Tax Returns			Filers without Tax Returns			All Filers		
	Amount	% of total	# of returns	Amount	% of total	# of returns	Amount	% of total	Avg. Amt.
Taxable Sources									
Wages	\$ 1,108,992,545	48.7%	91,623	N/A	N/A	N/A	N/A	N/A	N/A
Interest and Dividends	39,775,697	1.7%	48,321	N/A	N/A	N/A	N/A	N/A	N/A
Subtotal	1,148,768,242	50.5%	126,045	\$ 6,261,954	1.1%	6,660	\$1,155,030,196	40.5%	\$8,704
Farm Income	-20,275,429	-0.9%	2,448	N/A	N/A	N/A	N/A	N/A	N/A
Business Income	111,798,761	4.9%	22,108	N/A	N/A	N/A	N/A	N/A	N/A
Other Taxable	-86,941,187	-3.8%	87,419	2,584,080	0.5%	888	-84,357,107	-3.0%	-955
Total Taxable	1,153,350,387	50.7%	132,041	8,846,034	1.5%	7,104	1,162,196,421	40.8%	8,352
Nontaxable Sources									
Social Security	873,643,538	38.4%	66,946	517,658,046	90.2%	40,182	1,391,301,584	48.8%	12,987
Rail Road Retirement	1,269,396	0.1%	333	0	0.0%	0	1,269,396	0.0%	3,812
Unemployment Comp.	28,137,057	1.2%	8,547	6,990,336	1.2%	444	35,127,393	1.2%	3,907
Pensions	84,285,098	3.7%	24,759	31,186,782	5.4%	8,214	115,471,880	4.1%	3,502
Public Assistance	2,446,107	0.1%	1,332	1,698,300	0.3%	888	4,144,407	0.1%	1,867
Other Nontaxable	169,214,530	7.4%	50,552	9,361,740	1.6%	1,332	178,576,270	6.3%	3,442
Total Nontaxable	1,158,995,726	50.9%	110,604	566,895,204	98.8%	41,070	1,725,890,930	60.6%	11,379
Dependent Deduction	36,931,500	1.6%	42,428	1,776,000	0.3%	2,664	38,707,500	1.4%	858
Total Income	\$ 2,275,414,613	100.0%	163,454	\$573,965,238	100.0%	41,070	\$2,849,379,851	100.0%	13,932

Source: 2014 Wisconsin Individual Income Tax Model.

Note: Due to the design of the Homestead return, wages, interest, dividends, farm income, and business income are not separately identifiable without a corresponding tax return.

Dependents

Beginning with claims filed in 2011, the Homestead formula reduces household income by \$500 for each dependent in a household. Prior to 2011, the dependent deduction was \$250. For households with income in excess of \$8,060, this provision increases the credit by about \$35 per dependent. Homestead claimants reported a total of 54,528 dependents in FY18. Tables 6 and 7 show the distribution of dependents by income class, housing status, and age group.

Table 6
Homestead Dependents by Income Class, FY18

Household Income	Renters		Owners		Total	
	Count	% of Total	Count	% of Total	Count	% of Total
Less than \$0	243	0.6%	631	3.9%	874	1.6%
\$0 to \$2,500	637	1.7%	370	2.3%	1,007	1.8%
\$2,500 to \$8,000	4,057	10.5%	1,617	10.1%	5,674	10.4%
\$8,000 to \$15,000	14,570	37.8%	4,793	29.9%	19,363	35.5%
\$15,000 to \$24,500	18,993	49.3%	8,617	53.8%	27,610	50.6%
Total	38,500	100%	16,028	100%	54,528	100%

Table 7
Homestead Dependents by Age Group of Claimant, FY18

Age	Renters		Owners		Total	
	Count	% of Total	Count	% of Total	Count	% of Total
Unknown	197	0.5%	159	1.0%	356	0.7%
18-25	4,118	10.7%	379	2.4%	4,497	8.2%
26-35	16,162	42.0%	3,370	21.0%	19,532	35.8%
36-45	11,508	29.9%	5,222	32.6%	16,730	30.7%
46-55	4,653	12.1%	4,409	27.5%	9,062	16.6%
56-60	1,016	2.6%	1,284	8.0%	2,300	4.2%
61-62	268	0.7%	320	2.0%	588	1.1%
63-65	224	0.6%	290	1.8%	514	0.9%
66 and older	354	0.9%	595	3.7%	949	1.7%
Total	38,500	100.0%	16,028	100.0%	54,528	100.0%

Housing Status

Homeowners received \$31.1 million (or 39%) of the total \$80.2 million in credits in FY18 and renters received \$49.1 million (or 61%). Homeowners accounted for 37% of the number of claims and renters the remaining 63% of claims. As a result, the average credit for homeowners was \$526, compared with an average of \$490 for renters. Tables 8 and 9 show the distribution of benefits for homeowners and renters by housing status, income class, and age group.

Table 8
Homestead Credit by Income Class and Property Ownership, FY18

Household Income	Renters							
	Claimants		Property Tax		Credit			
	Count	% of Total	Amount	Avg. Tax	Amount	% of Total	Avg. Credit	% of Relief
Less than \$0	410	0.4%	\$ 575,630	\$ 1,404	\$ 340,068	0.7%	\$ 829	59.1%
\$0 to \$2,500	1,331	1.3%	1,521,539	1,143	992,718	2.0%	746	65.2%
\$2,500 to \$8,000	8,411	8.4%	8,964,013	1,066	6,150,832	12.5%	731	68.6%
\$8,000 to \$15,000	50,875	50.7%	59,752,139	1,174	29,946,638	60.9%	589	50.1%
\$15,000 to \$24,500	39,368	39.2%	67,209,185	1,707	11,716,762	23.8%	298	17.4%
Total	100,395	100.0%	\$ 138,022,506	\$ 1,375	\$49,147,018	100.0%	\$ 490	35.6%

Household Income	Owners							
	Claimants		Property Tax		Credit			
	Count	% of Total	Amount	Avg. Tax	Amount	% of Total	Avg. Credit	% of Relief
Less than \$0	1,001	1.7%	\$ 3,652,954	\$ 3,649	\$ 1,089,420	3.5%	\$ 1,088	29.8%
\$0 to \$2,500	988	1.7%	2,321,043	2,349	1,021,478	3.3%	1,034	44.0%
\$2,500 to \$8,000	3,931	6.7%	8,015,353	2,039	3,868,244	12.5%	984	48.3%
\$8,000 to \$15,000	18,617	31.6%	36,745,440	1,974	13,958,696	44.9%	750	38.0%
\$15,000 to \$24,500	34,457	58.4%	83,556,336	2,425	11,119,144	35.8%	323	13.3%
Total	58,994	100.0%	\$ 134,291,126	\$ 2,276	\$31,056,982	100.0%	\$ 526	23.1%

**Table 9
Homestead Credit by Age and Property Ownership, FY18**

Renters										
Age	Claimants		Property Tax		Household Income		Credit			
	Count	% of Total	Amount	Avg. Tax	Amount	Avg. Income	Amount	% of Total	Avg. Credit	% of Relief
Unknown	648	0.6%	\$ 756,364	\$1,167	\$ 8,190,667	\$ 12,640	\$ 305,616	0.6%	\$ 472	40.4%
18-25	11,724	11.7%	14,603,720	1,246	153,988,383	13,134	5,415,916	11.0%	462	37.1%
26-35	18,200	18.1%	27,618,766	1,518	256,784,876	14,109	9,322,276	19.0%	512	33.8%
36-45	12,738	12.7%	19,987,205	1,569	178,146,262	13,985	6,853,036	13.9%	538	34.3%
46-55	14,905	14.8%	20,646,474	1,385	195,595,310	13,123	8,167,584	16.6%	548	39.6%
56-60	9,745	9.7%	12,397,397	1,272	125,380,882	12,866	5,106,634	10.4%	524	41.2%
61-62	3,838	3.8%	4,779,161	1,245	49,829,323	12,983	1,942,114	4.0%	506	40.6%
63-65	5,618	5.6%	6,918,986	1,232	75,231,416	13,391	2,671,488	5.4%	476	38.6%
66 and older	22,979	22.9%	30,314,433	1,319	339,960,471	14,794	9,362,354	19.0%	407	30.9%
Total	100,395	100.0%	\$138,022,506	\$1,375	\$1,383,107,590	\$ 13,777	\$ 49,147,018	100.0%	\$ 490	35.6%

Owners										
Age	Claimants		Property Tax		Household Income		Credit			
	Count	% of Total	Amount	Avg. Tax	Amount	Avg. Income	Amount	% of Total	Avg. Credit	% of Relief
Unknown	214	0.4%	\$ 468,000	\$2,187	\$ 3,005,254	\$ 14,043	\$ 129,552	0.4%	\$ 605	27.7%
18-25	539	0.9%	1,220,229	2,264	8,207,248	15,227	271,076	0.9%	503	22.2%
26-35	2,773	4.7%	6,291,609	2,269	41,987,443	15,142	1,518,970	4.9%	548	24.1%
36-45	4,127	7.0%	9,692,079	2,348	60,191,791	14,585	2,364,704	7.6%	573	24.4%
46-55	7,845	13.3%	18,374,822	2,342	108,917,970	13,884	4,765,442	15.3%	607	25.9%
56-60	6,480	11.0%	14,452,685	2,230	90,731,821	14,002	3,862,058	12.4%	596	26.7%
61-62	2,990	5.1%	6,800,060	2,274	41,749,146	13,963	1,782,580	5.7%	596	26.2%
63-65	4,944	8.4%	11,365,828	2,299	74,863,381	15,142	2,706,862	8.7%	548	23.8%
66 and older	29,082	49.3%	65,625,814	2,257	491,493,606	16,900	13,655,738	44.0%	470	20.8%
Total	58,994	100.0%	\$134,291,126	\$2,276	\$ 921,147,660	\$ 15,614	\$ 31,056,982	100.0%	\$ 526	23.1%

Geographic Distribution by County

Table 10 shows the distribution of Homestead claimants by household income, property tax, and average benefits across counties. Table 11 shows the percentage of tax returns from each county that claim the credit and the percentage of each county's population in tax filing units receiving the credit. For the latter measure, the number of people in a tax filing unit was based on the filing status (married couples filing jointly counted as two persons; heads of household and single filers as one) and on the number of dependents claimed on the homestead form.

Map 1 shows the distribution of total Homestead credit amounts by county. Map 2 shows the distribution of average Homestead credit amounts by county. A number of counties in the northern part of the state receive a small amount of credit compared to counties elsewhere in the state. The counties with the largest amount of claims are also the most populous, Milwaukee and Dane. Map 3 shows the percentage of tax returns from each county that claim the credit and Map 4 shows the percentage of each county's population in tax filing units receiving the credit.

Table 10
Homestead Credit by County, FY18

County	Claimants		Property Tax		Household Income		Credit			
	Count	% of Total	Amount	Avg. Tax	Amount	Avg. Income	Amount	% of Total	Avg. Credit	% of Relief
Adams	641	0.4%	\$ 882,312	\$ 1,376	\$ 8,745,319	\$ 13,643	\$ 305,774	0.4%	\$ 477	34.7%
Ashland	477	0.3%	641,451	1,345	6,433,077	13,487	213,750	0.3%	448	33.3%
Barron	1,719	1.1%	2,497,229	1,453	24,484,382	14,243	799,532	1.0%	465	32.0%
Bayfield	417	0.3%	655,975	1,573	5,628,943	13,499	202,318	0.3%	485	30.8%
Brown	6,436	4.0%	10,433,575	1,621	95,521,504	14,842	3,053,860	3.8%	474	29.3%
Buffalo	435	0.3%	686,638	1,578	5,816,596	13,371	231,856	0.3%	533	33.8%
Burnett	404	0.3%	519,988	1,287	5,478,905	13,562	178,872	0.2%	443	34.4%
Calumet	787	0.5%	1,459,566	1,855	12,135,889	15,420	370,916	0.5%	471	25.4%
Chippewa	1,947	1.2%	2,767,994	1,422	27,371,275	14,058	929,484	1.2%	477	33.6%
Clark	1,074	0.7%	1,681,665	1,566	14,632,553	13,624	557,736	0.7%	519	33.2%
Columbia	1,242	0.8%	2,394,108	1,928	18,842,567	15,171	623,710	0.8%	502	26.1%
Crawford	634	0.4%	971,213	1,532	8,879,123	14,005	304,586	0.4%	480	31.4%
Dane	10,359	6.5%	22,065,827	2,130	152,693,901	14,740	5,397,660	6.7%	521	24.5%
Dodge	1,961	1.2%	3,504,630	1,787	29,868,271	15,231	939,608	1.2%	479	26.8%
Door	760	0.5%	1,297,843	1,708	11,922,233	15,687	347,426	0.4%	457	26.8%
Douglas	1,439	0.9%	2,018,885	1,403	19,852,935	13,796	666,484	0.8%	463	33.0%
Dunn	1,060	0.7%	1,656,268	1,563	14,672,320	13,842	514,588	0.6%	485	31.1%
Eau Claire	3,400	2.1%	5,133,717	1,510	49,051,916	14,427	1,610,330	2.0%	474	31.4%
Florence	136	0.1%	164,298	1,208	1,667,374	12,260	60,924	0.1%	448	37.1%
Fond du Lac	2,619	1.6%	4,140,686	1,581	39,184,521	14,962	1,212,064	1.5%	463	29.3%
Forest	279	0.2%	337,770	1,211	3,699,659	13,260	118,152	0.1%	423	35.0%
Grant	1,280	0.8%	1,886,232	1,474	17,694,442	13,824	605,586	0.8%	473	32.1%
Green	1,042	0.7%	1,955,340	1,877	15,833,668	15,195	497,170	0.6%	477	25.4%
Green Lake	564	0.4%	944,078	1,674	8,345,822	14,798	284,586	0.4%	505	30.1%
Iowa	600	0.4%	1,108,284	1,847	8,905,986	14,843	294,884	0.4%	491	26.6%
Iron	300	0.2%	381,019	1,270	4,088,500	13,628	124,544	0.2%	415	32.7%
Jackson	540	0.3%	816,202	1,511	7,192,982	13,320	291,700	0.4%	540	35.7%
Jefferson	1,835	1.2%	3,424,831	1,866	28,196,904	15,366	851,518	1.1%	464	24.9%

Table 10 (Continued)
Homestead Credit by County, FY18

County	Claimants		Property Tax		Household Income		Credit			
	Count	% of Total	Amount	Avg. Tax	Amount	Income	Amount	% of Total	Credit	Relief
Juneau	780	0.5%	1,082,888	1,388	10,816,369	13,867	366,042	0.5%	469	33.8%
Kenosha	4,505	2.8%	8,579,712	1,904	65,867,015	14,621	2,354,130	2.9%	523	27.4%
Kewaunee	463	0.3%	744,708	1,608	7,114,433	15,366	214,464	0.3%	463	28.8%
La Crosse	3,531	2.2%	5,766,908	1,633	50,847,923	14,400	1,702,316	2.1%	482	29.5%
Lafayette	413	0.3%	670,899	1,624	5,685,482	13,766	213,222	0.3%	516	31.8%
Langlade	837	0.5%	1,003,240	1,199	11,333,145	13,540	360,434	0.4%	431	35.9%
Lincoln	876	0.5%	1,211,086	1,383	12,189,420	13,915	418,234	0.5%	477	34.5%
Manitowoc	2,393	1.5%	3,580,765	1,496	35,788,426	14,955	1,119,722	1.4%	468	31.3%
Marathon	3,809	2.4%	6,131,294	1,610	56,619,170	14,865	1,883,990	2.3%	495	30.7%
Marinette	1,248	0.8%	1,612,307	1,292	17,039,294	13,653	552,868	0.7%	443	34.3%
Marquette	528	0.3%	858,459	1,626	7,434,403	14,080	274,920	0.3%	521	32.0%
Menominee	20	0.0%	31,371	1,569	283,652	14,183	8,112	0.0%	406	25.9%
Milwaukee	38,658	24.3%	67,084,360	1,735	538,024,757	13,918	21,188,532	26.4%	548	31.6%
Monroe	1,281	0.8%	2,041,092	1,593	17,737,650	13,847	656,054	0.8%	512	32.1%
Oconto	932	0.6%	1,318,063	1,414	13,419,979	14,399	449,298	0.6%	482	34.1%
Oneida	1,154	0.7%	1,620,556	1,404	16,670,195	14,446	529,860	0.7%	459	32.7%
Outagamie	4,369	2.7%	7,258,995	1,661	66,090,663	15,127	2,070,702	2.6%	474	28.5%
Ozaukee	1,326	0.8%	2,855,022	2,153	20,640,931	15,566	662,328	0.8%	499	23.2%
Pepin	228	0.1%	374,339	1,642	3,263,365	14,313	111,678	0.1%	490	29.8%
Pierce	612	0.4%	1,143,972	1,869	9,211,474	15,051	290,120	0.4%	474	25.4%
Polk	1,093	0.7%	1,654,668	1,514	15,577,183	14,252	526,696	0.7%	482	31.8%
Portage	1,963	1.2%	3,034,099	1,546	28,105,272	14,318	961,228	1.2%	490	31.7%
Price	486	0.3%	615,354	1,266	6,663,257	13,710	222,746	0.3%	458	36.2%
Racine	5,705	3.6%	10,493,353	1,839	82,760,827	14,507	3,144,364	3.9%	551	30.0%
Richland	519	0.3%	756,263	1,457	7,179,004	13,832	259,848	0.3%	501	34.4%
Rock	4,945	3.1%	8,263,903	1,671	71,483,057	14,456	2,488,386	3.1%	503	30.1%
Rusk	477	0.3%	622,346	1,305	6,462,361	13,548	226,144	0.3%	474	36.3%
St. Croix	1,234	0.8%	2,345,710	1,901	18,646,405	15,111	601,134	0.7%	487	25.6%
Sauk	1,693	1.1%	2,985,286	1,763	25,110,146	14,832	831,802	1.0%	491	27.9%
Sawyer	356	0.2%	500,648	1,406	4,649,812	13,061	156,610	0.2%	440	31.3%
Shawano	1,226	0.8%	1,702,693	1,389	17,566,950	14,329	561,848	0.7%	458	33.0%
Sheboygan	3,115	2.0%	4,820,764	1,548	46,659,150	14,979	1,420,770	1.8%	456	29.5%
Taylor	571	0.4%	891,814	1,562	8,302,182	14,540	279,260	0.3%	489	31.3%
Trempealeau	812	0.5%	1,435,470	1,768	11,454,557	14,107	440,432	0.5%	542	30.7%
Vernon	1,071	0.7%	1,786,783	1,668	14,837,844	13,854	550,348	0.7%	514	30.8%
Vilas	671	0.4%	914,110	1,362	9,587,191	14,288	304,218	0.4%	453	33.3%
Walworth	2,140	1.3%	4,238,070	1,980	31,818,686	14,869	1,099,670	1.4%	514	25.9%
Washburn	506	0.3%	669,675	1,323	6,970,870	13,776	235,326	0.3%	465	35.1%
Washington	2,253	1.4%	4,290,720	1,904	34,860,815	15,473	1,071,574	1.3%	476	25.0%
Waukesha	5,806	3.6%	12,783,522	2,202	91,390,357	15,741	2,808,726	3.5%	484	22.0%
Waupaca	1,742	1.1%	2,649,731	1,521	25,429,721	14,598	829,214	1.0%	476	31.3%
Waushara	781	0.5%	1,131,263	1,448	10,864,226	13,911	390,986	0.5%	501	34.6%
Winnebago	4,623	2.9%	7,591,109	1,642	69,123,505	14,952	2,217,972	2.8%	480	29.2%
Wood	2,559	1.6%	3,695,443	1,444	37,008,096	14,462	1,207,052	1.5%	472	32.7%
Unknown	692	0.4%	1,043,175	1,507	8,824,463	12,752	351,002	0.4%	507	33.6%
Total	159,389	100.0%	\$ 272,313,632	\$ 1,708	\$2,304,255,250	\$ 14,457	\$ 80,204,000	100.0%	\$ 503	29.5%

Note: Detail may not sum to total due to rounding.

**Table 11
Homestead Credit Participation by County, FY18**

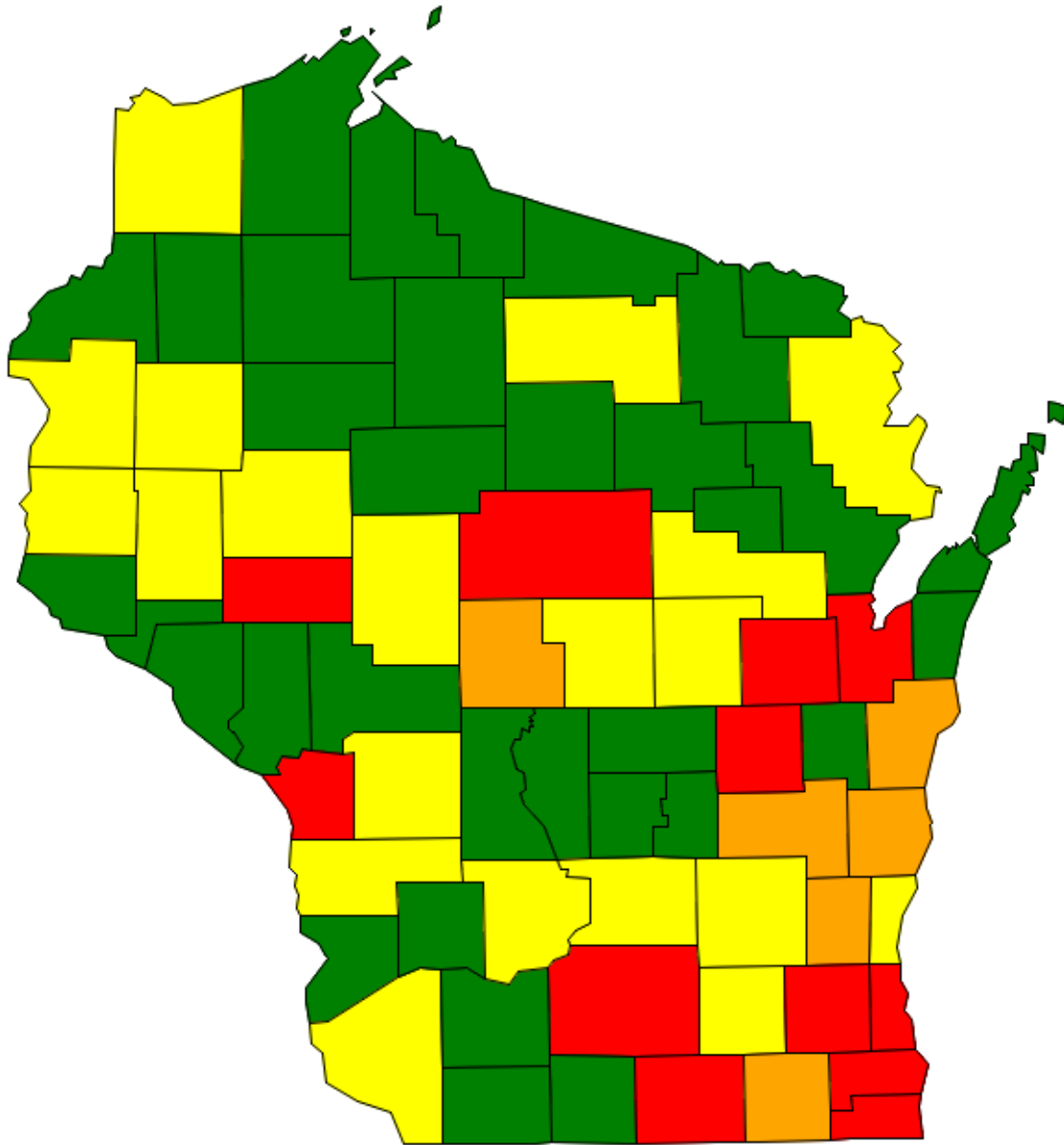
County	Total Returns	Homestead Returns	% of Returns with Homestead	2017 Population	Homestead Population	% of Pop. with Homestead
Adams	10,146	757	7.5%	20,730	1,073	5.2%
Ashland	7,647	556	7.3%	15,975	709	4.4%
Barron	23,776	1,913	8.0%	46,372	2,589	5.6%
Bayfield	7,820	502	6.4%	15,206	670	4.4%
Brown	130,916	7,379	5.6%	257,897	10,620	4.1%
Buffalo	6,851	510	7.4%	13,704	691	5.0%
Burnett	7,365	480	6.5%	15,544	673	4.3%
Calumet	22,876	914	4.0%	51,669	1,234	2.4%
Chippewa	30,268	2,143	7.1%	64,135	3,006	4.7%
Clark	15,091	1,254	8.3%	34,888	2,482	7.1%
Columbia	30,247	1,417	4.7%	57,066	2,069	3.6%
Crawford	7,817	663	8.5%	16,744	897	5.4%
Dane	276,765	12,159	4.4%	518,538	15,938	3.1%
Dodge	42,572	2,210	5.2%	89,962	3,012	3.3%
Door	15,527	883	5.7%	28,127	1,166	4.1%
Douglas	20,876	1,627	7.8%	44,415	2,222	5.0%
Dunn	19,694	1,225	6.2%	44,575	1,677	3.8%
Eau Claire	50,738	3,912	7.7%	101,731	5,491	5.4%
Florence	2,138	150	7.0%	4,473	224	5.0%
Fond du Lac	50,986	2,973	5.8%	103,290	3,985	3.9%
Forest	4,306	310	7.2%	9,279	443	4.8%
Grant	23,083	1,449	6.3%	53,107	2,058	3.9%
Green	18,545	1,132	6.1%	36,907	1,557	4.2%
Green Lake	9,516	638	6.7%	19,143	996	5.2%
Iowa	11,786	676	5.7%	23,829	891	3.7%
Iron	3,101	283	9.1%	5,901	367	6.2%
Jackson	9,350	606	6.5%	20,743	929	4.5%
Jefferson	41,443	2,120	5.1%	84,262	2,923	3.5%
Juneau	12,455	887	7.1%	27,022	1,293	4.8%
Kenosha	81,863	5,084	6.2%	167,658	7,608	4.5%
Kewaunee	10,265	562	5.5%	20,723	767	3.7%
La Crosse	58,208	4,027	6.9%	118,038	5,347	4.5%
Lafayette	7,923	472	6.0%	16,961	677	4.0%
Langlade	9,764	909	9.3%	19,995	1,280	6.4%
Lincoln	14,376	983	6.8%	28,787	1,294	4.5%
Manitowoc	40,606	2,793	6.9%	81,404	3,814	4.7%
Marathon	68,628	4,397	6.4%	135,483	6,113	4.5%
Marinette	20,752	1,381	6.7%	41,413	1,920	4.6%
Marquette	7,604	617	8.1%	15,425	933	6.0%
Menominee	1,669	16	1.0%	4,256	22	0.5%
Milwaukee	464,560	44,836	9.7%	948,930	68,573	7.2%
Monroe	21,419	1,404	6.6%	45,865	2,393	5.2%
Oconto	18,591	1,114	6.0%	38,195	1,581	4.1%
Oneida	18,967	1,295	6.8%	36,208	1,705	4.7%

Table 11 (Continued)
Homestead Credit Participation by County, FY18

County	Total Returns	Homestead Returns	% of Returns with Homestead	2017 Population	Homestead Population	% of Pop. with Homestead
Outagamie	95,535	4,926	5.2%	182,365	6,774	3.7%
Ozaukee	44,834	1,481	3.3%	87,879	2,001	2.3%
Pepin	3,597	271	7.5%	7,414	367	5.0%
Pierce	19,295	721	3.7%	41,320	993	2.4%
Polk	21,506	1,312	6.1%	44,144	1,869	4.2%
Portage	33,956	2,173	6.4%	70,883	2,860	4.0%
Price	7,116	541	7.6%	14,086	718	5.1%
Racine	97,805	6,764	6.9%	195,294	10,173	5.2%
Richland	8,064	611	7.6%	17,954	903	5.0%
Rock	80,484	5,809	7.2%	159,886	8,450	5.3%
Rusk	6,609	547	8.3%	14,783	793	5.4%
St. Croix	43,288	1,421	3.3%	86,858	2,011	2.3%
Sauk	33,886	1,955	5.8%	62,187	2,656	4.3%
Sawyer	7,979	436	5.5%	16,754	628	3.7%
Shawano	19,745	1,375	7.0%	41,755	1,898	4.5%
Sheboygan	59,521	3,507	5.9%	115,050	4,864	4.2%
Taylor	9,140	680	7.4%	20,741	1,161	5.6%
Trempealeau	15,373	936	6.1%	29,395	1,369	4.7%
Vernon	13,522	1,193	8.8%	30,114	2,378	7.9%
Vilas	11,200	749	6.7%	21,662	1,022	4.7%
Walworth	49,855	2,483	5.0%	102,593	3,401	3.3%
Washburn	8,294	563	6.8%	15,929	798	5.0%
Washington	68,242	2,550	3.7%	134,137	3,379	2.5%
Waukesha	206,185	6,680	3.2%	396,449	9,131	2.3%
Waupaca	26,403	1,940	7.3%	52,320	2,655	5.1%
Waushara	11,507	893	7.8%	24,471	1,298	5.3%
Winnebago	83,414	5,316	6.4%	169,032	7,300	4.3%
Wood	38,421	2,927	7.6%	74,998	4,022	5.4%
Total	3,104,537	183,717	5.9%	5,775,028	263,631	4.6%

Note: Detail may not sum to total due to rounding.

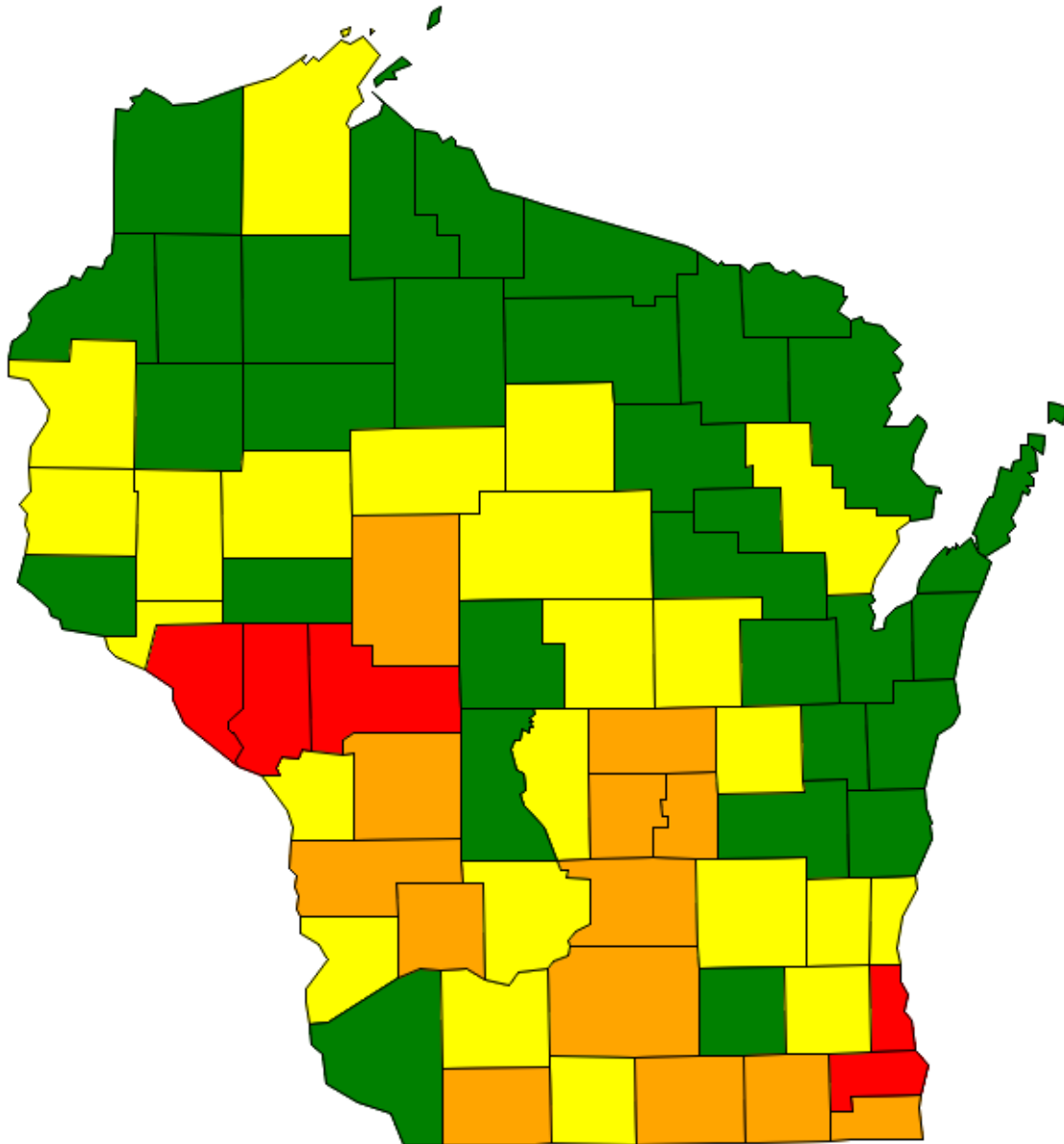
Map 1
Total Homestead Credit Amount by County, FY18



Total Credit Claimed

Less than \$0.5M \$0.5M to \$1M \$1M to \$1.5M More than \$1.5M

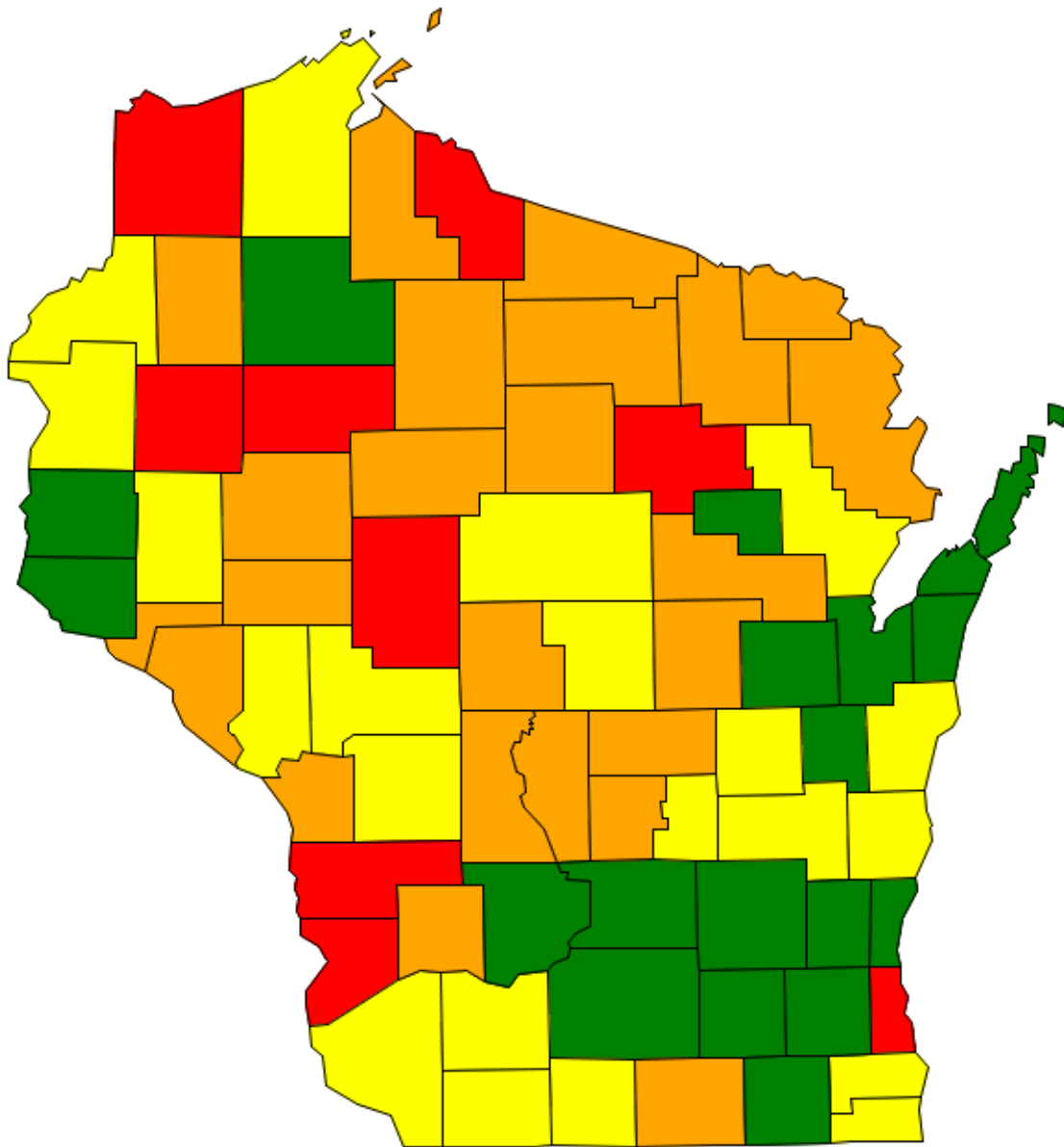
Map 2
Average Homestead Credit by County, FY18



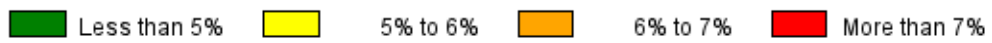
Average Credit Claimed

Less than \$475 \$475 to \$500 \$500 to \$525 More than \$525

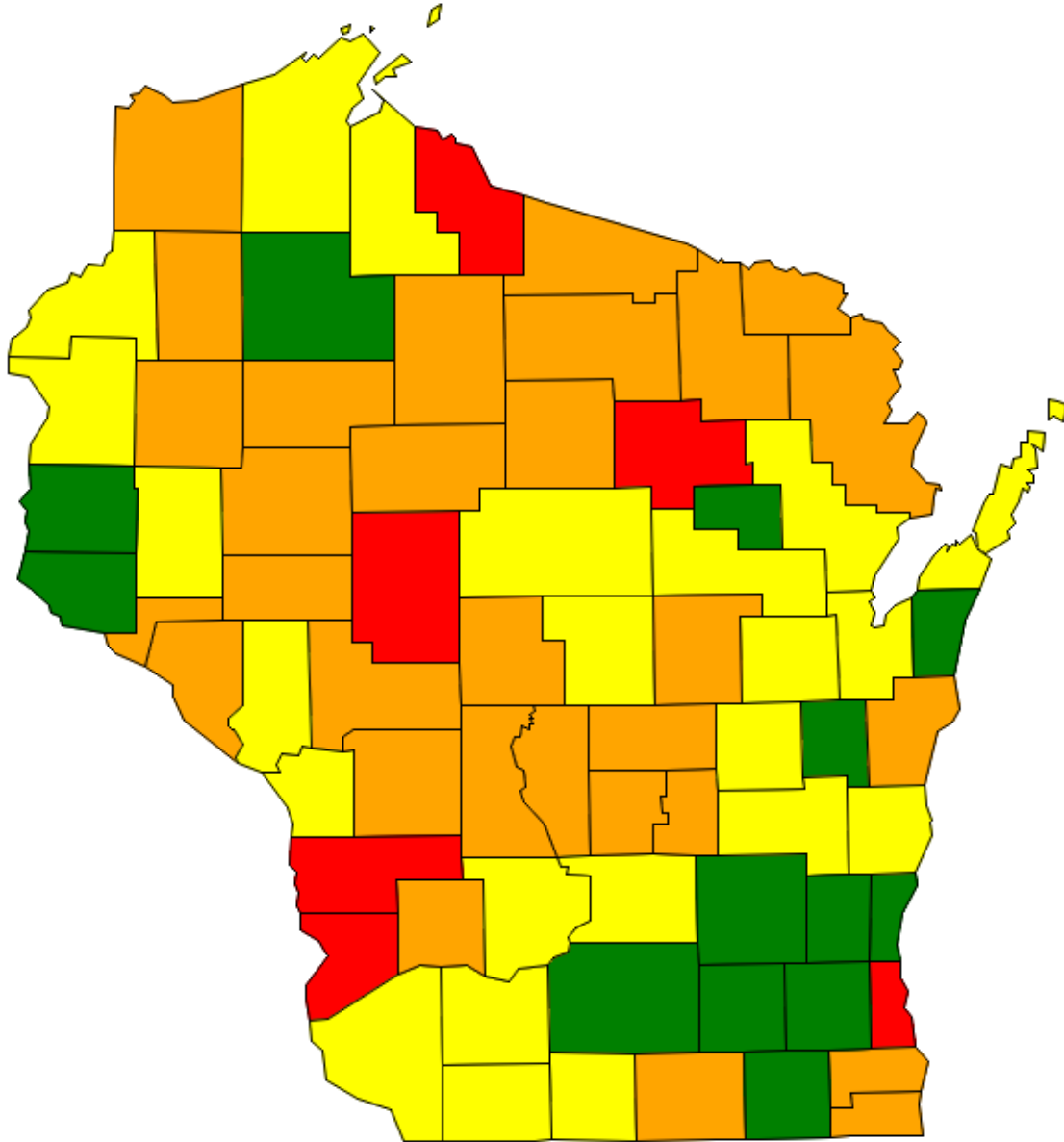
Map 3
Percent of Returns with Homestead Credits by County, FY18



Pct of Returns with Homestead



Map 4
Percent of Population with Homestead Credits by County, FY18



Pct of Population with Homestead

Less than 3% 3% to 4% 4% to 5% More than 5%

Appendix

The following table shows the amount of Homestead credit for selected levels of property taxes and household income up to the income ceiling. For example, when income is below \$8,000 and property taxes are \$900, the credit is \$720. When income is \$20,000 and property taxes are \$1,700, the credit is \$32.

Table 1A
Homestead Credit Amounts at Selected Levels of Income and Property Taxes

Income	Property Taxes								
	\$700	\$900	\$1,100	\$1,300	\$1,450	\$1,500	\$1,700	\$1,900	\$2,100
\$0	\$560	\$720	\$880	\$1,040	\$1,160	\$1,168	\$1,168	\$1,168	\$1,168
8,000	560	720	880	1040	1160	1168	1168	1168	1168
10,000	424	584	744	904	1024	1032	1032	1032	1032
12,000	283	443	603	763	883	891	891	891	891
14,000	143	303	463	623	743	751	751	751	751
16,000	2	162	322	482	602	610	610	610	610
18,000	0	21	181	341	461	469	469	469	469
20,000	0	0	41	201	321	329	329	329	329
22,000	0	0	0	60	180	188	188	188	188
24,000	0	0	0	0	40	48	48	48	48
24,500	\$0	\$0	\$0	\$0	\$5	\$13	\$13	\$13	\$13