

2015 Test Case 16

Taxpayer: Test Eagle 400-00-5416
1007 W Spring St, Appleton WI 54914

Scenario: Taxpayer is a single resident under age 65 claiming a homestead credit greater than \$300. He is a wage earner with unemployment compensation, not all of which is taxable to Wisconsin. His wage statements must show nontaxable combat pay (code Q) and a pre-tax contribution to a 401(k) plan (code D). He paid rent at 4 different locations during the year. The rent certificates should include the following conditions:

RC 1: Landlord is a municipal housing authority, the property is not subject to taxes but the landlord makes payments in lieu of taxes under sec. 66.1201. The monthly rent changed during the time the taxpayer lived there in 2015. There was more than one occupant but the landlord showed the full rent as paid by this tenant. The rent certificate should include a completed shared living expense schedule showing the other occupant contributed to food and utilities. Heat was not included in the rent.

RC 2: Rent is for a mobile home site (but not the mobile home) and mobile home taxes were paid to the landlord. The site is subject to property taxes. The monthly rent remained the same during the time the taxpayer lived there in 2015. There was one occupant. Heat was not included in the rent.

RC 3: The property is an apartment that is subject to taxes. The monthly rent remained the same during the time the taxpayer lived there in 2015. There was one occupant. Heat was included in the rent.

RC 4: The property is a long-term care facility and is subject to taxes. The monthly rent remained the same during the time the taxpayer lived there during 2015. The monthly "rent" includes food and services. The facility uses the standard rate of \$100 per week to determine "rent for occupancy". The remainder of the monthly charge is for food and services. There was one occupant. Heat was included in the rent. The landlord refused to sign the rent certificate.

Forms: Resident WI return (Form 1 or 1A), Schedule H, Homestead Notes, 4 rent certificates, federal return (Form 1040EZ, 1040A or 1040) and Form(s) W-2.