Wisconsin Department of Natural Resources Well Abandonment Grant Program

https://dnr.wisconsin.gov/aid/WellAbandonment.html

The well abandonment grant program provides funding assistance to individuals to properly fill and seal abandoned or unused private wells. Before you start the application process, determine if you are eligible to apply for this grant. Work completed **before** submitting an application and receiving DNR approval **will not** be reimbursed.

Determine if you are eligible to apply:

- Individuals or families with income of \$65,000 or less for the prior calendar year are eligible to apply as verified on your 2019 **Wisconsin** State (not Federal) Income Tax Return.
- Family income means you file a joint tax return.
- **Note**, applicants with income between \$45,000 and \$65,000 are eligible to apply, but will have their reimbursement amount reduced, per Wisconsin Statutes, by \$0.30 for every dollar of income greater than \$45,000.

Example of the income reduction calculation:

Village of Lannon anticipates your Well Abandonment may cost approximately \$1840, which could result in a maximum grant of up to \$1380 (75% of eligible costs) if all \$1840 are eligible as determined by the DNR.

If your income is \$49,600, DNR would apply the following income reduction:

\$49,600-\$45,000 = \$4600 x \$0.30= \$1380. This is the amount DNR is required to deduct from your grant award which means your grant amount would be \$0. Thus, if your 2019 family income was greater than \$49,600, you would not receive a grant under this program. Per Wisconsin Statutes, DNR must also deny your claim if your award total is less than \$100.

Applying:

If you are eligible to apply, please complete the <u>Well Abandonment Grant Application Claim (Form 8700-314)</u> The following items must be submitted with your signed application:

- Copy of 2019 <u>Wisconsin</u> State Income Tax Return (Not Federal)
- Completed W-9 Form https://www.irs.gov/pub/irs-pdf/fw9.pdf
- Itemized estimate from a licensed well driller or licensed pump installer (The Village Hall will have an estimate for the costs to abandon your specific well available for pick-up after December 1, 2020). The Village asks that you complete this application by December 10, 2020.

If your income will be less in 2020 due to the Covid-19 pandemic or other situation, please contact the Grant Manager for additional information.

To expedite the review process, please submit your application and documents electronically to: DNRCFAWellGrantsIntake@wisconsin.gov

Or mail to: Well Grants Intake Wisconsin DNR -(DG/5)

PO Box 7921 Madison WI 53707-7921

Grant Award:

After final approval, the grant award agreement will be mailed to the claimant with instructions. The grant package will also include payment claim forms to submit after the completion of the well abandonment. Your well abandonment work can not begin until you receive the grant award information.

Requesting Reimbursement:

Once your well has been abandoned, submit the completed Request for Payment Claim form that is included in your award letter along with a copy of the itemized invoice from the licensed well professional who did the abandonment. Your payment can not be processed without the itemized invoice.

Note, the grant amount you receive is considered taxable income by the IRS and must be reported as "other income". DNR is required by the Internal Revenue Service to send a 1099G for tax filing purposes as a result of payment for a "Well Abandonment Grant award payment" of more than \$600. Additional information regarding income tax issues can be obtained at www.irs.gov or the IRS hotline # 1-800-829-1040. If the "Well Abandonment Grant Claimant" is concerned with how the receipt of the grant award payment might affect their standing to receive food stamps, Medicare, or other such services or programs, you may wish to check with a representative of that program, social worker or other such person.

If you have questions about DNR's Well Abandonment Grant Program, please contact Grant Manager, Sandy Chancellor at 608-275-3206 or send an email to: DNRCFAWellGrantsIntake@wisconsin.gov Please include your phone number in your email if a call back is necessary.