

Utilities

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Charging Tenants for Water

Having The Tenant

Pay Water/Sewer Bills Under Wisconsin law you cannot have one tenant paying utilities used by another tenant, even if you "make it up" to the paying tenant by giving them a break on their rent.

Section 196.643(2),

Wisconsin Statutes: (2) Joint metering. If gas, electric or water service is measured jointly for 2 or more rental dwelling units, the owner shall maintain the account for gas, electric or water service in the name of the owner or in the name of the agent responsible for the collection of rent and the management of the rental dwelling units.

However you can require the tenants to pay you for water or other utilities if you follow:

ATCP 134.04

(3) UTILITY CHARGES: If charges for water, heat or electricity are not included in the rent, the landlord shall disclose this fact to the tenant before entering into a rental agreement or accepting any earnest money or security deposit from the prospective tenant. If individual dwelling units and common areas are not separately metered, and if the charges are not included in the rent, the landlord shall disclose the basis on which charges for utility services will be allocated among individual dwelling units.

These laws mean the landlord must put the bill in their own name -- although you could then charge this back to the tenants and you could split the bill between the tenants in any proportion as outlined in the rental agreement. The problem is that tenants feel they're being cheated or don't understand or can't budget.

Factoring it into the rent is easier and perhaps more equitable for the tenant but doesn't

foster a concern for conservation. I put up some new buildings a few years ago that we separately metered and in fact the law enabled us to force the municipality to use their meters and bill each tenant.

Retrofitting existing buildings used to be cost prohibitive but as water rates continue to rise, it is an issue many of us will want to revisit.