



## Fiscal Estimate Narratives

DOR 5/27/2003

LRB Number	03-2724/1	Introduction Number	AB-350	Estimate Type	Original
<b>Subject</b>					
Tax incremental financing (TIF) changes for TIF district # 6 in Sheboygan					

### Assumptions Used in Arriving at Fiscal Estimate

Under current law, tax incremental finance districts (TIDs) that were created prior to October 1, 1995 have ten years to make public expenditures associated with the TID project plan and may exist 20 years after the last expenditure but may not exist longer than 27 years. Several TIDs have been granted special exceptions to these restrictions. TID Number Six in the City of Sheboygan is allowed, under current law, to make public expenditures for 13 years but may not exist longer than 27 years.

Under the bill, TID Number Six in the City of Sheboygan would be allowed a 15-year expenditure period and 16-year period to recover costs. This would result in a 31-year total life of the TID (15 years for expenditure plus 16 years). Thus, the bill would allow TID Number Six in the City of Sheboygan five additional years to make project expenditures and four additional years to exist relative to other TIDs created prior to October 1, 1995.

To the extent that additional project costs would be incurred, the bill would likely result in a longer TID life for this TID; as a result, overlying taxing jurisdictions such as the school district, county and vocational college, would be required to forego the tax base associated with the development within the TID for a longer period.

The bill would slightly increase department costs associated with monitoring the different expenditure periods and cost-recovery periods for this TID relative to other TIDs. These costs can be absorbed.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

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<b>Subject</b>			
Tax incremental financing (TIF) changes for TIF district # 6 in Sheboygan			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes		\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>		<b>\$</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)</b>			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
<b>TOTAL State Revenues</b>		<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		State	Local
NET CHANGE IN COSTS		\$See text of fiscal note.	\$
NET CHANGE IN REVENUE		\$	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	
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		<b>Date</b>	
		5/27/2003	