



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-3263/1
CMH:skw

2019 SENATE BILL 269

1 **AN ACT** *to amend* 66.1105 (6) (c); and *to create* 66.1105 (6) (h) of the statutes;
2 **relating to:** tax increment value reporting errors and property tax
3 reimbursement.

Analysis by the Legislative Reference Bureau

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

4 **SECTION 1.** 66.1105 (6) (c) of the statutes is amended to read:
5 66.1105 (6) (c) Except for tax increments allocated under par. (d), (dm), (e), (f),
6 or (g), or erroneous reporting of value increments as described in par. (h), all tax
7 increments received with respect to a tax incremental district shall, upon receipt by
8 the city treasurer, be deposited into a special fund for that district. The city treasurer
9 may deposit additional moneys into such fund pursuant to an appropriation by the
10 common council. No moneys may be paid out of such fund except to pay project costs

SENATE BILL 269**SECTION 1**

1 with respect to that district, to reimburse the city for such payments, to pay project
2 costs of a district under par. (d), (dm), (e), (f), or (g), to pay property tax
3 reimbursements as described under par. (h), or to satisfy claims of holders of bonds
4 or notes issued with respect to such district. Subject to par. (d), (dm), (e), (f), or (g),
5 moneys paid out of the fund to pay project costs with respect to a district may be paid
6 out before or after the district is terminated under sub. (7). Subject to any agreement
7 with bondholders, moneys in the fund may be temporarily invested in the same
8 manner as other city funds if any investment earnings are applied to reduce project
9 costs. After all project costs and all bonds and notes with respect to the district have
10 been paid or the payment thereof provided for, subject to any agreement with
11 bondholders, if there remain in the fund any moneys that are not allocated under par.
12 (d), (dm), (e), (f), or (g), they shall be paid over to the treasurer of each county, school
13 district or other tax levying municipality or to the general fund of the city in the
14 amounts that belong to each respectively, having due regard for that portion of the
15 moneys, if any, that represents tax increments not allocated to the city and that
16 portion, if any, that represents voluntary deposits of the city into the fund.

17 **SECTION 2.** 66.1105 (6) (h) of the statutes is created to read:

18 66.1105 (6) (h) For property values reported to the department of revenue in
19 2018, if a city erroneously reports a higher value increment for its tax incremental
20 districts in an aggregate amount of at least \$50,000,000, that city's tax incremental
21 districts may transfer the excess tax increments collected resulting from this error
22 directly to the city's general fund for the sole purpose of reimbursing taxpayers for
23 the resulting erroneously higher property tax rates imposed on the taxpayers. A city

