

Fiscal Estimate Narratives

DOR 6/11/2019

LRB Number	19-3402/1	Introduction Number	SB-260	Estimate Type	Original
Description changing the 12 percent rule regarding the total value of taxable property included in the creation of a tax incremental financing district in the village of Ontario					

Assumptions Used in Arriving at Fiscal Estimate

Current law generally prohibits a municipal government from creating an additional tax incremental district (TID) if the taxable value of the new district plus the value increment of existing districts exceeds 12 percent of the municipality's total equalized value. Under the bill, the 12 percent rule would not apply to the Village of Ontario, with regard to the creation of TID number 2. Upon termination of TID number 2, the rule will return to 12 percent.

The Village of Ontario currently has one TID with a 2018 value increment of \$2,094,800, which is 12.53 percent of the 2018 equalized value of \$16,719,800. Under the bill, Ontario would have no limit with regards to creating TID number 2.

The bill does not impact increment collections of existing TIDs.

Long-Range Fiscal Implications