

Fiscal Estimate Narratives

DOR 2/16/2022

LRB Number 21-5739/1	Introduction Number AB-0991	Estimate Type Original
Description the maximum life and allocation period for Tax Incremental District Number 1 in the village of Withee		

Assumptions Used in Arriving at Fiscal Estimate

The bill increases the maximum life and tax increment allocation period for Tax Incremental District (TID) Number 1 in the village of Withee. TID Number 1 in the village of Withee was created as an industrial TID in May of 1996. Under current law, the unextended termination date of TID Number 1 in the village of Withee is 23 years, because the TID is an industrial TID for which no finding of blight was made and the TID was created after September 30, 1995, and before October 1, 2004. When the local legislative body, by resolution, dissolves the district, the city becomes liable for all unpaid project costs actually incurred which are not paid from the special fund.

Under this bill, the life of TID Number 1 in the village of Withee is extended, and tax increments may continue to be allocated, for up to 33 years after the TID's creation.

Withee TID number 1 has a base year of 1996 and extended life until May 17, 2022. Withee TID number 1 had a 2021 current value of \$3,099,700 and a 2021 increment value of \$2,599,900. The 2021 current value and increment value increased from \$2,817,600 and \$2,317,800 in 2020 and \$2,712,300 and \$2,212,500 in 2019. For 2020, TID number 1 had an ending fund balance of \$-1,093,313. TID number 1 had total revenue of \$54,585 in 2020, and of that amount, \$52,373 was from tax increment revenue and \$2,212 from shared revenue. Tax increment revenue in 2020 increased from \$49,432 and \$50,392 in 2019 and 2018 respectively. In 2020, TID number 1 had expenditures of \$9,686 for interest and fiscal charges. The interest and fiscal charges have decreased from \$21,854 in 2019 and \$50,661 in 2018.

The department does not have any administrative costs to implement this change.

Long-Range Fiscal Implications