

FISCAL ESTIMATE FORM

2001 Session

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB # 01-1369/1
INTRODUCTION # AB 65
Admin. Rule #

Subject
Include Tax Exempt Property in Business Improvement Districts

Fiscal Effect

- State:** No State Fiscal Effect
 Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation
- | | | |
|--|---|---|
| <input type="checkbox"/> Increase Existing Appropriation | <input type="checkbox"/> Increase Existing Revenues | <input type="checkbox"/> Increase Costs - May be Possible to Absorb Within Agency's Budget <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Decrease Existing Appropriation | <input type="checkbox"/> Decrease Existing Revenues | |
| <input type="checkbox"/> Create New Appropriation | <input type="checkbox"/> Decrease Costs | |

Local: No Local Government Costs

- | | | |
|--|---|--|
| 1. <input type="checkbox"/> Increase Costs
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 3. <input type="checkbox"/> Increase Revenues
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 5. Types of Local Governmental Units Affected:
<input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities
<input type="checkbox"/> Counties <input type="checkbox"/> Others _____
<input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts |
| 2. <input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 4. <input type="checkbox"/> Decrease Revenues
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | |

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate:

Under current law, a business improvement district (BID) may be created by a municipality at the request of the taxable property owners within the proposed BID. The BID is comprised of contiguous, taxable properties. Once created, the municipality may impose special assessments on real property within the BID, except that property used exclusively for residential purposes may not be specially assessed for purposes of the BID. The special assessments are used to provide for the development, redevelopment, maintenance, operation and promotion of the BID. BIDs are administered by a municipally-appointed, 5-person board, the majority of which must own or occupy real property in the BID.

According to a 1999 survey conducted by the Local Government Center, UW-Extension, the average number of tax parcels contributing to a BID is 236 and ranged from one or two parcels to 417 parcels.

The bill would allow tax-exempt property to be included in a BID. The bill also prohibits special assessments for BID purposes to be imposed on tax-exempt properties that are included in a BID. The bill could result in larger BIDs being created to the extent that BIDs can include contiguous exempt parcels. The bill would have no state or local fiscal effect to the extent that BID costs are paid by property owners within the BID. Any additional costs associated with BID improvements made to tax-exempt properties would be paid by special assessments levied on the taxable properties within the BID.

Long-Range Fiscal Implications:

Agency/Prepared by: (Name & Phone No.)	Authorized Signature/Telephone No.	Date
Wisconsin Department of Revenue Rebecca A. Boldt, (608) 266-6785	Yeang-Eng Braun <i>Yeang Eng Braun</i> (608) 266-2700	2/5/01

FISCAL ESTIMATE WORKSHEET

Detailed Estimate of Annual Fiscal Effect

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Subject
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I. One-Time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

II. Annualized Costs:	Annualized Fiscal impact on State funds from:	
A. State Costs by Category	Increased Costs	Decreased Costs
State Operations - Salaries and Fringe (FTE Position Changes)	\$ (FTE)	\$ - (- FTE)
State Operations-Other Costs		-
Local Assistance		-
Aids to Individuals or Organizations		-
TOTAL State Costs by Category	\$	\$ -
B. State Costs by Source of Funds	Increased Costs	Decreased Costs
GPR	\$	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S		-
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	Increased Rev.	Decreased Rev.
GPR Taxes	\$	\$ -
GPR Earned		-
FED		-
PRO/PRS		-
SEG/SEG-S		-
TOTAL State Revenues	\$	\$ -

NET ANNUALIZED FISCAL IMPACT

	<u>STATE</u>	<u>LOCAL</u>
NET CHANGE IN COSTS	\$ _____	\$ See text of fiscal note.
NET CHANGE IN REVENUES	\$ _____	\$ _____

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