

2003 DRAFTING REQUEST

Assembly Substitute Amendment (ASA-SB428)

Received: **03/05/2004**

Received By: **mshovers**

Wanted: **As time permits**

Identical to LRB:

For: **Michael Lehman (608) 267-2367**

By/Representing: **Bill Ford**

This file may be shown to any legislator: **NO**

Drafter: **mshovers**

May Contact:

Addl. Drafters:

Subject: **Munis - tax incrmntal financing**

Extra Copies:

Submit via email: **YES**

Requester's email: **Rep.LehmanM@legis.state.wi.us**

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

The lifespan of tax incremetnal financing (TIF) districts and the allocation period for certain districts

Instructions:

See Attached. Make attached changes and use s0396 as the base document

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	mshovers 03/05/2004	chanaman 03/07/2004		_____			
/1			pgreensl 03/08/2004	_____	Inorthro 03/08/2004	Inorthro 03/08/2004	
/2	mshovers	kgilfoy	rschluet	_____	Inorthro	Inorthro	

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
	03/08/2004	03/08/2004	03/08/2004	_____	03/08/2004	03/08/2004	

FE Sent For:

<END>

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/?	mshovers 03/05/2004	chanaman 03/07/2004					
/1	12MES 3/8/04 12-3/8 KMG		pgreensl 03/08/2004		Inorthro 03/08/2004	Inorthro 03/08/2004	

Handwritten signature and date 3/8/04

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/? mshovers

1/1 MES 3/5/04

3/8
PS

3/8
PS [Signature]

FE Sent For:

<END>

for 1995 - 2004 rehab TFDs

~~projects that have~~

AM; § 6.1105(7) (am) 2. to allow
3 yr extension, not a 5 yr ext

Req. city or village to notify them
what type of TFD
Hold off on this for now

Instructions from Scott
Manley

~~SENATE~~ ASSEMBLY
SENATE SUBSTITUTE AMENDMENT,
TO 2003 SENATE BILL 428

R MNR
cmh

*WANTED
MON. AM*

nyw

1 AN ACT to amend 66.1105 (6) (a) 4., 66.1105 (6) (a) 7. and 66.1105 (7) (am) 1.; to
2 create 66.1105 (6) (a) 4m. and 66.1105 (7) (ak) of the statutes; and to affect
3 2003 Wisconsin Act 126, section 44 (2) and 2003 Wisconsin Act 126, section 45
4 (1); relating to: the lifespan of tax incremental financing districts and the
5 period during which tax increments may be allocated to such districts.

Analysis by the Legislative Reference Bureau

Under the current tax incremental financing (TIF) program, a city or village may create a tax incremental district (TID) in part of its territory to foster development if at least 50 percent of the area to be included in the TID is blighted, in need of rehabilitation or conservation, suitable for industrial sites, or suitable for mixed-use development. Before a city or village may create a TID, several steps and plans are required. These steps and plans include public hearings on the proposed TID within specified time frames, preparation and adoption by the local planning commission of a proposed project plan for the TID, approval of the proposed project plan by the common council or village board, and adoption of a resolution by the common council or village board that creates the district as of a date provided in the resolution.

Also under current law, once a TID has been created, the Department of Revenue (DOR) calculates the "tax increment base value" of the TID, which is the

equalized value of all taxable property within the TID at the time of its creation. If the development in the TID increases the value of the property in the TID above the base value, a "value increment" is created. That portion of taxes collected on the value increment in excess of the base value is called a "tax increment." The tax increment is placed in a special fund that may be used only to pay back the project costs of the TID. The costs of a TID, which are initially incurred by the creating city or village, include public works such as sewers, streets, and lighting systems; financing costs; site preparation costs; and professional service costs. DOR authorizes the allocation of the tax increments until the TID terminates or, generally, 23 years, or 27 years in certain cases, after the TID is created, whichever is sooner. TIDs are required to terminate, under current law and with one exception, once these costs are paid back, 16 years, or 20 years in certain cases, after the last expenditure identified in the project plan is made or when the creating city or village dissolves the TID, whichever occurs first. Under the exception, which is limited to certain circumstances, after a TID pays off its project costs, but not later than the date on which it must otherwise terminate, the planning commission may allocate positive tax increments generated by the TID (the "donor" TID) to another TID that has been created by the planning commission.

Under 2003 Wisconsin Act 126, certain provisions of which take effect on October 1, 2004, and which first apply to a TID that is created on October 1, 2004, DOR may allocate tax increments for 23 years if the TID is created after September 30, 1995. Under this substitute amendment, DOR may allocate tax increments for 27 years if the TID is created after September 30, 1995, and before October 1, 2004, and if the TID is a "blighted area" or a "rehabilitation or conservation" TID or for 23 years if the TID is an "industrial site" TID.

Act 126 also extends from 23 years to 27 years the maximum life of a blighted area or rehabilitation or conservation TID, and reduces from 23 years to 20 years the maximum life of an "industrial site" or "mixed-use development" TID. In the 18th year of an industrial or mixed-use TID's life, however, the creating city or village may ask the joint review board to extend the TID's life for five years. The city or village may provide the joint review board with an independent audit that demonstrates that the district is unable to pay off its costs within its original 20-year life span. The joint review board may choose to approve or deny a request to extend a TID's life for five years but, if accompanied by an audit, the board must approve a request for a five-year extension. If the TID's life is extended for ~~five~~ ^{three} years, this substitute amendment authorizes DOR to allocate tax increments to the district for ~~23~~ ²³ years after its creation.

Under this substitute amendment, subject to one exception, a blighted area or a rehabilitation or conservation TID that is created after September 30, 1995, and before October 1, 2004, must terminate 27 years after its creation. Under the exception created in the substitute amendment, the city that created the TID may request that the joint review board extend the TID's life for ~~five~~ ^{four} years. The city or village may provide the joint review board with an independent audit that demonstrates that the district is unable to pay off its costs within its original 27-year life span. The joint review board may choose to approve or deny a request to extend

Under this substitute amendment, the creating city or village may ask a joint review board to extend a TID's life for three years.

23

a TID's life for ~~five~~^{four} years but, if accompanied by an audit, the board must approve a request for a ~~five~~^{four}-year extension. If such an extension is granted, the substitute amendment authorizes DOR to allocate tax increments for ~~32~~³¹ years.

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

1 **SECTION 1.** 66.1105 (6) (a) 4. of the statutes, as affected by 2003 Wisconsin Act
2 126, is amended to read:

3 66.1105 (6) (a) 4. ~~Twenty-three~~ Twenty-seven years after the tax incremental
4 district is created if the district is created after September 30, 1995, and before
5 October 1, 2004, and if the district is a district about which a finding is made under
6 sub. (4) (gm) 4. a. that not less than 50 percent, by area, of the real property within
7 the district is a blighted area or an area in need of rehabilitation or conservation
8 work, except that if the life of the district is extended under sub. (7) (am) 1., an
9 allocation under this subdivision may be made ~~32~~³¹ years after such a district is
10 created.

11 **SECTION 2.** 66.1105 (6) (a) 4m. of the statutes is created to read:

12 66.1105 (6) (a) 4m. Twenty-three years after the tax incremental district is
13 created if the district is created after September 30, 1995, and before October 1, 2004,
14 and if the district is a district about which a finding is made under sub. (4) (gm) 4.
15 a. that not less than 50 percent, by area, of the real property within the district is
16 suitable for industrial sites.

17 **SECTION 3.** 66.1105 (6) (a) 7. of the statutes, as created by 2003 Wisconsin Act
18 126, is amended to read:

19 66.1105 (6) (a) 7. Twenty years after the tax incremental district is created if
20 the district is created on or after October 1, 2004, and if the district is at least

1 predominantly suitable for mixed-use development or industrial sites under sub. (4)
2 (gm) 6., except that if the life of the district is extended under sub. (7) (am) 2. an
3 allocation under this subdivision may be made ~~15~~²³ years after such a district is
4 created.

5 SECTION 4. 66.1105 (7) (ak) of the statutes is created to read:

6 66.1105 (7) (ak) 1. Except as provided in par. (am) 1., for a district about which
7 a finding is made under sub. (4) (gm) 4. a. that not less than 50 percent, by area, of
8 the real property within the district is a blighted area or an area in need of
9 rehabilitation or conservation work, and if the district to which the plan relates is
10 created after September 30, 1995, and before October 1, 2004, 27 years after the
11 district is created.

12 2. For a district that is created after September 30, 1995, and that is not subject
13 to subd. 1., 23 years after the district was created, and for a district that is created
14 before October 1, 1995, 27 years after the district is created

15 SECTION 5. 66.1105 (7) (am) 1. of the statutes, as affected by 2003 Wisconsin
16 Act 126, is amended to read:

17 66.1105 (7) (am) 1. For a district ~~about which a finding is made under sub. (4)~~
18 ~~(gm) 4. a. that not less than 50 percent, by area, of the real property within the district~~
19 ~~is a blighted area or in need of rehabilitation or conservation work, 27 years after the~~
20 ~~district is created~~ described under par. (ak) 1., the time period specified in that
21 subdivision, except that the city that created the district may request that the joint
22 review board extend the life of the district for an additional ~~5~~⁴ years. Along with its
23 request for a ~~5~~⁴-year extension, the city may provide the joint review board with an
24 independent audit that demonstrates that the district is unable to pay off its project
25 costs within the 27 years after the district is created. The joint review board may

1 deny or approve a request to extend the life of the district for ⁴/~~2~~ years if the request
 2 does not include the independent audit, and the board shall approve a request to
 3 extend the life of the district for ⁴/~~2~~ years if the request includes the audit. If the joint
 4 review board extends the district's life, the district shall terminate at the earlier of
 5 the end of the extended period or the period specified in par. (a).

6 **SECTION 6.** 2003 Wisconsin Act 126, section 44 (2) is amended to read:

7 [2003 Wisconsin Act 126] Section 44 (2) Except as provided in subsection (3),
 8 the treatment of section 66.1105 (2) (f) 1. i. and 2. d., (4) (e) and (gm) 1. and 6., (4m)
 9 (a), (ae), (am), and (b) 2., 2m., and 4., (5) (a), (b), (c), and (ce), (6) (a) 4., 7., and 8., (7)
 10 (am), and (8) (title), (a), (c), and (d) of the statutes, the renumbering and amendment
 11 of section 66.1105 (2) (f) 3. (as it relates to mixed-use development tax incremental
 12 districts) of the statutes, and the creation of 66.1105 (2) (f) 3. a. to c. of the statutes
 13 first applies to a tax incremental district that is created on October 1, 2004.

14 **SECTION 7.** 2003 Wisconsin Act 126, section 45 (1) is amended to read:

15 [2003 Wisconsin Act 126] Section 45 (1) The treatment of section 66.1105 (2)
 16 (f) 1. i. and 2. d., (3) (g), (4) (e), (gm) 1., 4. a. and c., and 6., and (h) 2., (4m) (a), (am),
 17 (b) 2., 2m., and 4., (5) (a), (b), (c), and (ce), (6) (a) 4., 7., and 8. and (am) 1., (7) ~~(am),~~
 18 ~~and (ar),~~ and (8) (title), (c), and (d) of the statutes takes effect on October 1, 2004, or
 19 on the day after publication, whichever is later.

20 **SECTION 8. Initial applicability.**

21 (1) This act first applies to a tax incremental district that is in existence on the
 22 effective date of this subsection or that is created on the effective date of this
 23 subsection.

24 **SECTION 9. Effective dates.** This act takes effect on March 6, 2004, or on the
 25 day after publication, ~~whichever is later~~, except as follows:



2003
WISCONSIN ACT 126

FNS 5-5

Sec. # Am. 66.1105 (7) (am) 2;
not affected by 2003 Wisconsin
Act 126

126

- 6 -

2003 Senate Bill 305

ther tax levying municipality
the city in the amounts that
y, having due regard for that
ny, that represents tax incre-
ty and that portion, if any, that
its of the city into the fund.

(6) (e) 1. d. of the statutes is
he donor tax incremental dis-
e, based on the positive tax
ly generated, that it has suffi-
ll project costs that have been
plan for that district and suffi-
pay for some of the eligible
incremental district.

(6) (e) 2. of the statutes is
(6) (f) of the statutes is created

later than the date on which a
minates under sub. (7) (am), a
amend under sub. (4) (h) the
mental district to allocate posi-
ted by that tax incremental dis-
mental district created by that
ll of the following conditions

mental district, the positive tax
be allocated, and the recipient
ave the same overlying taxing

ax increments under this para-
joint review board.

ax increments under this para-
recipient district only if one of

n the recipient district are used
bilitate low-cost housing or to
contamination.

istrict was created upon a finding
ent, by area, of the real property
ted or in need of rehabilitation.
positive tax increments from a

to a district whose positive tax increments have been allo-
cated under sub. (6) (d), (dm) or (e), or (f) until the dis-
trict to which the allocation is made has paid off the
aggregate of all of its project costs under its project plan.

SECTION 36. 66.1105 (7) (am) of the statutes, as
affected by 2003 Wisconsin Act 46, is repealed and recre-
ated to read:

66.1105 (7) (am) 1. For a district about which a find-
ing is made under sub. (4) (gm) 4. a. that not less than 50
percent, by area, of the real property within the district is
a blighted area or in need of rehabilitation or conserva-
tion work, 27 years after the district is created.

66.1105 (7) (am) 2. For a district about which a finding is made under
sub. (4) (gm) 4. a. that not less than 50 percent, by area,
of the real property within the district is suitable for
industrial sites or mixed-use development, 20 years after
the district is created, except that during the 18th year of
such a district's existence, the city that created the district
may request that the joint review board extend the life of
the district for an additional 5 years. Along with its
request for a 5 year extension, the city may provide the
joint review board with an independent audit that demon-
strates that the district is unable to pay off its project costs
within the 20 years after the district is created. The joint
review board may deny or approve a request to extend the
life of the district for 5 years if the request does not
include the independent audit, and the board shall
approve a request to extend the life of the district for 5
years if the request includes the audit. If the joint review
board extends the district's life, the district shall termi-
nate at the earlier of the end of the extended period or the
period specified in par. (a).

Strike
"5-year"
5-year
3-year

SECTION 37. 66.1105 (7) (ar) of the statutes is
amended to read:

66.1105 (7) (ar) Notwithstanding par. (am), 22 35
years after the last expenditure identified in the project
plan is made if the district to which the plan relates is
created if it was created before October 1, 1995, and if
the project plan is amended under sub. (4) (h) 3. or 4.

SECTION 38. 66.1105 (8) (title) of the statutes is
amended to read:

66.1105 (8) (title) NOTICE OF DISTRICT TERMINATION,
REPORTING REQUIREMENTS



State of Wisconsin
2003 - 2004 LEGISLATURE

LRBs0435/1
MES:kmg&cmh:pg

Handwritten initials: FMR

ASSEMBLY SUBSTITUTE AMENDMENT,
TO 2003 SENATE BILL 428

Handwritten note in a circle: Today soon, today

Handwritten signature

1 AN ACT to amend 66.1105 (6) (a) 4., 66.1105 (6) (a) 7., 66.1105 (7) (am) 1. and
2 66.1105 (7) (am) 2.; to create 66.1105 (6) (a) 4m. and 66.1105 (7) (ak) of the
3 statutes; and to affect 2003 Wisconsin Act 126, section 44 (2) and 2003
4 Wisconsin Act 126, section 45 (1); relating to: the lifespan of tax incremental
5 financing districts and the period during which tax increments may be
6 allocated to such districts.

Analysis by the Legislative Reference Bureau

Under the current tax incremental financing (TIF) program, a city or village may create a tax incremental district (TID) in part of its territory to foster development if at least 50 percent of the area to be included in the TID is blighted, in need of rehabilitation or conservation, suitable for industrial sites, or suitable for mixed-use development. Before a city or village may create a TID, several steps and plans are required. These steps and plans include public hearings on the proposed TID within specified time frames, preparation and adoption by the local planning commission of a proposed project plan for the TID, approval of the proposed project plan by the common council or village board, and adoption of a resolution by the common council or village board that creates the district as of a date provided in the resolution.

Conservation TID, although the allocation period may be extended for 3 years as described below three

Also under current law, once a TID has been created, the Department of Revenue (DOR) calculates the "tax increment base value" of the TID, which is the equalized value of all taxable property within the TID at the time of its creation. If the development in the TID increases the value of the property in the TID above the base value, a "value increment" is created. That portion of taxes collected on the value increment in excess of the base value is called a "tax increment." The tax increment is placed in a special fund that may be used only to pay back the project costs of the TID. The costs of a TID, which are initially incurred by the creating city or village, include public works such as sewers, streets, and lighting systems; financing costs; site preparation costs; and professional service costs. DOR authorizes the allocation of the tax increments until the TID terminates or, generally, 23 years, or 27 years in certain cases, after the TID is created, whichever is sooner. TIDs are required to terminate, under current law and with one exception, once these costs are paid back, 16 years, or 20 years in certain cases, after the last expenditure identified in the project plan is made or when the creating city or village dissolves the TID, whichever occurs first. Under the exception, which is limited to certain circumstances, after a TID pays off its project costs, but not later than the date on which it must otherwise terminate, the planning commission may allocate positive tax increments generated by the TID (the "donor" TID) to another TID that has been created by the planning commission.

Under 2003 Wisconsin Act 126, certain provisions of which take effect on October 1, 2004, and which first apply to a TID that is created on October 1, 2004, DOR may allocate tax increments for 23 years if the TID is created after September 30, 1995. Under this substitute amendment, DOR may allocate tax increments for 27 years if the TID is created after September 30, 1995, and before October 1, 2004, and if the TID is a "blighted area" or a "rehabilitation or conservation" TID for 23 years if the TID is an "industrial site" TID.

Act 126 also extends from 23 years to 27 years the maximum life of a blighted area or rehabilitation or conservation TID, and reduces from 23 years to 20 years the maximum life of an "industrial site" or "mixed-use development" TID. In the 18th year of an industrial or mixed-use TID's life, however, the creating city or village may ask the joint review board to extend the TID's life for five years. The city or village may provide the joint review board with an independent audit that demonstrates that the district is unable to pay off its costs within its original 20-year life span. The joint review board may choose to approve or deny a request to extend a TID's life for five years but, if accompanied by an audit, the board must approve a request for a five-year extension. Under this substitute amendment, the creating city or village may ask a joint review board to extend a TID's life for three years. If the TID's life is extended for three years, this substitute amendment authorizes DOR to allocate tax increments to the district for 23 years after its creation.

Under this substitute amendment, subject to one exception, a blighted area or a rehabilitation or conservation TID that is created after September 30, 1995, and before October 1, 2004, must terminate 27 years after its creation. Under the exception created in the substitute amendment, the city that created the TID may request that the joint review board extend the TID's life for four years. The city or

("1995-2004" TIDs)

(Handwritten initials)

and the requirement that request occur in the TID's 18th year of existence is repealed

(Handwritten mark)

27 years if the TID is created after September 30, 2004, and is a blighted area or rehabilitation and

blighted area or

Also under this substitute amendment, a rehabilitation or conservation TID that is created after September 30, 2004, must terminate 27 years after its creation, except that the city that created the TID may request that the joint review board extend the TID's life for 4 years. The audit provisions and joint review board provisions that apply to TIDs created after 1995 to 2004 apply to TIDs described under this paragraph.

Three

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

1 SECTION 1. 66.1105 (6) (a) 4. of the statutes, as affected by 2003 Wisconsin Act
2 126, is amended to read:

3 66.1105 (6) (a) 4. Twenty-three Twenty-seven years after the tax incremental
 4 district is created if the district is created after September 30, 1995, and before
 5 October 1, 2004, and if the district is a district about which a finding is made under
 6 sub. (4) (gm) 4. a. that not less than 50 percent, by area, of the real property within
 7 the district is a blighted area or an area in need of rehabilitation or conservation
 8 work, except that if the life of the district is extended under sub. (7) (am) 1., an
 9 allocation under this subdivision may be made 31 years after such a district is
 10 created.

11 SECTION 2. 66.1105 (6) (a) 4m. of the statutes is created to read:

12 66.1105 (6) (a) 4m. Twenty-three years after the tax incremental district is
 13 created if the district is created after September 30, 1995, and before October 1, 2004,
 14 and if the district is a district about which a finding is made under sub. (4) (gm) 4.
 15 a. that not less than 50 percent, by area, of the real property within the district is
 16 suitable for industrial sites.

17 SECTION 3. 66.1105 (6) (a) 7. of the statutes, as created by 2003 Wisconsin Act
18 126, is amended to read:

1 66.1105 (6) (a) 7. Twenty years after the tax incremental district is created if
2 the district is created on or after October 1, 2004, and if the district is at least
3 predominantly suitable for mixed-use development or industrial sites under sub. (4)
4 (gm) 6., except that if the life of the district is extended under sub. (7) (am) 2. an
5 allocation under this subdivision may be made 23 years after such a district is
6 created.

7 **SECTION 4.** 66.1105 (7) (ak) of the statutes is created to read:

8 66.1105 (7) (ak) 1. Except as provided in par. (am) 1., for a district about which
9 a finding is made under sub. (4) (gm) 4. a. that not less than 50 percent, by area, of
10 the real property within the district is a blighted area or an area in need of
11 rehabilitation or conservation work, and if the district to which the plan relates is
12 created after September 30, 1995, and before October 1, 2004, 27 years after the
13 district is created.

14 2. For a district that is created after September 30, 1995, ^{and before October 1, 2004,} and that is not subject
15 to subd. 1., 23 years after the district was created, and for a district that is created
16 before October 1, 1995, 27 years after the district is created

17 **SECTION 5.** 66.1105 (7) (am) 1. of the statutes, as affected by 2003 Wisconsin
18 Act 126, is amended to read:

19 66.1105 (7) (am) 1. For a district ~~about which a finding is made under sub. (4)~~
20 ~~(gm) 4. a. that not less than 50 percent, by area, of the real property within the district~~
21 ~~is a blighted area or in need of rehabilitation or conservation work, 27 years after the~~
22 ~~district is created~~ described under par. (ak) 1., the time period specified in that
23 subdivision, except that the city that created the district may request that the joint
24 review board extend the life of the district for an additional 4 years. Along with its
25 request for a 4-year extension, the city may provide the joint review board with an

1 independent audit that demonstrates that the district is unable to pay off its project
 2 costs within the 27 years after the district is created. The joint review board may
 3 deny or approve a request to extend the life of the district for 4 years if the request
 4 does not include the independent audit, and the board shall approve a request to
 5 extend the life of the district for 4 years if the request includes the audit. If the joint
 6 review board extends the district's life, the district shall terminate at the earlier of
 7 the end of the extended period or the period specified in par. (a).

8 **SECTION 6.** 66.1105 (7) (am) 2. of the statutes, as affected by 2003 Wisconsin
 9 Act 126, is amended to read:

that is created after September 30, 2004

10 66.1105 (7) (am) 2. For a district/about which a finding is made under sub. (4)
 11 (gm) 4. a. that not less than 50 percent, by area, of the real property within the district
 12 is suitable for industrial sites or mixed-use development, 20 years after the district
 13 is created, except that ~~during the 18th year of such a district's existence,~~ the city that
 14 created the district may request that the joint review board extend the life of the
 15 district for an additional ~~5~~ 3 years. Along with its request for a ~~5-year~~ 3-year
 16 extension, the city may provide the joint review board with an independent audit
 17 that demonstrates that the district is unable to pay off its project costs within the 20
 18 years after the district is created. The joint review board may deny or approve a
 19 request to extend the life of the district for ~~5~~ 3 years if the request does not include
 20 the independent audit, and the board shall approve a request to extend the life of the
 21 district for ~~5~~ 3 years if the request includes the audit. If the joint review board
 22 extends the district's life, the district shall terminate at the earlier of the end of the
 23 extended period or the period specified in par. (a).

24 **SECTION 7.** 2003 Wisconsin Act 126, section 44 (2) is amended to read:

INS
5-23

1 [2003 Wisconsin Act 126] Section 44 (2) Except as provided in subsection (3),
2 the treatment of section 66.1105 (2) (f) 1. i. and 2. d., (4) (e) and (gm) 1. and 6., (4m)
3 (a), (ae), (am), and (b) 2., 2m., and 4., (5) (a), (b), (c), and (ce), (6) (a) 4., 7., and 8., (7)
4 (am), ^{2. and 3.} and (8) (title), (a), (c), and (d) of the statutes, the renumbering and amendment
5 of section 66.1105 (2) (f) 3. (as it relates to mixed-use development tax incremental
6 districts) of the statutes, and the creation of 66.1105 (2) (f) 3. a. to c. of the statutes
7 first applies to a tax incremental district that is created on October 1, 2004.

8 **SECTION 8.** 2003 Wisconsin Act 126, section 45 (1) is amended to read:

9 [2003 Wisconsin Act 126] Section 45 (1) The treatment of section 66.1105 (2)
10 (f) 1. i. and 2. d., (3) (g), (4) (e), (gm) 1., 4. a. and c., and 6., and (h) 2., (4m) (a), (am),
11 (b) 2., 2m., and 4., (5) (a), (b), (c), and (ce), (6) (a) 4., 7., and 8. and (am) 1., (7) ~~(am)~~,
12 and (ar), and (8) (title), (c), and (d) of the statutes takes effect on October 1, 2004, or
13 on the day after publication, whichever is later.

14 **SECTION 9. Initial applicability.**

15 (1) This act first applies to a tax incremental district that is in existence on the
16 effective date of this subsection or that is created on the effective date of this
17 subsection.

18 **SECTION 10. Effective dates.** This act takes effect on the day after publication,
19 except as follows:

20 (1) The treatment of section 66.1105 (6) (a) 7. of the statutes takes effect on
21 October 1, 2004.

22 (END)

SEC. #. INS 4-6 ✓
AM, 66.1105 (6) (a) 8., as affected by
2003 Wisconsin Act 126

created

→ except that if the life of the district is extended under sub. (7) (am) 3, an allocation under this subdivision may be made 30 years after such a district is created.

- 5 -

~~2003 Wisconsin Act 126~~

y described in par-
trict under sub. (4)
3., 4., or 5. does not
er par. (b), as of the
date of the amend-
tive between Janu-
t subsequent Janu-
effective between
e effective date of
r, the redetermina-
th regard to a dis-
the tax incremen-
agraph is effective
exceeds the origi-
nder par. (b).
f the statutes, as
amended to read:
an amendment, to
ies, the tax incre-
etermined, either
base the value of
from the existing
ital base the value
of real property
described in par-
ict under sub. (4)
ext preceding the
the amendment
nd September 30,
the amendment
nd December 31
nt is January 1 of
ade on that date.
rritory has been
etermined under
es of this section
ental base deter-

~~SECTION 27. 66.1105 (6) (a) 4. of the statutes, as affected by 2003 Wisconsin Acts 34 and 46, is amended to read:~~

~~66.1105 (6) (a) 4. Twenty-three years after the tax incremental district is created if the district is created after September 30, 1995, and before October 1, 2004.~~

~~SECTION 28. 66.1105 (6) (a) 7. of the statutes is created to read:~~

~~66.1105 (6) (a) 7. Twenty years after the tax incremental district is created if the district is created on or after the effective date of this subdivision [revisor inserts date], and if the district is at least predominantly suitable for mixed-use development or industrial sites under sub. (4) (gm) 6.~~

~~SECTION 29. 66.1105 (6) (a) 8. of the statutes is created to read:~~

~~66.1105 (6) (a) 8. Twenty-seven years after the tax incremental district is created if the district is created on or after the effective date of this subdivision. [revisor inserts date], and if the district is a district specified under sub. (4) (gm) 6. other than a district specified under subd. 7.~~

~~SECTION 30. 66.1105 (6) (am) 1. of the statutes, as affected by 2003 Wisconsin Act 34, is repealed and recreated to read:~~

~~66.1105 (6) (am) 1. Except as otherwise provided in this paragraph, no expenditure may be made later than 5 years before the unextended termination date of a tax incremental district under sub. (7) (am).~~

~~SECTION 31. 66.1105 (6) (c) of the statutes is amended to read:~~

~~66.1105 (6) (c) Except for tax increments allocated under par. (d), (dm) or (e), or (f) all tax increments received with respect to a tax incremental district shall, upon receipt by the city treasurer, be deposited into a special fund for that district. The city treasurer may deposit additional moneys into such fund~~

Oct. 1, 2004

October 1, 2004

**2003-2004 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBs0435/2ins
MES:kmg&cmh:pg

INS 5-23 ✓

SECTION 1. 66.1105 (7) (am) 3. of the statutes is created to read:

66.1105 (7) (am) 3. For a district that is created after September 30, 2004, about which a finding is made under sub. (4) (gm) 4. a. that not less than 50 percent, by area, of the real property within the district is a blighted area or in need rehabilitation, 27 years after the district is created, except that the city that created the district may request that the joint review board extend the life of the district for an additional 3 years. Along with its request for a 3-year extension, the city may provide the joint review board with an independent audit that demonstrates that the district is unable to pay off its project costs within the 27 years after the district is created. The joint review board may deny or approve a request to extend the life of the district for 3 years if the request does not include the independent audit, and the board shall approve a request to extend the life of the district for 3 years if the request includes the audit. If the joint review board extends the district's life, the district shall terminate at the earlier of the end of the extended period or the period specified in par. (a).

20435
MES

CCC to ASA 1 to SB 428

In enrolling, the following correction was made:

Page 5, line 4: delete "created" and substitute
"created" 0

(END)

Wlj



State of Wisconsin
2003-2004 LEGISLATURE

CORRECTIONS IN:

**ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 2003 SENATE BILL 428**

Prepared by the Legislative Reference Bureau
(March 16, 2004)

In enrolling, the following correction was made:

1. Page 5, line 4: delete "created" and substitute "created."

(END)