



## WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

**2011 Wisconsin Act 40**  
[2011 Senate Bill 144]

**Pleasant Prairie Tax Incremental  
Financing District**

Under current law, before a tax incremental district (TID) may be created or its project plan amended, the city or village must adopt a resolution containing a finding that the equalized value of taxable property of the TID, plus the value increment of all existing TIDs, does not exceed 12% of the total equalized value of taxable property in the city or village (the “12% test”), subject to one exception. Under the exception, a city or village may simultaneously create a new TID and subtract territory from an existing TID without adopting a resolution containing the 12% test if the city or village demonstrates to DOR that the value of the territory that is subtracted at least equals the amount that the Department of Revenue (DOR) believes is necessary to ensure that, when the new TID is created, the 12% test is met. The city or village must also certify to DOR that no other district created under this exception currently exists in the city or village.

2011 Wisconsin Act 40 changes the calculation of the 12% test for the Village of Pleasant Prairie. Under the Act, if the village wants to create a new TID or amend a project plan, the sum of the following may not exceed 12% of the total equalized value of taxable property within the village: the equalized value of taxable property of the district; the value increment of all existing districts in the village, other than Tax Incremental District Number 2; and 1.33 times the tax incremental base of Tax Incremental District Number 2.

**Effective date:** August 13, 2011

**Prepared by:** Mary Matthias, Senior Staff Attorney

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This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature’s Web site at: <http://www.legis.state.wi.us/>.