



WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

2011 Wisconsin Act 41
[2011 Senate Bill 55]

**Distressed Tax Incremental
Financing Districts**

Under Wisconsin law, a city or village may create a tax incremental district (TID) in part of its territory to foster development if certain conditions exist and required procedures are followed. Towns also have a limited ability to create a TIDs under certain circumstances.

A city or village may designate a TID that was created before October 1, 2008, as a distressed or severely distressed TID if certain conditions exist and certain procedures, including adoption of a resolution, are followed. If a TID is designated as distressed or severely distressed, the lifespan of the TID is increased, and the lifespan of any donor TID to the distressed or severely distressed TID is also increased. A distressed or severely distressed TID may not amend its project plan to add any new project costs.

Act 41 repeals the requirement that a TID must have been in existence for at least seven years before a city or village may adopt a resolution designating it as distressed or severely distressed.

Act 41 also provides that a city or village may not designate a TID as distressed or severely distressed after September 30, 2015. Prior to Act 41, a city or village could not designate a TID as distressed or severely distressed after September 30, 2011.

Effective date: The Act takes effect on August 18, 2011.

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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/>.