

2015 DRAFTING REQUEST

Bill

Received: 12/30/2014 Received By: mshovers
Wanted: As time permits Same as LRB:
For: Legislative Council -study cmmte 6-2298 By/Representing: Melissa Schmidt & Scott Grosz
May Contact: Drafter: mshovers
Subject: Local Gov't - tax incr financing Addl. Drafters:
Extra Copies: EVM

Submit via email: YES
Requester's email: Scott.grosz@legis.wisconsin.gov
Carbon copy (CC) to: melissa.schmidt@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

limits on TID creation as measured by total TID value

Instructions:

See attached. WLCS 0019/1

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 1/13/2015			_____			
/P1	mshovers 1/28/2015	wjackson 1/19/2015	jfrantze 1/19/2015	_____	lparisi 1/19/2015		State S&L
/1		jdyer 1/29/2015	rschluet 1/29/2015	_____	mbarman 1/29/2015	lparisi 2/11/2015	State S&L

FE Sent For:

@
INTRO

<END>

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/?	mshovers 1/13/2015	<i>1/29</i> jld		_____			
/P1		wjackson 1/19/2015	jfrantze 1/19/2015	_____	lparisi 1/19/2015		State S&L

FE Sent For:

1/29/15
<END>

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1/2	mshovers	1/PI WEJ 1/18		1/19			
1/PI	MES	1/13/15					

FE Sent For:

<END>

1 **AN ACT** to amend 66.1105 (4) (gm) 4. c., (5) (bn), (bo), (bt), (10) (c), (12) (title), (b),
 2 (16) (d), (17) (title), (a) 3., (c), (18) (c) 3., and (19) (b) 3. of the statutes; **relating to:**
 3 limits on TID creation as measured by total TID value.

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

JOINT LEGISLATIVE COUNCIL PREFATORY NOTE: This draft was prepared for the Joint Legislative Council’s Study Committee on Review of Tax Incremental Financing.

Background

As part of the process of creating a tax incremental district, a city or village’s creation resolution must include a finding that the TID complies with the 12 percent limit. The 12 percent limit requires that the equalized value of the taxable property in the proposed TID, plus the value increments of all existing TIDs does not exceed 12 percent of the total equalized value in the city or village. When certifying a base value for a TID, the department of revenue also evaluates whether the TID exceeds the 12 percent limit. DOR may not certify the base value until it reviews and approves the city or village’s finding that the equalized property value in the TID plus the value increment of all existing TIDs does not exceed 12 percent of the total equalized value of taxable property within the city.

Cities and villages may amend their project plan so that the TID is in compliance if the TID exceeds the 12 percent limit. If DOR determines that the TID exceeds the 12 percent limit, the city or village may either rescind its approval of the project plan or remove parcels of land so that the TID complies with the 12 percent limit. If the city or village decides to remove parcels of land, then it must resubmit the creation application to DOR within 30 days of receiving the noncompliance notice.

Section 66.1105, stats., contains several exceptions to the 12 percent limit that apply to specific communities. Additionally, 2013 Wisconsin Act 193 allows a city or village to create a TID in recently annexed town territory, if certain conditions are satisfied. Under the alternative creation method created by Act 193, the 12 percent limit does not apply to a TID created in former town territory until the year 2016.

The Draft

Under this draft, references in s. 66.1105, stats., to the 12 percent limit are generally modified to reflect an increase to a 15 percent limit for the ratio of TID value increments to total equalized value of taxable property in a city or village. References to the 12 percent limit that relate to exceptions to the rule for specific communities are maintained at 12 percent and amended to reflect the law in place at the time of the creation of each exception.

1 **SECTION 1.** 66.1105 (4) (gm) 4. c., (5) (bn), (bo), (bt), (10) (c), (12) (title), (b), (16) (d),
2 (17) (title), (a) 3., (c), (18) (c) 3., and (19) (b) 3. of the statutes are amended to read:

3 66.1105 (4) (gm) 4. c. Except as provided in subs. (10) (c), (16) (d), (17), and (18) (c)
4 3., the equalized value of taxable property of the district plus the value increment of all existing
5 districts does not exceed ~~12~~ 15 percent of the total equalized value of taxable property within
6 the city. In determining the equalized value of taxable property under this subd. 4. c. or sub.
7 (17) (c), the department of revenue shall base its calculations on the most recent equalized
8 value of taxable property of the district that is reported under s. 70.57 (1m) before the date on
9 which the resolution under this paragraph is adopted. If the department of revenue determines
10 that a local legislative body exceeds the ~~12~~ percent limit described in this subd. 4. c. or sub.
11 (17) (c), the department shall notify the city of its noncompliance, in writing, not later than
12 December 31 of the year in which the department receives the completed application or
13 amendment forms described in sub. (5) (b).

14 **(5) (bn)** Notwithstanding the requirement that the total equalized value not exceed 12
15 percent, as described in sub. (4) (gm) 4. c., 2013-14, stats., if the village of Union Grove
16 created, or attempted to create, tax incremental district number 4 on January 1, 2006, based
17 on actions taken by the village board on February 27, 2006, the tax incremental base of the
18 district shall be calculated by the department of revenue as if the tax incremental district had
19 been created on January 1, 2006, and, until the tax incremental district terminates, the

1 department of revenue shall allocate tax increments and treat the district in all other respects
2 as if the district had been created on January 1, 2006, except that the department of revenue
3 may not certify a value increment under par. (b) before 2008.

4 (bo) Notwithstanding the requirement that the total equalized value not exceed 12
5 percent, as described in sub. (4) (gm) 4. c., 2013-14, stats., if the village of Elmwood created,
6 or attempted to create, tax incremental district number 4 on January 1, 2006, based on actions
7 taken by the village board on May 8, 2006, the tax incremental base of the district shall be
8 calculated by the department of revenue as if the tax incremental district had been created on
9 January 1, 2006, and, until the tax incremental district terminates, the department of revenue
10 shall allocate tax increments and treat the district in all other respects as if the district had been
11 created on January 1, 2006, except that the department of revenue may not certify a value
12 increment under par. (b) before 2010.

13 (bt) If the city of New Lisbon amends, or attempts to amend, the project plan of Tax
14 Incremental District Number 12 on January 1, 2012, based on actions taken by the common
15 council between July 1, 2011, and December 31, 2011, the tax incremental base of the district
16 shall be redetermined by the department of revenue as if the district's project plan had been
17 amended on January 1, 2012, except that the department of revenue may not certify a value
18 increment under par. (b), that reflects the amendment to the district's plan, before 2012. In
19 addition, the time limits specified for the city clerk in par. (b), and the provisions relating to
20 the 12 percent limit findings requirement under sub. (4) (gm) 4. c., 2013-14, stats., do not
21 apply to an amendment to the project plan of Tax Incremental District Number 12 in the city
22 of New Lisbon.

1 (10) (c) The department of revenue shall exclude any parcel in a newly created tax
2 incremental district that is located in an existing district when determining compliance with
3 the ~~12~~ 15 percent limit described in sub. (4) (gm) 4. c.

4 (12) EQUALIZED VALUATION; THE ~~12~~ 15 PERCENT LIMIT. If the department of revenue
5 notifies a local legislative body that is not in compliance with the ~~12~~ 15 percent limit described
6 in sub. (4) (gm) 4. c., the local legislative body shall do one of the following:

7 (b) Remove parcels from the district's, or proposed district's, boundaries so that the
8 district, or proposed district, complies with the ~~12~~ 15 percent limit. Such a removal of parcels
9 may not substantially alter the project plan as approved under sub. (4) (g), or the resolution
10 adopted under sub. (4) (gm) and approved by the joint review board under sub. (4m) (b) 2.
11 Not later than 30 days after receiving the department's notice of noncompliance under sub.
12 (4) (gm) 4. c., the city clerk shall submit, or resubmit, to the department the application
13 described under sub. (5) (b), and the application shall reflect the removal of parcels under this
14 paragraph.

15 (16) (d) The department of revenue may not include the equalized value of taxable
16 property of a district created under this subsection when applying the ~~12~~ 15 percent limit
17 findings requirement under sub. (4) (gm) 4. c. to a city or village which annexes or attaches
18 such a district.

19 (17) EXCEPTIONS TO THE ~~12~~ 15 PERCENT LIMIT. (a). Subject to par. (b), a city may
20 simultaneously create a tax incremental district under this section and adopt an amendment
21 to a project plan to subtract territory from an existing district without adopting a resolution
22 containing the ~~12~~ 15-percent-limit findings specified in sub. (4) (gm) 4. c. if all of the
23 following occur:

1 3. Both appraisals under subd. 2. demonstrate that the value of the taxable property that
2 is subtracted from an existing district equals or exceeds the amount that the department of
3 revenue believes is necessary to ensure that, when the proposed district is created, the ~~12~~ 15
4 percent limit specified in sub. (4) (gm) 4. c. is met.

5 (c) With regard to the 12 percent limit described under sub. (4) (gm) 4. c., 2013-14,
6 stats., the following limit applies to the village of Pleasant Prairie:

7 **(18)** (c) 3. The ~~12~~ 15 percent limit findings requirement under sub. (4) (gm) 4. c. apply
8 on an aggregate basis to all cities that are part of a multijurisdictional district except, for one
9 or more of the participating cities in the multijurisdictional district, the part of the district that
10 is in an individual city may cause that city to exceed the ~~12~~ 15 percent limit if the governing
11 bodies of all the taxation districts that overlay that city adopt a resolution approving the
12 creation of the district even though that city exceeds the ~~12~~ 15 percent limit.

13 **(19)** (b) 3. The ~~12~~ 15 percent limit described in sub. (4) (gm) 4. c. does not apply to a
14 district created under this subsection until 2016.

15

(END)



NES
WJ

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

IN
1/13
wanted
1/20

[Handwritten signature]

[Handwritten initials]

1 AN ACT ...; relating to: limits on TID creation as measured by total TID value.

Analysis by the Legislative Reference Bureau

FE-SL

LRC NOTE

JLC NOTE

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

JOINT LEGISLATIVE COUNCIL PREFATORY NOTE: This draft was prepared for the Joint Legislative Council's Study Committee on Review of Tax Incremental Financing.

Background

As part of the process of creating a tax incremental district, a city or village's creation resolution must include a finding that the TID complies with the 12 percent limit. The 12 percent limit requires that the equalized value of the taxable property in the proposed TID, plus the value increments of all existing TIDs, does not exceed 12 percent of the total equalized value in the city or village. When certifying a base value for a TID, the department of revenue also evaluates whether the TID exceeds the 12 percent limit. DOR may not certify the base value until it reviews and approves the city or village's finding that the equalized property value in the TID plus the value increment of all existing TIDs does not exceed 12 percent of the total equalized value of taxable property within the city.

Cities and villages may amend their project plan so that the TID is in compliance if the TID exceeds the 12 percent limit. If DOR determines that the TID exceeds the 12 percent limit, the city or village may either rescind its approval of the project plan or remove parcels of land so that the TID complies with the 12 percent limit. If the city or village decides to remove parcels of land, then it must resubmit the creation application to DOR within 30 days of receiving the noncompliance notice.

Proofreader: Per an old style sheet, I fixed proprs on the NOTE components to be bottom and for underlined titles to be top 0.05.

creation of a new or project plan amendment of an existing TID would

of taxable property (TID)

value of taxable property proposed new, or existing

Section 66.1105, stats., contains several exceptions to the 12 percent limit that apply to specific communities. Additionally, 2013 Wisconsin Act 193 allows a city or village to create a TID in recently annexed town territory if certain conditions are satisfied. Under the alternative creation method created by Act 193, the 12 percent limit does not apply to a TID created in former town territory until the year 2016.

The Draft *e Bill*

Under this draft *e bill*, references in s. 66.1105, stats., to the 12 percent limit are generally modified to reflect an increase to a 15 percent limit for the ratio of TID value increments to total equalized value of taxable property in a city or village. References to the 12 percent limit that relate to exceptions to the rule for specific communities are maintained at 12 percent and amended to reflect the law in place at the time of the creation of each exception.

SECTION 1. 66.1105 (4) (gm) 4. c., (5) (bn), (bo), (bt), (10) (c), (12) (title), (b), (16)

(d), (17) (title), (a) 3., (c), (18) (c) 3., and (19) (b) 3. of the statutes are amended to read:

66.1105 (4) (gm) 4. c. Except as provided in subs. (10) (c), (16) (d), (17), and (18)

(c) 3., the equalized value of taxable property of the district plus the value increment of all existing districts does not exceed ~~12~~ 15 percent of the total equalized value of taxable property within the city. In determining the equalized value of taxable property under this subd. 4. c. or sub. (17) (c), the department of revenue shall base its calculations on the most recent equalized value of taxable property of the district that is reported under s. 70.57 (1m) before the date on which the resolution under this paragraph is adopted. If the department of revenue determines that a local legislative body exceeds the ~~12~~ percent limit described in this subd. 4. c. or sub. (17) (c), the department shall notify the city of its noncompliance, in writing, not later than December 31 of the year in which the department receives the completed application or amendment forms described in sub. (5) (b).

Sec. #: A.M. 66.1105 (5) (bn)
66.1105 (5) (bn) Notwithstanding the requirement that the total equalized value not exceed 12 percent, as described in sub. (4) (gm) 4. c., ~~2013-14~~ stats., if the village of Union Grove created, or attempted to create, tax incremental district number 4 on January 1, 2006, based on actions taken by the village board on February 27, 2006,

1
2
3

1 the tax incremental base of the district shall be calculated by the department of
2 revenue as if the tax incremental district had been created on January 1, 2006, and,
3 until the tax incremental district terminates, the department of revenue shall
4 allocate tax increments and treat the district in all other respects as if the district
5 had been created on January 1, 2006, except that the department of revenue may not
6 certify a value increment under par. (b) before 2008.

7 *Sec. # Am. 66.1105(5)(b)*
66.1105(5)(b)

8 Notwithstanding the requirement that the total equalized value not
9 exceed 12 percent, as described in sub. (4) (gm) 4. c., 2013-14^{er} stats., if the village of
10 Elmwood created, or attempted to create, tax incremental district number 4 on
11 January 1, 2006, based on actions taken by the village board on May 8, 2006, the tax
12 incremental base of the district shall be calculated by the department of revenue as
13 if the tax incremental district had been created on January 1, 2006, and, until the
14 tax incremental district terminates, the department of revenue shall allocate tax
15 increments and treat the district in all other respects as if the district had been
16 created on January 1, 2006, except that the department of revenue may not certify
17 a value increment under par. (b) before 2010.

17 *Sec. # Am. 66.1105(5)(bt)*
66.1105(5)(bt)

18 If the city of New Lisbon amends, or attempts to amend, the project plan
19 of Tax Incremental District Number 12 on January 1, 2012, based on actions taken
20 by the common council between July 1, 2011, and December 31, 2011, the tax
21 incremental base of the district shall be redetermined by the department of revenue
22 as if the district's project plan had been amended on January 1, 2012, except that the
23 department of revenue may not certify a value increment under par. (b), that reflects
24 the amendment to the district's plan, before 2012. In addition, the time limits
25 specified for the city clerk in par. (b), and the provisions relating to the 12 percent
limit findings requirement under sub. (4) (gm) 4. c., 2013-14^{er} stats., do not apply to

SECTION 1

1 an amendment to the project plan of Tax Incremental District Number 12 in the city
2 of New Lisbon.

3 *Sec. #; A.M.; 66.1105(16)(c)*
66.1105 (10) (c) The department of revenue shall exclude any parcel in a newly created
4 tax incremental district that is located in an existing district when determining
5 compliance with the ~~12~~ 15 percent limit described in sub. (4) (gm) 4. c.

6 *Sec. #; A.M.; 66.1105(12)(Intro.)*
66.1105 (12) ^(Intro.) EQUALIZED VALUATION; THE ~~12~~ 15 PERCENT LIMIT. If the department of revenue
7 notifies a local legislative body that is not in compliance with the ~~12~~ 15 percent limit

8 described in sub. (4) (gm) 4. c., the local legislative body shall do one of the following:

9 *Sec. #; A.M.; 66.1105(12)(b)*
66.1105(12)(b) Remove parcels from the district's, or proposed district's, boundaries so that
10 the district, or proposed district, complies with the ~~12~~ 15 percent limit. Such a
11 removal of parcels may not substantially alter the project plan as approved under
12 sub. (4) (g), or the resolution adopted under sub. (4) (gm) and approved by the joint
13 review board under sub. (4m) (b) 2. Not later than 30 days after receiving the
14 department's notice of noncompliance under sub. (4) (gm) 4. c., the city clerk shall
15 submit, or resubmit, to the department the application described under sub. (5) (b),
16 and the application shall reflect the removal of parcels under this paragraph.

17 *Sec. #; A.M.; 66.1105(16)(d)*
66.1105 (16) (d) The department of revenue may not include the equalized value of
18 taxable property of a district created under this subsection when applying the ~~12~~ 15
19 percent limit findings requirement under sub. (4) (gm) 4. c. to a city or village which
20 annexes or attaches such a district. ^{(title) and}

21 *Sec. #; A.M.; 66.1105(17)(a)(Intro.)*
66.1105 (17) ^(title) EXCEPTIONS TO THE ~~12~~ 15 PERCENT LIMIT. (a) ^(Intro.) Subject to par. (b), a city may
22 simultaneously create a tax incremental district under this section and adopt an
23 amendment to a project plan to subtract territory from an existing district without
24 adopting a resolution containing the ~~12~~ 15 percent limit findings specified in sub.

25 (4) (gm) 4. c. if all of the following occur:

15 percent-limit

Sec.#; A.M.; 66.1105 (17) (a) 3,

1 ~~66.1105(17)(a)~~ 3. Both appraisals under subd. 2. demonstrate that the value of the taxable
2 property that is subtracted from an existing district equals or exceeds the amount
3 that the department of revenue believes is necessary to ensure that, when the
4 proposed district is created, the ~~12~~ ^{Strike -> -Percent} ~~15~~ percent limit specified in sub. (4) (gm) 4. c. is
5 met.

6 ~~66.1105(17)(c)~~ ^{Sec.#; A.M.; 66.1105 (17)(c) 3 (Intro.)} With regard to the 12 percent limit described under sub. (4) (gm) 4. c.,

7 ~~2013-14~~ ^{Sec.#; 66.1105 (18) (c) 3.} stats., the following limit applies to the village of Pleasant Prairie:

8 ~~66.1105~~ (18) (c) 3. The ~~12~~ ^{end} ~~15~~ percent limit ^{15 percent - limit} findings requirement under sub. (4) (gm) 4.
9 c. apply on an aggregate basis to all cities that are part of a multijurisdictional
10 district except, for one or more of the participating cities in the multijurisdictional
11 district, the part of the district that is in an individual city may cause that city to
12 exceed the ~~12~~ ~~15~~ percent limit if the governing bodies of all the taxation districts that
13 overlay that city adopt a resolution approving the creation of the district even though
14 that city exceeds the ~~12~~ ~~15~~ percent limit.

15 ~~66.1105~~ ^{Sec.#; A.M.; 66.1105 (19) (b) 3,} (19) (b) 3. The ~~12~~ ~~15~~ percent limit described in sub. (4) (gm) 4. c. does not apply
16 to a district created under this subsection until 2016.

INS
5-16

(END)

NOTE
Scott and Melissa:
Please see the initial applicability
provision I added. Is this OK?
AMJ

**2015-2016 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

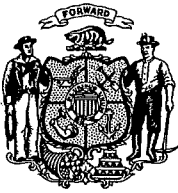
LRB-1065/P1ins
MES.....

INS 5-16

SECTION 1. Initial applicability.

(1) This act first applies to a tax incremental district that is created on October 1, 2015, or whose project plan is amended on October 1, 2015.

***NOTE: Melissa and Scott: Is this initial applicability provision consistent with the committee's intent? My understanding is that DOR prefers an October 1st initial applicability for changes like this that affect TIDs. You may wish to have DOR review this draft.



2015 BILL

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

IN 1/28
wanted
1/30

[Handwritten signature]

X

1 AN ACT to amend 66.1105 (4) (gm) 4. c., 66.1105 (5) (bn), 66.1105 (5) (bo), 66.1105
2 (5) (bt), 66.1105 (10) (c), 66.1105 (12) (intro.), 66.1105 (12) (b), 66.1105 (16) (d),
3 66.1105(17) (title) and (a) (intro.), 66.1105 (17) (a) 3., 66.1105 (17) (c) (intro.),
4 66.1105 (18) (c) 3. and 66.1105 (19) (b) 3. of the statutes; relating to: limits on
5 TID creation as measured by total TID value.



Analysis by the Legislative Reference Bureau

This bill is explained in the NOTES provided by the Joint Legislative Council in the bill.

For further information see the **state and local** fiscal estimate, which will be printed as an appendix to this bill.

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

JOINT LEGISLATIVE COUNCIL PREFATORY NOTE: This bill was prepared for the Joint Legislative Council's Study Committee on Review of Tax Incremental Financing.

Background

As part of the process of creating a tax incremental district (TID), a city's or village's creation resolution must include a finding that the TID complies with the 12 percent limit. The 12 percent limit requires that the equalized value of the taxable property in the proposed TID, plus the value increments of all existing TIDs, does not exceed 12

percent of the total equalized value of taxable property in the city or village. When certifying a base value for a TID, the Department of Revenue (DOR) also evaluates whether the TID exceeds the 12 percent limit. DOR may not certify the base value until it reviews and approves the city's or village's finding that the equalized value of taxable property in the TID plus the value increment of all existing TIDs does not exceed 12 percent of the total equalized value of taxable property within the city.

A city or village may amend a TID's project plan so that a proposed new, or existing, TID is in compliance if the creation or a new, or project plan amendment of an existing, TID would exceed the 12 percent limit. If DOR determines that the TID exceeds the 12 percent limit, the city or village may either rescind its approval of the project plan or remove parcels of land so that the TID complies with the 12 percent limit. If the city or village decides to remove parcels of land, then it must resubmit the creation application to DOR within 30 days of receiving the noncompliance notice.

Section 66.1105, stats., contains several exceptions to the 12 percent limit that apply to specific communities. Additionally, 2013 Wisconsin Act 193 allows a city or village to create a TID in recently annexed town territory if certain conditions are satisfied. Under the alternative creation method created by Act 193, the 12 percent limit does not apply to a TID created in former town territory until the year 2016.

The Bill

Under this bill, references in s. 66.1105, stats., to the 12 percent limit are generally modified to reflect an increase to a 15 percent limit for the ratio of TID value increments to total equalized value of taxable property in a city or village. References to the 12 percent limit that relate to exceptions to the rule for specific communities are maintained at 12 percent and amended to reflect the law in place at the time of the creation of each exception.

1 **SECTION 1.** 66.1105 (4) (gm) 4. c. of the statutes is amended to read:

2 66.1105 (4) (gm) 4. c. Except as provided in subs. (10) (c), (16) (d), (17), and (18)

3 (c) 3., the equalized value of taxable property of the district plus the value increment
4 of all existing districts does not exceed ~~12~~ 15 percent of the total equalized value of
5 taxable property within the city. In determining the equalized value of taxable
6 property under this subd. 4. c. or sub. (17) (c), the department of revenue shall base
7 its calculations on the most recent equalized value of taxable property of the district
8 that is reported under s. 70.57 (1m) before the date on which the resolution under
9 this paragraph is adopted. If the department of revenue determines that a local
10 legislative body exceeds the ~~12~~ percent limit described in this subd. 4. c. or sub. (17)
11 (c), the department shall notify the city of its noncompliance, in writing, not later
12 than December 31 of the year in which the department receives the completed
13 application or amendment forms described in sub. (5) (b).

1 **SECTION 2.** 66.1105 (5) (bn) of the statutes is amended to read:

2 66.1105 (5) (bn) Notwithstanding the requirement that the total equalized
3 value not exceed 12 percent, as described in sub. (4) (gm) 4. c., 2013 stats., if the
4 village of Union Grove created, or attempted to create, tax incremental district
5 number 4 on January 1, 2006, based on actions taken by the village board on
6 February 27, 2006, the tax incremental base of the district shall be calculated by the
7 department of revenue as if the tax incremental district had been created on January
8 1, 2006, and, until the tax incremental district terminates, the department of
9 revenue shall allocate tax increments and treat the district in all other respects as
10 if the district had been created on January 1, 2006, except that the department of
11 revenue may not certify a value increment under par. (b) before 2008.

12 **SECTION 3.** 66.1105 (5) (bo) of the statutes is amended to read:

13 66.1105 (5) (bo) Notwithstanding the requirement that the total equalized
14 value not exceed 12 percent, as described in sub. (4) (gm) 4. c., 2013 stats., if the
15 village of Elmwood created, or attempted to create, tax incremental district number
16 4 on January 1, 2006, based on actions taken by the village board on May 8, 2006,
17 the tax incremental base of the district shall be calculated by the department of
18 revenue as if the tax incremental district had been created on January 1, 2006, and,
19 until the tax incremental district terminates, the department of revenue shall
20 allocate tax increments and treat the district in all other respects as if the district
21 had been created on January 1, 2006, except that the department of revenue may not
22 certify a value increment under par. (b) before 2010.

23 **SECTION 4.** 66.1105 (5) (bt) of the statutes is amended to read:

24 66.1105 (5) (bt) If the city of New Lisbon amends, or attempts to amend, the
25 project plan of Tax Incremental District Number 12 on January 1, 2012, based on

1 actions taken by the common council between July 1, 2011, and December 31, 2011,
2 the tax incremental base of the district shall be redetermined by the department of
3 revenue as if the district's project plan had been amended on January 1, 2012, except
4 that the department of revenue may not certify a value increment under par. (b), that
5 reflects the amendment to the district's plan, before 2012. In addition, the time limits
6 specified for the city clerk in par. (b), and the provisions relating to the 12 percent
7 limit findings requirement under sub. (4) (gm) 4. c., 2013 stats., do not apply to an
8 amendment to the project plan of Tax Incremental District Number 12 in the city of
9 New Lisbon.

10 SECTION 5. 66.1105 (10) (c) of the statutes is amended to read:

11 66.1105 (10) (c) The department of revenue shall exclude any parcel in a newly
12 created tax incremental district that is located in an existing district when
13 determining compliance with the ~~12~~ 15 percent limit described in sub. (4) (gm) 4. c.

14 SECTION 6. 66.1105 (12) ~~(intro.)~~ ^(intro.) of the statutes is amended to read:

15 66.1105 (12) ~~(intro.)~~ ^(intro.) EQUALIZED VALUATION; THE ~~12~~ 15 PERCENT LIMIT. ^(intro.) If the
16 department of revenue notifies a local legislative body that is not in compliance with
17 the ~~12~~ 15 percent limit described in sub. (4) (gm) 4. c., the local legislative body shall
18 do one of the following:

19 SECTION 7. 66.1105 (12) (b) of the statutes is amended to read:

20 66.1105 (12) (b) Remove parcels from the district's, or proposed district's,
21 boundaries so that the district, or proposed district, complies with the ~~12~~ 15 percent
22 limit. Such a removal of parcels may not substantially alter the project plan as
23 approved under sub. (4) (g), or the resolution adopted under sub. (4) (gm) and
24 approved by the joint review board under sub. (4m) (b) 2. Not later than 30 days after
25 receiving the department's notice of noncompliance under sub. (4) (gm) 4. c., the city

1 clerk shall submit, or resubmit, to the department the application described under
2 sub. (5) (b), and the application shall reflect the removal of parcels under this
3 paragraph.

4 **SECTION 8.** 66.1105 (16) (d) of the statutes is amended to read:

5 66.1105 (16) (d) The department of revenue may not include the equalized
6 value of taxable property of a district created under this subsection when applying
7 the ~~12~~ 15 percent limit findings requirement under sub. (4) (gm) 4. c. to a city or
8 village which annexes or attaches such a district.

9 **SECTION 9.** 66.1105 (17) (title) and (a) (intro.) of the statutes are amended to
10 read:

11 66.1105 (17) (title) EXCEPTIONS TO THE ~~12~~ 15 PERCENT LIMIT. (a) (intro.) Subject
12 to par. (b), a city may simultaneously create a tax incremental district under this
13 section and adopt an amendment to a project plan to subtract territory from an
14 existing district without adopting a resolution containing the ~~12-percent-limit~~ 15
15 percent-limit findings specified in sub. (4) (gm) 4. c. if all of the following occur:

16 **SECTION 10.** 66.1105 (17) (a) 3. of the statutes is amended to read:

17 66.1105 (17) (a) 3. Both appraisals under subd. 2. demonstrate that the value
18 of the taxable property that is subtracted from an existing district equals or exceeds
19 the amount that the department of revenue believes is necessary to ensure that,
20 when the proposed district is created, the ~~12-percent~~ 15 percent limit specified in
21 sub. (4) (gm) 4. c. is met.

22 **SECTION 11.** 66.1105 (17) (c) (intro.) of the statutes is amended to read:

23 66.1105 (17) (c) (intro.) With regard to the 12 percent limit described under sub.
24 (4) (gm) 4. c., 2013 stats., the following limit applies to the village of Pleasant Prairie:

25 **SECTION 12.** 66.1105 (18) (c) 3. of the statutes is amended to read:

1 66.1105 (18) (c) 3. The ~~12 percent limit~~ 15 percent-limit findings requirement
2 under sub. (4) (gm) 4. c. apply on an aggregate basis to all cities that are part of a
3 multijurisdictional district except, for one or more of the participating cities in the
4 multijurisdictional district, the part of the district that is in an individual city may
5 cause that city to exceed the ~~12~~ 15 percent limit if the governing bodies of all the
6 taxation districts that overlay that city adopt a resolution approving the creation of
7 the district even though that city exceeds the ~~12~~ 15 percent limit.

8 **SECTION 13.** 66.1105 (19) (b) 3. of the statutes is amended to read:

9 66.1105 (19) (b) 3. The ~~12~~ 15 percent limit described in sub. (4) (gm) 4. c. does
10 not apply to a district created under this subsection until 2016.

11 **SECTION 14. Initial applicability.**

12 (1) This act first applies to a tax incremental district that is created on October
13 1, 2015, or whose project plan is amended on October 1, 2015.

****NOTE: Melissa and Scott: Is this initial applicability provision consistent with
the committee's intent? My understanding is that DOR prefers an October 1 initial
applicability for changes like this that affect TIDs. You may wish to have DOR review
this bill.

Parisi, Lori

From: Schmidt, Melissa
Sent: Wednesday, February 11, 2015 3:06 PM
To: LRB.Legal
Subject: RE: Bills Ready for Jacketing

Sorry! See below...

Melissa Schmidt

Senior Staff Attorney
Wisconsin Legislative Council
(608) 266-2298

From: LRB.Legal
Sent: Wednesday, February 11, 2015 3:04 PM
To: Schmidt, Melissa
Subject: RE: Bills Ready for Jacketing

For Senate or Assembly please on each?

From: Schmidt, Melissa
Sent: Wednesday, February 11, 2015 3:02 PM
To: LRB.Legal
Cc: Grosz, Scott; Young, Tracey; Mautz, Kelly
Subject: Bills Ready for Jacketing

To Whom it May Concern:

The following bill drafts are ready for jacketing:

1. LRB-0918/1 (Assembly)
2. LRB-0932/1 (Assembly)
3. LRB-0922/1 (Assembly)
4. LRB-1063/1 (Senate)
5. LRB-1064/1 (Senate)
6. LRB-1065/1 (Senate)
7. LRB-1066/1 (Senate)
8. LRB-1067/1 (Senate)
9. LRB-1068/1 (Senate)
10. LRB-1069/1 (Senate)
11. LRB-1070/1 (Senate)

Thank you,