

2015 DRAFTING REQUEST

Bill

Received: 1/25/2016 Received By: mshovers
 For: Richard Gudex (608) 266-5300 Same as LRB: -3756
 May Contact: By/Representing: Tim
 Subject: Local Gov't - tax incr financing Drafter: mshovers
 Addl. Drafters:
 Extra Copies:

Submit via email: YES
 Requester's email: Sen.Gudex@legis.wisconsin.gov
 Carbon copy (CC) to: eric.mueller@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Extend the life of tax incremental district (TID) #3 in Middleton

Instructions:

See attached. Companion to LRB -3756

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	mshovers 1/25/2016	kfollett 1/25/2016	_____	lparisi 1/25/2016	mbarman 1/25/2016	Local

FE Sent For:

at into
2/1/16

<END>

Shovers, Marc

From: Lakin, Tim
Sent: Monday, January 25, 2016 12:11 PM
To: Shovers, Marc
Subject: LRB-3756/P1 Middleton TID #3
Attachments: middleton#3.pdf

Marc,

Could you please draft this with a new number for Senator Gudex.

Please have it jacketed and sent over.

Thanks,

Tim Lakin

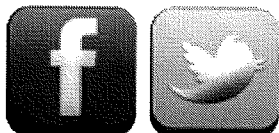
Chief of Staff

Senator Rick Gudex

Room 415-South, State Capital

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Phone 608-266-5300





State of Wisconsin
2015 - 2016 LEGISLATURE

-456811
LRB-3756/P1
MES:cjs
cjs [initials]

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

today
~~no changes~~
Jacket for
(5)

gen

1 AN ACT *to amend* 66.1105 (6) (a) 10., 66.1105 (6) (am) 2. em. and 66.1105 (7) (ak)
2 2.; and *to create* 66.1105 (7) (ak) 4. of the statutes; **relating to:** lengthening
3 the time during which tax increments may be allocated and expenditures for
4 project costs may be made for Tax Incremental District Number 3 in the city of
5 Middleton.

Analysis by the Legislative Reference Bureau

This bill extends the maximum life, the expenditure period, and the time during which tax increments may be allocated with regard to Tax Incremental District Number 3 in the city of Middleton.

Under the current tax incremental financing program, a city or village may create a tax incremental district (TID) in part of its territory to foster development. Once a TID has been created, the Department of Revenue (DOR) calculates the "tax incremental 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 the property taxes collected from the TID that is attributable to the value increment 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 project 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, 20 years, 23 years, or 27 years after the TID is created, depending on the type of TID and the year in which it was created. Also under current law, a city or village may not generally make expenditures for project costs later than five years before the unextended termination date of the TID. Under certain circumstances, the life of the TID, the expenditure period, and the allocation period may be extended.

Under this bill, with regard to Tax Incremental District Number 3 in the city of Middleton, the expenditures for project costs may be made for up to 42 years after the TID was created, the Department of Revenue may allocate tax increments for up to 47 years after the TID's creation, and the maximum life of the TID is extended for ten years.

For further information see the *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:

1 **SECTION 1.** 66.1105 (6) (a) 10. of the statutes is amended to read:
2 66.1105 (6) (a) 10. ~~Thirty-seven~~ Forty-seven years after the tax incremental
3 district is created if the district is Tax Incremental District Number 3 in the city of
4 Middleton.

5 **SECTION 2.** 66.1105 (6) (am) 2. em. of the statutes is amended to read:
6 66.1105 (6) (am) 2. em. Expenditures for project costs for Tax Incremental
7 District Number 3 in the city of Middleton. Such expenditures may be made no later
8 than ~~32~~ 42 years after the district is created and may be made through ~~2025~~ 2035.

9 **SECTION 3.** 66.1105 (7) (ak) 2. of the statutes ^{as affected by 2015 WA 75,} is amended to read:
10 66.1105 (7) (ak) 2. For a district that is created after September 30, 1995, and
11 before October 1, 2004, and that is not subject to subd. 1, ^{or 4.} 23 years after the district
12 was created, and, except as provided in subd. subds. 3. and 5. for a district that is
13 created before October 1, 1995, 27 years after the district is created.

14 **SECTION 4.** 66.1105 (7) (ak) ~~4.~~ ^{5.} of the statutes is created to read:

Lif

①

66.1105 (7) (ak) ⁵4. For Tax Incremental District Number 3 in the city of

2

Middleton, 47 years after the district is created.

3

(END)

Barman, Mike

From: Lakin, Tim
Sent: Monday, January 25, 2016 3:35 PM
To: LRB.Legal
Subject: Draft Review: LRB -4568/1

Please Jacket LRB -4568/1 for the SENATE.