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to Senator LeMahieu

FROM Marc Shovers, Senior Legislative Attorney, (608) 266-0129

DATE January 9, 2017

SUBJECT Technical memorandum to **2017 SB 1** (LRB-1313/1) **by DOR**

We received the attached technical memorandum relating to your bill. This copy is for your information and your file. If you wish to discuss this memorandum or the necessity of revising your bill or preparing an amendment, please contact me.

MEMORANDUM

January 6, 2017

TO: Marc Shovers
Legislative Reference Bureau

FROM: Bob Schmidt
Department of Revenue

SUBJECT: Technical Memorandum on SB 1 (LRB-1313/1), relating to: changing the 12 percent rule regarding the total value of taxable property included in the creation of, or amendment to, a tax incremental financing district in the village of Oostburg.

The department has the following concerns with the bill.

1. Lines 3-4 states: "except that this paragraph does not apply upon the termination of that district." The Department suggests to include the tax incremental district (TID) number within this line: "...this paragraph does not apply upon the termination of TID 3..."
2. The bill requires the DOR to create the TID as if the application had been filed prior to October 31, 2016. Unless the municipality has already passed the TID resolution, the bill does not create an exception to the resolution adoption requirement under Wis. Stat. 66.1105(4)(gm)2. This part of current law determines the TID creation year.
3. The bill does not provide the Village a due date to send the required documents to the DOR. The Department suggests April 1, 2017 as the application due date. Failure to meet this deadline would impact other statutory due dates to include the TID with 2016 creations and 2017 assessment and taxation processes.

If you have any questions regarding this technical memorandum, please contact Craig Steinfeldt at (608) 266-5705.

cc: Senator LeMahieu