

Fiscal Estimate Narratives

DOR 2/12/2025

LRB Number	25-1194/1	Introduction Number	SB-0024	Estimate Type	Original
Description limitations on the total value of taxable property that may be included in, and the lifespan of, a tax incremental financing district created in the city of Middleton					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, the equalized value of taxable property of a new or amended tax incremental district (TID) plus the value increment of all existing TIDs in a city or village may not exceed 12 percent of the total equalized value of taxable property in the city or village. Also, a city or village may extend the life of a tax increment district for up to one-year for housing stock improvement if certain conditions are met. Under the bill, for the City of Middleton and TID number 6, the 12 percent limit does not apply. A housing stock improvement extension may not be exercised with regard to TID number 6 in the city of Middleton.

The fiscal effect is indeterminate as the department does not have any project information or projected financial data on the proposed TID number 6. For 2024, Middleton had a total equalized value of \$5,635,179,100. Middleton currently has 2 TIDs with a combined current value of \$1,067,268,700, and a combined 2024 increment value of \$936,909,600. TID number 3 was created in 1993 and TID number 5 was created in 2009. Middleton is currently over the 12 percent limit at 16.63 percent. Under current law, Middleton cannot create TID number 6 without terminating a current TID, subtracting territory, or waiting until the values fall below the 12 percent limit.

The bill will not affect the increments for existing tax increment districts.

The department's computer software can accommodate this special TID without any additional programming changes and administrative costs.

Long-Range Fiscal Implications