

# NOTICE OF PROPOSED GUIDANCE DOCUMENT

## Tax Incremental Finance

Pursuant to s. 227.112, Wis. Stats., the Wisconsin Department of Revenue is hereby seeking comment on the following proposed Tax Incremental Finance guidance.

Page	Subject
3	Certification
4	Allocation Amendment Fact Sheet
5	Notice of Public Hearing and Joint Review Board Meeting
6	Affordable Housing Extension Resolution
7	Standard Extension Resolution
8	Technical College Extension Resolution
9	Notice of Joint Review Board Meeting
10-14	Checklist PE-109
15-17	Guidelines for Project Plans PE-215
18-23	Resolution Checklist PE-222
24	Extension Types
25-27	Allocation Amendment
28-32	Audits and Annual Report
33-36	Base Value Redetermination
37-40	Creation
41-44	Extensions
45-48	General
49-52	Joint Review Board
53-55	Municipal Expenditures and Debt
56-57	Municipal Owned Property
58-59	Overlaps
60-64	Parcels
65-67	Project Costs
68-69	Project Plan
70-73	Public Notices
74-77	Tax Increments
78-80	Terminations
81-83	Territory Amendments
84-86	Town Tax Incremental Districts Created under sec. 60.23, Wis. Stats.
87-90	Value Limit
91	Creation Timeframes
92	Termination Timeframes
93-94	Annual Report and Audits
95-97	Base Value Redetermination

98-100	Certification Report
101	Distressed / Severely Distressed
102-103	Eligible Projects for a Town Tax Incremental District
104-105	Environmental Remediation Creation
106-107	Forms
108-109	Creation
110-111	Municipal Creation
112-113	Extensions
114-115	Project Plan and / or Allocation Amendments
116-117	Public Notices
118-119	Simultaneous Creation and Subtraction
120-121	Termination
122-123	Territory Amendment (adding parcels)
124-125	Territory Amendment (subtracting parcels)
126-127	Amendment
128-129	Town Creation
130-131	Value Limitation Report

### **PUBLIC COMMENTS AND DEADLINE FOR SUBMISSION**

Comments may be submitted to Wisconsin Department of Revenue until October 21, 2019 by:  
 Emailing [bapdor@wisconsin.gov](mailto:bapdor@wisconsin.gov)

### **LOCATION OF GUIDANCE**

The final version of the guidance documents will be posted  
 at <https://www.revenue.wi.gov/Pages/SLF/tif.aspx> to allow for ongoing comment.

### **AGENCY CONTACT PERSON**

Scott Shields  
[scott.shields@wisconsin.gov](mailto:scott.shields@wisconsin.gov)

### Certification Statement

As the Secretary of the Wisconsin Department of Revenue (DOR), I have reviewed this guidance document or proposed guidance document and I certify that it complies with secs. 227.10 and 227.11, Wis. Stats. I further certify that the guidance document or proposed guidance document contains no standard, requirement, or threshold that is not explicitly required or explicitly permitted by a statute or rule that has been lawfully promulgated. I further certify that the guidance document or proposed guidance document contains no standard, requirement, or threshold that is more restrictive than a standard, requirement, or threshold contained in the Wisconsin Statutes.

DEPARTMENT OF REVENUE

A handwritten signature in black ink, appearing to read "Peter W. Barca". The signature is written in a cursive style with a large initial "P" and a distinct "Barca" at the end.

Peter Barca

Secretary of Revenue

## Allocation Amendment Fact Sheet – Tax Incremental District (TID)

Within the same municipality, a TID with excess funds (the donor) can transfer funds to another TID (the recipient) through an allocation amendment. For comments or more information, visit the Municipal Tax Incremental Finance Project Plan and/or Allocation Amendments [web page](#).

**Donor TID must:**

- Be created under sec. 60.23, sec. 66.1105 or sec. 66.1106 Wis. Stats.
- Have the same overlying taxing jurisdictions as the recipient TID

**Municipality must:**

- Adopt an allocation resolution **before** the expenditure period ends. Allocations may be made after the municipality adopts the resolution through the maximum life of the donor TID.
- Demonstrate the donor TID has sufficient revenue to pay all its current project costs and sufficient surplus revenue to pay eligible costs of the recipient TID
- Update the project plan for the donor TID and include a total amount and yearly breakdown for the allocations, if available

Distressed or Severely Distressed Recipient TID <i>(sec. 66.1105(4e)(d), Wis. Stats.)</i>	Allocations based on Recipient Type <i>(sec. 66.1105(6)(f)2, Wis. Stats.)</i>	Environmental Remediation (ER) TID Created on or before November 29, 2017 <i>(sec. 66.1106(2)(c), Wis. Stats.)</i>
<p>For a recipient TID classified as distressed or severely distressed, the donor TID may contribute excess increments for the below timeframes:</p> <ul style="list-style-type: none"> <li>• <b>Distressed</b> – whichever is less:                             <ul style="list-style-type: none"> <li>○ 10 years past the donor TID's maximum life</li> <li>○ Recipient TID's extended life</li> </ul> </li> <li>• <b>Severely distressed</b> – whichever is less:                             <ul style="list-style-type: none"> <li>○ Until the donor TID exists for 40 years</li> <li>○ Recipient TID's extended life</li> </ul> </li> </ul>	<p>Recipient TID must meet one of the following conditions:</p> <ul style="list-style-type: none"> <li>• Has project costs to create, provide or rehabilitate low-cost housing or to remediate environmental contamination</li> <li>• Is a blighted or rehabilitation/conservation TID</li> <li>• Is an Industrial or mixed-use TID designated as distressed or severely distressed</li> <li>• Is an ER TID</li> </ul> <p><b>Donor restrictions:</b></p> <ul style="list-style-type: none"> <li>• Once an industrial or mixed-use TID created after September 30, 2004 becomes a donor, it can no longer receive the standard extension to its maximum life, per <a href="#">(sec. 66.1105(6)(f)4., Wis. Stats.)</a></li> <li>• An ER TID created under sec. 66.1105 Wis. Stats. may only allocate to another ER TID</li> </ul>	<p>ER TID created under sec. 66.1106 allocating to either:</p> <ul style="list-style-type: none"> <li>• Any ER TID</li> <li>• A TID meeting one of the following conditions <a href="#">(sec. 66.1105(6)(f)2, Wis. Stats.):</a> <ul style="list-style-type: none"> <li>○ Has project costs to create, provide or rehabilitate low-cost housing or to remediate environmental contamination</li> <li>○ Is a blighted or rehabilitation/conservation TID</li> <li>○ Is an industrial or mixed-use TID designated as distressed or severely distressed</li> </ul> </li> </ul>

**NOTICE OF PUBLIC HEARING AND JOINT REVIEW BOARD MEETING  
REGARDING THE PROPOSED PROJECT PLAN AND BOUNDARY  
FOR TAX INCREMENTAL DISTRICT (TID) NUMBER 1  
IN THE CITY OF BADGER, WISCONSIN**

NOTICE IS HEREBY GIVEN, that the City of Badger will hold an organizational Joint Review Board (JRB) meeting on March 30, 2020 at 6:00 p.m. at the Badger City Hall, located at 123 Main Street. The purpose of this meeting is to organize a JRB to consider the proposed Project Plan for TID 1. The meeting is open to the public.

NOTICE IS HEREBY GIVEN, that the Plan Commission, of the City of Badger, will hold a public hearing on March 30, 2020 at 7:00 p.m., at the Badger City Hall, 123 Main Street, Badger, WI regarding the proposed Project Plan and Boundary for TID 1 in the City.

City of Badger TID 1 is generally located in the area [options: give general street area description, parcel numbers, metes and bounds description or include a map at bottom of notice] located within the City's limits.

TID 1 will be classified as a mixed-use district based on the identification and classification of the property proposed to be included within the District.

Proposed public project improvements may include, but are limited to: [Examples to list: site grading, sanitary sewer system improvements, storm water management system improvements, electric service, gas service, communications infrastructure, street improvements, lighting, sidewalks, professional and organizational services, administrative costs, and finance costs.]

Required if applicable: As part of the Project Plan, cash grants may be made by the City of owners, lessees, or developers of property within TID 1.

Use if applicable: The proposed costs include projects within the proposed boundary and within a ½ mile radius of the proposed boundary of the District.

At the public hearing, all persons will be afforded a reasonable opportunity to be heard concerning the proposed Project Plan. A copy of the TID 1 Project Plan and Boundary is available for inspection and will be provided upon request. Arrangements for either inspection or receipt of a copy of the Project Plan may be made by contacting the City Clerk, 123 Main Street, Badger, WI; Phone (123) 444-5678.

Dated this 16<sup>th</sup> day of March, 2020

John A. Doe  
Clerk

Publication Dates: March 16, 2020 and March 23, 2020.

# Tax Incremental District (TID) Affordable Housing Extension Resolution

\_\_\_\_\_ of \_\_\_\_\_ TID \_\_\_\_\_ Resolution \_\_\_\_\_  
(town, village, city) (municipality) (number) (number)

WHEREAS, the \_\_\_\_\_ of \_\_\_\_\_ created TID \_\_\_\_\_ on \_\_\_\_\_, and successfully completed implementation of the project plan and sufficient increment was collected or will be collected in \_\_\_\_\_ from the \_\_\_\_\_ tax roll to pay off its aggregate project costs; and  
(year) (year)

WHEREAS, state law requires termination of a TID after all project costs have been paid, state law (sec. 66.1105(6)(g), Wis. Stats.), does allow extension of a TID up to one year, using the last year of tax increment to improve the \_\_\_\_\_'s housing stock; and

WHEREAS, at least 75 percent of the final increment must benefit affordable housing with the remaining portion used to improve housing stock; and

THEREFORE BE IT RESOLVED, that the \_\_\_\_\_ of \_\_\_\_\_ hereby extends the life of TID \_\_\_\_\_ for \_\_\_\_\_ months to use the final year's increment collected in \_\_\_\_\_ from the \_\_\_\_\_ tax roll to benefit affordable housing; and  
(number) (year) (year)

BE IT FURTHER RESOLVED, the \_\_\_\_\_ of \_\_\_\_\_ shall use the final increment to improve housing quality and affordability by *(describe how funds will be used)*: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ ; and

BE IT FURTHER RESOLVED, that the \_\_\_\_\_ of \_\_\_\_\_ Clerk shall notify the Wisconsin Department of Revenue by providing a copy of this resolution.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
(day) (month) (year)

Resolution introduced and adoption moved by alderperson \_\_\_\_\_  
(name)

Motion for adoption seconded by alderperson \_\_\_\_\_  
(name)

On roll call motion passed by a vote of \_\_\_\_\_ ayes to \_\_\_\_\_ nays  
(number) (number)

ATTEST:

\_\_\_\_\_  
Mayor/Head of Government Signature

\_\_\_\_\_  
Clerk Signature

# Tax Incremental District (TID) Standard Extension Resolution

\_\_\_\_\_ of \_\_\_\_\_ TID \_\_\_\_\_ Resolution \_\_\_\_\_  
(town, village, city) (municipality) (number) (number)

WHEREAS, TID \_\_\_\_\_ was created on \_\_\_\_\_, \_\_\_\_\_ and has a maximum life date of \_\_\_\_\_; and  
(month) (day) (year) (month) (day) (year)

WHEREAS, the \_\_\_\_\_ of \_\_\_\_\_ TID \_\_\_\_\_ is not expected to generate sufficient revenue to recover its project costs within its maximum life; and

WHEREAS, under state law (sec. 66.1105(7)(am)1.- 3., Wis. Stats.), a municipality may request that the Joint Review Board (JRB) extend the life of a TID if the annual and total amount of tax increments over the remaining life of the district are not expected to generate sufficient revenue to recover its project costs.

TID Type: *(check one)*

- Blight – creation resolution adopted 10/1/95 - 9/30/04, allows four additional years
- Rehabilitation/Conservation – creation resolution adopted 10/1/95 - 9/30/04, allows four additional years
- Blight – creation resolution adopted after 10/01/04, allows three additional years
- Rehabilitation/Conservation – creation resolution adopted after 10/01/04, allows three additional years
- Industrial – creation resolution adopted after 10/01/04, allows three additional years
- Mixed-use – creation resolution adopted after 10/01/04, allows three additional years
- Environmental Remediation – creation resolution adopted after 11/29/17, allows three additional years

WHEREAS, under state law (sec. 66.1105(7)(am), Wis. Stats.), the municipality, together with the extension request:

- Provided an independent audit, which demonstrated the TID is unable to pay off its project costs by the required maximum life date *(JRB must approve)*
- Did not provide an independent audit but provided documentation on the TID's finances *(JRB may deny or approve)*

THEREFORE BE IT RESOLVED, that the JRB hereby approves the extension of TID \_\_\_\_\_ by an additional \_\_\_\_\_ years to \_\_\_\_\_; and  
(month) (day) (year)

BE IT FURTHER RESOLVED, that the \_\_\_\_\_ of \_\_\_\_\_ Clerk shall notify the Wisconsin Department of Revenue by providing a copy of this resolution.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
(day) (month) (year)

Resolution introduced and adoption moved by JRB member \_\_\_\_\_  
(name)

Motion for adoption seconded by JRB member \_\_\_\_\_  
(name)

On roll call motion passed by a vote of \_\_\_\_\_ ayes to \_\_\_\_\_ nays  
(number) (number)

ATTEST:

\_\_\_\_\_  
Joint Review board Chairperson Signature

\_\_\_\_\_  
Clerk Signature

# Tax Incremental District (TID) Technical College Extension Resolution

\_\_\_\_\_ of \_\_\_\_\_ TID \_\_\_\_\_ Resolution \_\_\_\_\_  
(town, village, city) (municipality) (number) (number)

WHEREAS, TID \_\_\_\_\_ was created on \_\_\_\_\_, \_\_\_\_\_ and has a maximum life date of \_\_\_\_\_; and  
(month) (day) (year) (month) (day) (year)

WHEREAS, the \_\_\_\_\_ of \_\_\_\_\_ TID \_\_\_\_\_ is not expected to generate sufficient revenue to recover its project costs within its maximum life; and

WHEREAS, under state law (sec. 66.1105(7)(am)4.a, Wis. Stats.), a municipality may request that the Joint Review Board (JRB) extend the life of a TID an additional three years if the annual and total amount of tax increments over the remaining life of the district were adversely impacted by 2013 Wisconsin Act 145; and

WHEREAS, under state law (sec. 66.1105(7)(am)4.b, Wis. Stats.), the municipality, together with the extension request:

- Provided an independent audit, which demonstrated the TID is unable to pay off its project costs by the required maximum life date (*JRB must approve*)
- Did not provide an independent audit but provided documentation on the TID's finances (*JRB may deny or approve*)

WHEREAS, the \_\_\_\_\_ of \_\_\_\_\_ has demonstrated to the JRB that TID \_\_\_\_\_ was adversely impacted by a decrease in revenues following 2013 Wisconsin Act 145; and

THEREFORE BE IT RESOLVED, that the JRB hereby approves the extension of TID \_\_\_\_\_ by an additional three years to \_\_\_\_\_, \_\_\_\_\_, pursuant to Wisconsin Act 254; and  
(month) (day) (year)

BE IT FURTHER RESOLVED, that the \_\_\_\_\_ of \_\_\_\_\_ Clerk shall notify the Wisconsin Department of Revenue by providing a copy of this resolution.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
(day) (month) (year)

Resolution introduced and adoption moved by JRB member \_\_\_\_\_  
(name)

Motion for adoption seconded by JRB member \_\_\_\_\_  
(name)

On roll call motion passed by a vote of \_\_\_\_\_ ayes to \_\_\_\_\_ nays  
(number) (number)

ATTEST:

\_\_\_\_\_  
Joint Review Board Chairperson Signature

\_\_\_\_\_  
Clerk Signature



**NOTICE OF JOINT REVIEW BOARD MEETING  
REGARDING THE PROPOSED PROJECT PLAN AND BOUNDARY  
FOR TAX INCREMENTAL DISTRICT (TID) NUMBER 1  
IN THE CITY OF BADGER, WISCONSIN**

NOTICE IS HEREBY GIVEN, that the City of Badger will hold a Joint Review Board (JRB) meeting on April 20, 2020 at 6:00 p.m. at the Badger City Hall, located at 123 Main Street. The purpose of this meeting is for the JRB to consider approval of the resolution adopted by the Badger Common Council on April 13, 2020 for purposes of considering the proposed Project Plan for TID 1. The meeting is open to the public.

[Optional: can list agenda items]

Persons desiring information on the proposed District and Project Plan may contact the City Clerk at (123) 444-5678.

A copy of the proposed Project Plan is available for review in the Clerk's Office located at the Badger City Hall, 123 Main Street and will be provided upon request.

Dated this 15<sup>th</sup> day of April, 2020

John A. Doe  
Clerk

Publication Dates: April 15, 2020

# Tax Incremental District (TID) Checklist

WI Dept of Revenue – PE-109 (R. 11-19)

This checklist is a guide for creating or amending a TID. If you have comments or questions, contact us at [tif@wisconsin.gov](mailto:tif@wisconsin.gov) or visit our [website](#).

<b>Email the required documents as attachments to: <a href="mailto:tif@wisconsin.gov">tif@wisconsin.gov</a></b> <i>(Note: Do not send the Wisconsin Department of Revenue your checklist; it is for your use only)</i>		Creations			Amendments			
		City/Village and Town (sec. 60.23)	Town (sec. 60.85)	Environmental Remediation (sec. 66.1105)	Territory Addition	Territory Subtraction	Project Plan or Allocation	Base Value Redetermination
<b>Legal Documents – scan all documents together and use name: LegalDocs.pdf</b>								
<input type="checkbox"/>	<b>City/Village Legal Requirements Form</b> – ( <a href="#">PE-605</a> , <a href="#">PE-605T</a> , <a href="#">PE-605A</a> , or <a href="#">PE-605B</a> )	X	X	X	X	X	X	X
<input type="checkbox"/>	<b>Proof you sent a <a href="#">public hearing notice</a> to the overlying taxing jurisdictions before you published it</b> – include copies of cover letters sent with the notices <ul style="list-style-type: none"> <li>• Must be sent by first class mail to administrator of all local government entities, school districts and any special districts (ex: sewer or lake rehabilitation district) with authority to levy taxes on TID property</li> <li>• Public notice must be published <u>twice for creations</u> and <u>once for amendments</u></li> <li>• Public notice must state:               <ul style="list-style-type: none"> <li>○ Proposed project plan will be "provided upon request"</li> <li>○ If applicable, "cash grants will be paid to property owners, lessees or developers as part of a development agreement"</li> <li>○ For an allocation amendment, the donor TID # and recipient TID #</li> </ul> </li> <li>• Cash grants are not eligible project costs for town TIDs (<a href="#">sec. 60.85(1)(h)2.d., Wis. Stats.</a>)</li> </ul>	X	X	X	X	X	X	X
<input type="checkbox"/>	<b>Proof of publication for Joint Review Board (JRB) meeting notice</b> – publish one notice at least <b>5 days</b> before any JRB meeting. The first meeting must be within 14 days after the public hearing notice. Provide a copy of affidavit verifying newspaper publication date and a copy of the <a href="#">meeting notice</a> .	X		X	X	X	X	X
<input type="checkbox"/>	<b>Copy of notice to property owners in the TID</b> – send a notice at least <b>15 days</b> before the public hearing. Provide a copy of the letter with hearing notice or recipient list with hearing notice (include parcel number on letter or recipient list). <ul style="list-style-type: none"> <li>• <b>TID created under <a href="#">sec. 66.1105, Wis. Stats.</a></b> – if the TID is created as Blighted or in need of Rehabilitation/Conservation, send a notice to those property owners whose property was identified as such</li> <li>• <b>TID created under <a href="#">sec. 60.85, Wis. Stats. (Towns)</a></b> – send a copy of the notice to <b>all</b> property owners in the TID</li> </ul>	X	X		X			
<input type="checkbox"/>	<b>Proof of publication for public hearing notice</b> <ul style="list-style-type: none"> <li>• <b>Creation</b> – publish two consecutive notices, one per week, with the second notice at least <b>7 days</b> before the public hearing. Provide a copy of the affidavit verifying newspaper publication dates and readable copies of the actual <a href="#">public hearing notices</a>.</li> <li>• <b>Amendments</b> – publish one notice at least <b>7 days</b> before the public hearing. Provide a copy of the affidavit verifying the newspaper publication date and a readable copy of the actual <a href="#">public hearing notice</a>.</li> </ul>	X	X	X	X	X	X	X
<input type="checkbox"/>	<b>Copy of Planning Commission Resolution or minutes approving TID creation/amendment</b>	X	X	X	X	X	X	X

# Tax Incremental District (TID) Checklist

WI Dept of Revenue – PE-109 (R. 11-19)

<b>Email the required documents as attachments to: <a href="mailto:tif@wisconsin.gov">tif@wisconsin.gov</a></b> <i>(Note: Do not send the Wisconsin Department of Revenue your checklist; it is for your use only)</i>		Creations			Amendments			
<b>Legal Documents – scan all documents together and use name: LegalDocs.pdf</b>		City/Village and Town (sec. 60.23)	Town (sec. 60.85)	Environmental Remediation (sec. 66.1105)	Territory Addition	Territory Subtraction	Project Plan or Allocation	Base Value Redetermination
<input type="checkbox"/>	<p><b>Copy of Municipal Creation Resolution (approving TID boundary and project plan)</b> – must wait <b>14 days</b> after the public hearing to adopt the resolution (creation only). See the <a href="#">Resolution Checklist</a> (PE-222) for all resolution requirements.</p> <ul style="list-style-type: none"> <li>• <b>Territory Amendments</b> – must contain the same findings as the creation resolution</li> <li>• <b>Municipal TIDs under <a href="#">sec. 66.1105, Wis. Stats.</a></b> <ul style="list-style-type: none"> <li>○ Resolutions to add territory must include a finding that the municipality does not exceed the 12 percent TID limit</li> <li>○ Environmental Remediation (ER) TID designated as excluded from the 12 percent limit – include a statement in the resolution (only one ER TID can be designated as excluded)</li> </ul> </li> <li>• <b>Town TIDs under <a href="#">sec. 60.85, Wis. Stats.</a></b> <ul style="list-style-type: none"> <li>○ Must wait at least <b>30 days</b> after the public hearing to adopt the creation resolution</li> <li>○ <b>Resolutions that create or amend district boundaries must include one of these findings:</b> <ul style="list-style-type: none"> <li>▪ Equalized Value (of the district's taxable property and all existing districts) – does not exceed 7 percent of the total Equalized Value of the town's taxable property</li> <li>▪ Equalized Value (of the district's taxable property) plus the value increment of all existing districts – does not exceed 5 percent of the total Equalized Value of the town's taxable property</li> </ul> </li> </ul> </li> </ul>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>
<input type="checkbox"/>	<p><b>Copy of JRB Resolution</b> – must confirm the proposal meets <b>three criteria</b> (<a href="#">sec. 66.1105(4m)(c), Wis. Stats.</a>):</p> <ol style="list-style-type: none"> <li>1. Development would not occur without the TID creation or amendment</li> <li>2. Economic benefits are sufficient to compensate for the cost</li> <li>3. Benefits outweigh the anticipated tax increments to be paid by property owners in the district</li> </ol> <ul style="list-style-type: none"> <li>• TIDs created under <a href="#">sec. 60.23(32)</a> or <a href="#">66.1105</a>, Wis. Stats. – JRB approval must occur within <b>45 days</b> after receiving the municipal resolution</li> <li>• Town TIDs created under <a href="#">sec. 60.85, Wis. Stats.</a> – JRB approval must occur <b>10-45 days</b> after receiving the municipal resolution</li> <li>• JRB must submit its decision to the municipality within <b>7 days</b> after adopting the JRB resolution</li> <li>• <b>For Base Value Redeterminations</b> – resolution confirms a 10 percent decline for <b>2 consecutive years</b></li> <li>• <b>DOR email notification</b> – within <b>60 days</b> of approval</li> </ul>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>
<input type="checkbox"/>	<p><b>Retail Percentage</b> – in the municipal resolution or project plan, include the estimated percentage of territory in the TID that will be devoted to retail business or confirm the percentage is below 35 (<a href="#">sec. 66.1105(5)(b), Wis. Stats.</a>)</p>	<b>X</b>		<b>X</b>	<b>X</b>		<b>X</b>	

# Tax Incremental District (TID) Checklist

WI Dept of Revenue – PE-109 (R. 11-19)

<b>Email the required documents as attachments to: <a href="mailto:tif@wisconsin.gov">tif@wisconsin.gov</a></b> (Note: Do not send the Wisconsin Department of Revenue your checklist; it is for your use only)		Creations			Amendments		
		City/Village and Town (sec. 60.23)	Town (sec. 60.85)	Environmental Remediation (sec. 66.1105)	Territory Addition	Territory Subtraction	Project Plan or Allocation
<b>Boundary and Map – scan the parcel map and legal description and use name: Bounds-Map.pdf</b>							
<input type="checkbox"/>	<b>Boundary Description of the TID</b> – provide the district boundary legal description as adopted in the creation or territory amendment resolution. <ul style="list-style-type: none"> <li>It must be a "metes and bounds" type description describing the district's outer boundaries. It must include more than a list of lots and blocks or legal descriptions of individual parcels.</li> <li>Include a statement that wetlands are excluded at the end of the description, if wetlands exist within the TID boundary.</li> <li>For a territory amendment, provide the full outer TID boundary description, updated with the added parcels and without the subtracted parcels.</li> </ul>	X	X	X	X	X	
<input type="checkbox"/>	<b>Map of the TID with outer boundaries clearly marked and parcels numbered</b> – submit a TID map with all parcel numbers. It must clearly show boundaries, identify streets, and be large enough to read parcel numbers and parcel boundaries. DOR can print 11 in. x 17 inch copies of PDF files; if the map displays best on a larger scale, provide two hard copies. <ul style="list-style-type: none"> <li>Use the same parcel numbers on the map as on the <a href="#">Base Value Workbook</a>. If parcel numbers are too large for the area on the map, use a numbering system to designate the parcel.</li> <li>Label any areas that do not have a parcel number (streets, alleys, rights-of-way, wetlands, or bodies of water)</li> <li>County real property lister may be able to assist with the mapping</li> <li>For amendments, the map must show where parcels are added or subtracted from the original TID</li> <li>For any <b>overlapping</b> TIDs, include a map showing the parcels being overlapped and the overlapped TID boundaries</li> <li>When approving costs within a half-mile radius of the TID, include a map of this area</li> </ul>	X	X	X	X	X	
	<b>County Real Property Lister notification</b> – notify the county real property lister of a TID creation or amendment. Include a list of parcels, map and legal description with the notification.	X	X	X	X	X	
<b>Project Plan – save the project plan and use name: ProjectPlan.pdf</b>							
<input type="checkbox"/>	<b>Project Plan</b> – provide a copy of the project plan. It must contain the items found in the <a href="#">Guidelines for Project Plans</a> (PE-215). <ul style="list-style-type: none"> <li><b>For amendments</b> – if some of the items did not change from the original plan, indicate this in the updated project plan</li> <li><b>For Base Value Redeterminations</b> – update the project plan to show:                             <ul style="list-style-type: none"> <li>Value is at least 10 percent below the base value for <b>2 consecutive years</b> – include the <a href="#">TID Base Redetermination Worksheet</a></li> <li>Financial analysis</li> <li>Statement on expenditure option selected (<a href="#">sec. 66.1105(5)(i), Wis. Stats. (3, 4 or 5)</a>)</li> </ul> </li> <li><b>For ER TIDs</b> – indicate the expenditure option selected (<a href="#">sec. 66.1105(20m)(b)2, Wis. Stats. (a or b)</a>)</li> <li><b>For Town TIDs</b> – created under <a href="#">sec. 60.23(32), Wis. Stats.</a>, include statements addressing:                             <ul style="list-style-type: none"> <li><b>Population</b> for prior year (must be at least 3,500)</li> <li><b>Equalized Value</b> for prior year (must be at least \$500,000,000)</li> <li><b>Sewer service</b> that serves or will serve the TID</li> </ul> </li> </ul> <b>Expenditure</b> option selected ( <a href="#">sec. 60.23(32)(f)2., Wis. Stats (a, b, or c)</a> )						
<input type="checkbox"/>	<b>DNR Certification</b> – provide a dated copy of DNR's certification and a copy of the site investigation report						

# Tax Incremental District (TID) Checklist

WI Dept of Revenue – PE-109 (R. 11-19)

<b>Email the required documents as attachments to: <a href="mailto:tif@wisconsin.gov">tif@wisconsin.gov</a></b> <i>(Note: Do not send the Wisconsin Department of Revenue your checklist; it is for your use only)</i>		Creations			Amendments		
		City/Village and Town (sec. 60.23)	Town (sec. 60.85)	Environmental Remediation (sec. 66.1105)	Territory Addition	Territory Subtraction	Project Plan or Allocation
<b>Equalized Value Excel Forms – save the Excel Workbook and use name: Value Forms.pdf</b>							
<input type="checkbox"/>	<b>Creation or Territory Addition Amendment</b> – use the <a href="#">Base Value Workbook</a> (Excel) <ul style="list-style-type: none"> <li>• Enter information in the Excel workbook and save as a PDF when complete. Follow the instructions in the workbook. The workbook has tabs for each form listed below:               <ul style="list-style-type: none"> <li>○ PE-606 – Equalized Value Determination Request</li> <li>○ PE-608 – TID Parcel List - Locally Assessed Property</li> <li>○ PE-601A – TID - Local Personal Property</li> <li>○ PE-619 – TID Parcel List - Municipal-Owned Property</li> <li>○ PE-608M – TID Parcel List - Manufacturing Real Property</li> <li>○ PE-608MP – TID - Manufacturing Personal Property</li> <li>○ PE-615A – TID Assessment Summary. Only include information for the locally assessed parcels added to the TID. Do not include municipal-owned or manufacturing parcels.</li> <li>○ Clerk Signature – clerk must complete and sign (print hard copy, sign, and scan)</li> <li>○ Assessor Signature – assessor must complete and sign (print hard copy, sign, and scan)</li> <li>○ If the TID does not have property for a specific form, enter "None" on the form</li> </ul> </li> <li>• For a territory addition amendment only include information for the added parcels</li> </ul>	X	X	X	X		
<input type="checkbox"/>	<b>Subtraction Territory Amendment</b> – use the <a href="#">Territory Subtraction Workbook</a> <ul style="list-style-type: none"> <li>• Use the Excel workbook and keep the Subtraction Parcel List in the Excel format. Follow the instructions in the workbook. The workbook has tabs for each form listed below:               <ul style="list-style-type: none"> <li>○ PE-606 – Equalized Value Determination Request</li> <li>○ Parcel - Base Values – (email to DOR as an Excel file)</li> <li>○ Parcel - Current Values – (email to DOR as an Excel file)</li> <li>○ Clerk Signature – clerk must complete and sign (print hard copy, sign, and scan)</li> <li>○ Assessor Signature – assessor must complete and sign (print hard copy, sign, and scan)</li> </ul> </li> <li>• For a territory subtraction amendment, only include information for the subtracted property</li> </ul>				X		
<input type="checkbox"/>	<b>Special Circumstances</b> <ul style="list-style-type: none"> <li>• <b>Annexation</b> – report annexed parcels and/or personal property using a separate <a href="#">Base Value Workbook</a> <ul style="list-style-type: none"> <li>○ Use the value of the property in the town as of January 1 of the year the TID was created or amended</li> <li>○ Signature pages – both the town clerk and town assessor must complete and sign the forms</li> <li>○ If the TID has no property for a specific form, enter "None" on the form</li> </ul> </li> <li>• <b>Multiple County TIDs</b> – when TID parcels are located in more than one county:               <ul style="list-style-type: none"> <li>○ Submit a <a href="#">Base Value Workbook</a> for each county</li> <li>○ If the TID has no property for a specific form, enter "None" on the form</li> </ul> </li> </ul>	X	X	X	X	X	
<input type="checkbox"/>	<b>Assessor Input</b> – DOR recommends involving both the municipal and manufacturing assessors when developing the TID to confirm the assessed values	X	X	X	X	X	

# Tax Incremental District (TID) Checklist

WI Dept of Revenue – PE-109 (R. 11-19)

<input type="checkbox"/>	<p><b>Copies of Appraisals</b> – if a TID is created at the same time as an amendment to subtract territory from an existing district without stating in the resolution that the TID meets the 12 percent limit under <a href="#">sec. 66.1105(17), Wis. Stats.</a>, the municipality must provide DOR with two appraisals from a certified appraiser, under <a href="#">sec. 458.01(7), Wis. Stats.</a></p> <ul style="list-style-type: none"> <li><b>Appraisals must contain the current fair market value of the taxable property</b> – for the new district and the territory being subtracted from the existing district</li> <li><b>Both appraisals must show</b> – the value of the taxable property subtracted from an existing district equals or exceeds the amount necessary to meet the 12 percent limit when the new district is created</li> </ul>	<b>X</b>		<b>X</b>		<b>X</b>		
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TIF Fees				Creations			Amendments																						
				City/Village and Town (sec. 60.23)	Town (sec. 60.85)	Environmental Remediation (sec. 66.1105)	Territory Addition	Territory Subtraction	Project Plan or Allocation	Base Value Redetermination																			
<input type="checkbox"/>	<p><b>Tax Incremental Financing Remittance Fee</b> – pay all fees electronically through <a href="#">My Tax Account</a></p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 30%;">Type</th> <th style="width: 15%;">Fee</th> <th style="width: 30%;">Type</th> <th style="width: 15%;">Fee</th> </tr> </thead> <tbody> <tr> <td>New TID (creation)</td> <td style="text-align: center;">\$1,000</td> <td>Project Plan Amendment</td> <td style="text-align: center;">\$0</td> </tr> <tr> <td>Territory Amendment (add or subtract)</td> <td style="text-align: center;">\$1,000</td> <td>Allocation Amendment</td> <td style="text-align: center;">\$0</td> </tr> <tr> <td>Territory Amendment (add and subtract)</td> <td style="text-align: center;">\$2,000</td> <td>Administrative fee (per active TID per year)</td> <td style="text-align: center;">\$150</td> </tr> <tr> <td>Base Value Redetermination Amendment</td> <td style="text-align: center;">\$1,000</td> <td></td> <td></td> </tr> </tbody> </table>			Type	Fee	Type	Fee	New TID (creation)	\$1,000	Project Plan Amendment	\$0	Territory Amendment (add or subtract)	\$1,000	Allocation Amendment	\$0	Territory Amendment (add and subtract)	\$2,000	Administrative fee (per active TID per year)	\$150	Base Value Redetermination Amendment	\$1,000			<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>
Type	Fee	Type	Fee																										
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Base Value Redetermination Amendment	\$1,000																												

TIF Timeframes	Municipal Resolution Adopted
<b>2019 TID Documents</b>	
<ul style="list-style-type: none"> <li><b>Due on or before October 31, 2020</b> – Municipal Creation (including towns under secs. <a href="#">66.1105</a> and <a href="#">60.23(32)</a>, Wis. Stats.), Territory Amendment, or Base Value Redetermination</li> </ul>	<b>October 1, 2019 - September 30, 2020</b>
<ul style="list-style-type: none"> <li><b>Due on or before December 31, 2020</b> – Town Creation (under <a href="#">sec. 60.85, Wis. Stats.</a>)</li> </ul>	<b>October 1, 2019 - September 30, 2020</b>
<ul style="list-style-type: none"> <li><b>Due on or before December 31, 2020</b> – Project Plan Amendment or Allocation Amendment</li> </ul>	<b>January 1, 2020 - December 31, 2020</b>
<b>2020 TID Documents</b>	
<ul style="list-style-type: none"> <li><b>Due on or before October 31, 2021</b> – Municipal Creation (including towns under secs. <a href="#">66.1105</a> and <a href="#">60.23(32)</a>, Wis. Stats.), Territory Amendment, or Base Value Redetermination</li> </ul>	<b>October 1, 2020 - September 30, 2021</b>
<ul style="list-style-type: none"> <li><b>Due on or before December 31, 2021</b> – Town Creation (under <a href="#">sec. 60.85, Wis. Stats.</a>)</li> </ul>	<b>October 1, 2020 - September 30, 2021</b>
<ul style="list-style-type: none"> <li><b>Due on or before December 31, 2021</b> – Project Plan Amendment or Allocation Amendment</li> </ul>	<b>January 1, 2021 - December 31, 2021</b>

# Guidelines for Project Plans – Tax Incremental Financing (TIF)

Under state law (secs. [66.1105\(4\)\(f\)](#), [60.85\(3\)\(f\)](#) and [60.23\(32\)\(f\)2.](#), Wis. Stats.) the following information must be included in the project plan for a Tax Incremental District (TID). A municipality must make this plan available to the public. Contact us with comments or questions: [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

An amended project plan must include the same information. Indicate if the information has not changed from the original/prior project plan.

- 1. State number, location and type of proposed public works** – describe the general goals of the TID, including TID type, a list of major public improvement categories, and the reason for each improvement

**General category examples:**

- Utilities (ex: sanitary or storm sewer; water system improvements, gas or electric infrastructure)
- Streets and amenities
- Site preparation
- Land assembly costs
- Administrative and organizational costs
- Relocation costs
- Financing costs
- Development incentives/cash grants\*

\* Eligible project costs **only** if the developer and municipality signed a development agreement and the intention to provide cash grants is indicated in the public hearing notice. Cash grants are not eligible project costs for town TIDs ([sec. 60.85\(1\)\(h\)2.d., Wis. Stats.](#))

- 2. Economic feasibility study** – there are several ways to prepare an economic feasibility study, but the study must include:

- Indication the municipality has the resources to finance proposed projects (ex: a general obligation borrowing limit projection or the non-general obligation securities the municipality will use)
- Anticipated value of new development
- Projected tax increment revenues and when the municipality will receive them
- Table showing the annual cash flow during the TID's life and that revenues should cover the anticipated expenditures
- Municipality's general economic condition and impact of the anticipated development

- 3. Detailed list of project costs**

**Include:**

- Financing costs
- Estimated expenditures for each major category of public improvements (See #1 above – General category examples)
- Specific improvements paid with TIF increments
- Amount and improvements not paid with tax increments (non-project costs)
- Total costs (both paid **and** not paid with increments)
- For costs not paid with increment revenue, include details of the planned revenue sources (ex: grants, special assessments, utility assessments, other tax revenue or other sources)

- 4. Description of how the projects will be financed** – include the financing methods, timeframes for those costs or planned monetary obligations

**Example** – if the municipality intends to issue municipal bonds to finance the projects:

- Show the security type and repayment schedule
- Show when it expects to complete each project
- Plan a bond issue based on the expenditures for each year
- Budget a bond issue to pay for projects to be completed in more than one year

**5. Proposed changes in zoning ordinances, master plan, building codes, map, and city ordinances**  
Describe any changes made or proposed changes because of the TID. If none are planned, state this.

**6. List and estimate non-project costs** – state law (sec. [66.1105\(2\)\(f\)2](#) and sec. [60.85\(1\)\(h\)2](#), Wis. Stats.), lists costs that are not allowable project costs, including:

- Construction or expansion of administrative buildings
- General government operating expenses unrelated to the TID development
- Cash grants to developers without a signed development agreement

**Allowable project costs** – limited to the amount that benefits the TID.

**Non-project costs** – are projects that only partly benefit the TID or are costs not eligible for payment by tax increments. If the project benefits property outside the district, that part of the cost is a non-project cost.

**Examples of non-project costs:**

- Partially “non-project” – interceptor sewer or water tower serving property both in and out of the TID
- Ineligible costs – costs paid by special assessments to property owners or paid with user fees; general government operating expenses not related to the project

**7. Plan for relocating any displaced persons or businesses** – if relocation of people or businesses is expected due to the project, describe how the municipality will comply with state law ([sec. 32.19, Wis. Stats., Wis. Stats.](#)). Contact the municipal attorney to determine the required actions.

**Using TIF does not relieve** the municipality of its responsibility to pay relocation benefits. These are an eligible project cost; the municipality can pay them with tax increments.

**8. Describe how the district’s creation promotes the municipality’s orderly development** – explain how the development fits into the community’s overall development plan

**Examples:**

- Using TIF to offset some costs, the municipality can encourage development in the desired area rather than using open areas where costs may be lower
- A specified company will be able to build a new facility increasing the tax base and creating jobs

**9. Map** – show existing uses and conditions of real property in the district

**10. Map** – show proposed improvements and uses in the district

**11. Map** – show ½ mile radius around TID boundary, if applicable (DOR requirement only)

**12. Signed attorney’s opinion that the plan is complete and complies with the state law**

- Written by municipality attorney or attorney hired by the municipality
- Opinion must be on municipal or attorney’s letterhead and include the attorney’s signature

**13. For town TIDs created under sec. 60.23(32), Wis. Stats.** – specify the expenditure option selected:

- **Option (a)** – ([sec. 60.23\(32\)\(f\)2.a. Wis. Stats.](#))
  - At least 51 percent of the public infrastructure improvement value must be financed by a private developer or entity
  - Development agreement is required to receive cash grants which will solely repay the developer or entity for public infrastructure costs
- **Option (b)** – ([sec. 60.23\(32\)\(f\)2.b. Wis. Stats.](#))
  - The town expects all project costs to be paid within 90 percent of the TID’s remaining life
- **Option (c)** – ([sec. 60.23\(32\)\(f\)2.c. Wis. Stats.](#))
  - Expenditures may be made only within the first half of the TID’s remaining life
  - Joint Review Board can unanimously approve additional expenditures but not beyond the original expenditure period



**14. For Environmental Remediation TIDs created under sec. 66.1105., Wis. Stats.** – specify the expenditure option selected:

- **Option (a)** – ([sec. 66.1105\(20m\)\(b\)2.a. Wis. Stats.](#))
  - All project costs are expected to be paid within 90 percent of the TID's remaining life
- **Option (b)** – ([sec. 66.1105\(20m\)\(b\)2.b. Wis. Stats.](#))
  - Expenditures may be made only within the first half of the TID's remaining life
  - Limitation on the expenditure period does not apply to any expenditure made to address significant environmental pollution not identified in the original certified site investigation report
  - No expenditures may be made beyond the original expenditure period

**15. For Base Value Redetermination amendments** – specify the expenditure option selected:

- **Option (3)** – ([sec. 66.1105\(5\)\(i\)3. Wis. Stats.](#))
  - At least 51 percent of the public infrastructure improvement value must be financed by a private developer or entity
  - Development agreement is required to receive cash grants which will solely repay the developer or entity for public infrastructure costs
- **Option (4)** – ([sec. 66.1105\(5\)\(i\)4. Wis. Stats.](#))
  - All project costs are expected to be paid within 90 percent of the TID's remaining life
- **Option (5)** – ([sec. 66.1105\(5\)\(i\)5. Wis. Stats.](#))
  - Expenditures may be made only within the first half of the TID's maximum life
  - Joint Review Board can unanimously approve additional expenditures but not beyond the original expenditure period

# Tax Incremental District (TID) – Resolution Checklist

(sec. 66.1105, sec. 60.23 and sec. 60.85, Wis. Stats.)

This checklist lists the resolution requirements when creating or amending a TID. If you have comments or questions, contact us at [tif@wisconsin.gov](mailto:tif@wisconsin.gov).

Planning Commission Resolution Requirements		Creations		Amendments			
		City/Village (66.1105) or Town (60.23)	Town (60.85)	Territory	Project Plan	Allocation	Base Value Redetermination
<input type="checkbox"/>	Provide the proposed or amended TID name/number	X	X	X	X	X	X
<input type="checkbox"/>	<b>Recommend TID boundaries:</b> <ul style="list-style-type: none"> <li>Only include whole parcels</li> <li>Must be contiguous – not connected only by railroad rights-of-way, rivers or highways</li> <li>Review additional definitions and legal requirements under state law (secs. <a href="#">66.1105(2)(k)</a> and <a href="#">66.1105(4)(gm)1.</a> or secs. <a href="#">60.85(1)(n)</a> and <a href="#">60.85(3)(h)1.</a>, Wis. Stats.)</li> </ul>	X	X	X			
	State boundaries are not changing				X	X	X
<input type="checkbox"/>	Approve the proposed project plan	X	X	X	X	X	X
Municipal Resolution Requirements		Creations		Amendments			
		City/Village (66.1105) or Town (60.23)	Town (60.85)	Territory	Project plan	Allocation	Base Value Redetermination
<input type="checkbox"/>	<b>Designate final TID boundaries:</b> <ul style="list-style-type: none"> <li>Only include whole parcels</li> <li>Must be contiguous – not connected only by railroad rights-of-way, rivers or highways</li> <li>Review additional definitions and legal requirements under state law (secs. <a href="#">66.1105(2)(k)</a> and <a href="#">66.1105(4)(gm)1.</a> or secs. <a href="#">60.85(1)(n)</a> and <a href="#">60.85(3)(h)1.</a>, Wis. Stats.)</li> </ul>	X	X	X			
	State boundaries are not changing				X	X	X
<input type="checkbox"/>	Adopt the project plan – include a statement approving and adopting the TID's project plan	X	X	X	X	X	X
<input type="checkbox"/>	<b>Name the TID</b> – assign a name to the district for identification purposes. Name the first district created, "Tax Incremental District Number One, City/Town of ____ in ____ County" Assign each following district the next consecutive number.	X	X				
	Provide the TID number being amended			X	X	X	X

## Tax Incremental District (TID) – Resolution Checklist

(sec. 66.1105, sec. 60.23 and sec. 60.85, Wis. Stats.)

<b>Municipal Resolution Requirements (cont.)</b>		Creations		Amendments			
		City/Village (66.1105) or Town (60.23)	Town (60.85)	Territory	Project plan	Allocation	Base Value Redetermination
<input type="checkbox"/>	<p><b>Establish creation date</b> – <i>"The Common Council of the City/Village/Town of (name of municipality) hereby creates a tax increment district which is effective January 1, (creation year)."</i></p> <p>The creation year is determined by the municipal resolution date. See the <a href="#">Creation Timeframes table</a> for more information. The month and day is always January 1. The municipal assessor uses this date for parcel values in a newly created TID.</p>	<b>X</b>	<b>X</b>				
	<p><b>Establish amendment date</b> – <i>"The Common Council of the City/Village/Town of (name of municipality) hereby amends tax increment district number ___ effective January 1, (amendment year)."</i></p> <p>The amendment year is determined by the municipal resolution date. The month and day is always January 1. The municipal assessor uses this date for parcel values when adding parcels to an existing TID.</p>			<b>X</b>			<b>X</b>
<input type="checkbox"/>	<p><b>Confirm at least 50 percent (by area) of the real property within the district meets one or more of the following criteria. The real property is:</b></p> <ul style="list-style-type: none"> <li>• A "blighted area" (<a href="#">sec. 66.1105(2)(ae)1., Wis. Stats.</a>)</li> <li>• In need of "rehabilitation or conservation work" (<a href="#">sec. 66.1337(2m)(a), Wis. Stats.</a>)</li> <li>• Suitable for "industrial sites" and has been zoned for industrial use (<a href="#">sec. 66.1101, Wis. Stats.</a>)</li> <li>• Suitable for "mixed-use development" (<a href="#">sec. 66.1105(2)(cm), Wis. Stats.</a>)</li> <li>• Certified as containing significant environmental pollution through Wisconsin Department of Natural Resources' approved site investigation report (<a href="#">sec. 66.1105(20m)(c), Wis. Stats.</a>)</li> </ul>	<b>X</b>		<b>X</b>			
<input type="checkbox"/>	<p><b>Declare TID type as only one of the following:</b></p> <ul style="list-style-type: none"> <li>• Blighted area district</li> <li>• Rehabilitation or conservation district</li> <li>• Industrial district</li> <li>• Mixed-use district</li> <li>• Environmental remediation district</li> </ul>	<b>X</b>					
	<b>Provide TID type and confirm the type remains the same</b>			<b>X</b>			

## Tax Incremental District (TID) – Resolution Checklist

(sec. 66.1105, sec. 60.23 and sec. 60.85, Wis. Stats.)

<b>Municipal Resolution Requirements (cont.)</b>		Creations		Amendments			
		City/Village (66.1105) or Town (60.23)	Town (60.85)	Territory	Project plan	Allocation	Base Value Redetermination
<input type="checkbox"/>	<p><b>Confirm the project costs relate directly to <u>only one</u> of the following:</b></p> <ul style="list-style-type: none"> <li>• Eliminating blight</li> <li>• Rehabilitating or conserving the area</li> <li>• Promoting industrial development</li> <li>• Promoting mixed-use development</li> <li>• Remediating the environment</li> </ul> <p>This declaration must be consistent with the purpose and TID type. If not exclusively one of the above reasons, base the declaration on the predominant classification.</p>	<b>X</b>		<b>X</b>	<b>X</b>		
<input type="checkbox"/>	<p><b>Confirm:</b></p> <ul style="list-style-type: none"> <li>• Equalized Value of the district's taxable property plus the value increment of all existing districts <b>does not exceed 12 percent</b> of the municipality's total Equalized Value of taxable property</li> </ul>	<b>X</b>		<b>X</b> (add)			
	<p><b><u>If declared an Environmental Remediation (ER) type TID,</u></b></p> <p><b>Confirm either:</b></p> <ul style="list-style-type: none"> <li>• Designated as excluded from the 12 percent limit (only applies if there is no other ER TID created under <a href="#">sec. 66.1105, Wis. Stats.</a>, designated as excluded from the 12 percent limit)</li> <li>• Designated as included in the 12 percent limit</li> </ul>	<b>X</b>		<b>X</b>			
	<p><b>Confirm the territory amendment is a subtraction</b> and the 12 percent limit does not apply</p>			<b>X</b> (subtract)			
<input type="checkbox"/>	<p><b>Confirm improvement of the area "<u>is likely to significantly enhance</u>" all the other real property's value</b></p>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>
<input type="checkbox"/>	<p><b>Confirm the project plan <u>is feasible and in conformity</u> with the municipality's master plan</b></p>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>
<input type="checkbox"/>	<p><b>Percentage of territory within the TID devoted to retail business at the end of the expenditure period</b></p> <p><b>State either:</b></p> <ul style="list-style-type: none"> <li>• Estimated percentage</li> <li>• Percentage is under 35 percent</li> </ul>	<b>X</b>		<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>

## Tax Incremental District (TID) – Resolution Checklist

(sec. 66.1105, sec. 60.23 and sec. 60.85, Wis. Stats.)

<b>Municipal Resolution Requirements (cont.)</b>		Creations		Amendments			
		City/Village (66.1105) or Town (60.23)	Town (60.85)	Territory	Project plan	Allocation	Base Value Redetermination
<input type="checkbox"/>	<p><b>For any annexed parcels, confirm <u>one</u> of the following:</b></p> <ul style="list-style-type: none"> <li>• Three years have elapsed since the territory was annexed (for any parcels not within the municipality's boundaries on January 1, 2004)</li> <li>• Municipality has a cooperative plan boundary agreement with the town (under sec. <a href="#">66.0307</a>, or <a href="#">66.0301(6)</a>, Wis. Stats.)</li> <li>• Municipality pledges to pay the town an amount equal to the property taxes the town levied on the territory for each of the next five years</li> </ul>	X		X			
<input type="checkbox"/>	<p><b>If declared an Industrial type TID, confirm the real property within the district is suitable for industrial sites:</b></p> <ul style="list-style-type: none"> <li>• Is zoned for industrial use</li> <li>• Will remain zoned for industrial use for the life of the TID</li> </ul>	X		X			
<input type="checkbox"/>	<p><b>If declared a mixed-use type TID:</b></p> <ul style="list-style-type: none"> <li>• Confirm less than 35 percent of the district is land proposed for newly platted residential development</li> <li>• Provide which of the following applies for newly platted residential development (<a href="#">sec. 66.1105(2)(f)3., Wis. Stats.</a>):                             <ul style="list-style-type: none"> <li>○ Residential housing density is at least three units per acre</li> <li>○ Residential housing is located in a conservation subdivision, as defined in <a href="#">sec. 66.1027(1)(a), Wis. Stats.</a></li> <li>○ Residential housing is located in a traditional neighborhood development, as defined in <a href="#">sec. 66.1027(1)(c), Wis. Stats.</a></li> </ul> </li> </ul>	X		X	X		
<input type="checkbox"/>	<p><b>Confirm at least 75 percent (by area) of the real property within the district will be used for a single project type listed under state law (<a href="#">sec. 60.85, Wis. Stats.</a>) (agricultural, forestry, manufacturing, tourism)</b></p>		X				
<input type="checkbox"/>	<p><b>State the district's project costs are limited to those specified in <a href="#">sec. 60.85(2)(b), Wis. Stats.</a>, and <u>directly promote agriculture, forestry, manufacturing, or tourism development</u></b></p>		X				
<input type="checkbox"/>	<ul style="list-style-type: none"> <li>• <b>Declare the district will be <u>one</u> of these project types:</b> <ul style="list-style-type: none"> <li>○ <u>Agricultural</u> – crop production, animal production, support agriculture activities, support animal production activities, and/or farm product refrigerated warehousing and storage</li> <li>○ <u>Forestry</u> – forestry and logging, and/or support forestry activities</li> <li>○ <u>Manufacturing</u> – animal slaughtering and processing, wood product manufacturing, paper manufacturing, and/or ethyl alcohol manufacturing</li> <li>○ <u>Tourism</u> – recreational and vacation camps, recreational vehicle parks and campgrounds, racetracks, dairy product stores, and/or public golf courses</li> </ul> </li> <li>• <b>Identify the North American Industry Classification System (1997 edition) industry number for each project (<a href="#">Eligible Projects for a Town TID</a>)</b></li> </ul>		X				

## Tax Incremental District (TID) – Resolution Checklist

(sec. 66.1105, sec. 60.23 and sec. 60.85, Wis. Stats.)

<b>Municipal Resolution Requirements (cont.)</b>		Creations		Amendments			
		City/Village (66.1105) or Town (60.23)	Town (60.85)	Territory	Project Plan	Allocation	Base Value Redetermination
<input type="checkbox"/>	<p><b>State <u>either</u> – the Equalized Value of the taxable property of the district plus:</b></p> <ul style="list-style-type: none"> <li>All existing districts <b>does not exceed 7 percent</b> of the town's total Equalized Value of taxable property</li> <li>The value increment of all existing districts in the town <b>does not exceed 5 percent</b> of the town's total Equalized Value of taxable property</li> </ul>		<b>X</b>	<b>X</b> (60.85 only)			
<input type="checkbox"/>	<p><b>If declared manufacturing type TID, confirm any real property within the district intended for a manufacturing project is:</b></p> <ul style="list-style-type: none"> <li>Zoned for industrial use</li> <li>Will remain zoned for industrial use for the life of the TID</li> </ul>		<b>X</b>	<b>X</b> (60.85 only)			
<input type="checkbox"/>	<p><b>Confirm the <u>allocation type by law section</u>:</b></p> <ul style="list-style-type: none"> <li>Recipient is <u>Distressed or Severely Distressed</u> (<a href="#">sec. 66.1105(4e)(d), Wis. Stats.</a>)</li> <li><u>Recipient TID</u> is one of the types in <a href="#">sec. 66.1105(6)(f)2, Wis. Stats.</a></li> <li><u>Donor TID</u> is an ER TID and recipient type is in <a href="#">sec. 66.1106(2)(c), Wis. Stats.</a></li> </ul> <p>See the <a href="#">Allocation Fact Sheet</a> for more details on available allocation types.</p>				<b>X</b>		
<input type="checkbox"/>	<b>Confirm the <u>donor and recipient TID have the same overlying taxing jurisdictions</u></b>				<b>X</b>		
<input type="checkbox"/>	<p><b>Confirm <u>both</u> – the donor TID has sufficient:</b></p> <ul style="list-style-type: none"> <li><u>Revenue</u> to pay all current project costs</li> <li><u>Surplus</u> to pay eligible costs of the recipient TID</li> </ul>				<b>X</b>		
<input type="checkbox"/>	<b>Specify an amount allocated to the recipient TID</b>				<b>X</b>		
<input type="checkbox"/>	<b>Confirm the TID meets the <u>decrement criteria</u>. Show that the TID's two prior years equalized values are 10 percent below the base value.</b>					<b>X</b>	

**Tax Incremental District (TID) – Resolution Checklist**  
(sec. 66.1105, sec. 60.23 and sec. 60.85, Wis. Stats.)

<b>Joint Review Board Resolution Requirements</b>		Creations		Amendments			
		City/Village (66.1105) or Town (60.23)	Town (60.85)	Territory	Project Plan	Allocation	Base Value Redetermination
<input type="checkbox"/>	<b>Provide the TID name/number</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>
<input type="checkbox"/>	<b>Approve the Municipal TID Creation/Amendment Resolution</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>
<input type="checkbox"/>	<b>Confirm the proposal meets <u>three criteria</u> (<a href="#">sec. 66.1105(4m)(c)</a>, and <a href="#">sec. 60.85(4)(c)</a>, Wis. Stats.):</b> 1. Development would not occur without the TID creation or amendment 2. Economic benefits are sufficient to compensate for the cost 3. Benefits outweigh the anticipated tax increments to be paid by the district's property owners	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>
<input type="checkbox"/>	<b>Confirm the proposal's costs meet the project type limitations in <a href="#">sec. 60.85(2)(b)</a>, Wis. Stats.</b>		<b>X</b>	<b>X</b> (60.85 only)			

## Tax Incremental District (TID) – Extension Types

	Standard	Technical College	Affordable Housing
<b>Purpose</b>	<ul style="list-style-type: none"> <li>Allows additional time to pay incurred project costs</li> <li>Extension does not change the expenditure period</li> </ul>	<ul style="list-style-type: none"> <li>Allows additional time to pay incurred project costs for TIDs affected by 2013 Act 145</li> <li>Extension does not change the expenditure period</li> </ul>	Allows use of a final increment for affordable housing: <ul style="list-style-type: none"> <li>At least 75% of the final increment must benefit affordable housing* in the municipality; remaining portion must be used to improve housing in the municipality</li> <li>Resolution must specify how the municipality will improve housing stock</li> </ul>
<b>Number of additional years allowed</b>	<p><b>4 years</b> (municipal resolution adopted 10/1/95 - 9/30/04)</p> <ul style="list-style-type: none"> <li>Blight</li> <li>Rehabilitation/Conservation</li> </ul> <p><b>3 years</b> (municipal resolution adopted after 10/1/04)</p> <ul style="list-style-type: none"> <li>Blight</li> <li>Rehabilitation/Conservation</li> <li>Industrial</li> <li>Mixed-use</li> </ul> <p>(municipal resolution adopted after 11/29/17)</p> <ul style="list-style-type: none"> <li>Environmental Remediation</li> </ul>	<b>3 years</b>	<b>1 year</b>
<b>Availability</b>	TIDs listed above created under 66.1105, Wis. Stats.	Any TID created under 66.1105, Wis. Stats. with a municipal resolution before 10/1/14	Any TID created under 66.1105, Wis. Stats.
<b>Exclusions</b>	<ul style="list-style-type: none"> <li>TID with municipal resolution adopted before 10/1/95</li> <li>Industrial TID with municipal resolution adopted 10/1/95 - 9/30/04</li> <li>Town TID created under 60.85, Wis. Stats.</li> <li>Environmental Remediation TID created under 66.1106 Wis. Stats. on or before 11/29/17</li> <li>Any <b>donor</b> Industrial or Mixed-use TID with municipal resolution adopted after 10/1/04</li> </ul>	<ul style="list-style-type: none"> <li>TID with municipal resolution adopted after 9/30/14 under 66.1105, Wis. Stats.</li> <li>Town TID created under 60.85, Wis. Stats.</li> <li>Environmental Remediation TID</li> </ul>	<ul style="list-style-type: none"> <li>Town TID created under 60.85, Wis. Stats.</li> <li>Environmental Remediation TID with municipal resolution adopted on or before 11/29/17 under 66.1106, Wis. Stats.</li> </ul>
<b>Required resolution**</b>	Joint Review Board	Joint Review Board	Municipal
<b>Information for resolution approval</b>	<ul style="list-style-type: none"> <li>Documents show the TID cannot repay project costs within its maximum life</li> <li>If an independent audit is provided, the JRB must approve the extension</li> </ul>	<ul style="list-style-type: none"> <li>Documents show the TID increments were negatively impacted by 2013 Act 145</li> <li>If an independent audit is provided, the JRB must approve the extension</li> </ul>	Documents show the TID has paid all its project costs
<b>Law reference</b>	<a href="#">66.1105(7)(am)1, 2, 3</a>	<a href="#">66.1105(7)(am)4</a>	<a href="#">66.1105(6)(g)</a>

\* Affordable housing means housing that costs no more than 30 percent of the household's gross monthly income

\*\*Email a scanned copy of the adopted resolution to [tif@wisconsin.gov](mailto:tif@wisconsin.gov). Contact us with comments or questions: [tif@wisconsin.gov](mailto:tif@wisconsin.gov)



# Tax Incremental Finance (TIF) - Allocation Amendments

[Secs. 66.1105](#) and [66.1106, Wis. Stats.](#)

1. **Can a municipality allocate increment between its Tax Incremental Districts (TIDs) with different overlying taxing jurisdictions?**

No. State law ([sec. 66.1105\(6\)\(f\)\(1\)\(a\), Wis. Stats.](#)) requires that both the Donor and Recipient TIDs have the same overlying taxing jurisdictions.

2. **Which TID project plan should a municipality amend to allocate increment from one TID to another, the Donor TID or Recipient TID?**

A municipality must amend the Donor district's project plan. For details on how to complete an allocation amendment, see [Municipal TIF Project Plan and/or Allocation Amendments](#).

3. **If a municipality amends both TID #1 and TID #2 to share with TID #3, how many project plans are needed?**

If the municipality is amending TID #1 and TID #2 to become Donor TIDs, it must create two project plans. One for each Donor (#1 and #2). The economic feasibility section of the project plan must show that the Donor TID has extra increment to share.

4. **After a municipality completes an allocation amendment, can the municipality decide not to allocate the funds?**

After a project plan is amended and resolutions adopted to allocate funds, the municipality can (for whatever reason) choose not to allocate. There is no additional action required if this occurs.

5. **If a Donor TID paid off all its project costs, can it stay open solely to allocate to another TID?**

Yes, if the municipal allocation amendment resolution was approved before the expenditure period ended and the Donor TID has not reached its maximum life.

6. **When can an allocation transfer take place?**

If funds are available from the Donor TID, the allocation transfer can occur after the municipal resolution is adopted and the JRB approves the allocation.

7. **Are allocations made to other TIDs considered a project cost?**

Yes. The Donor TID records the allocation to another TID as an expenditure. The Recipient TID must use the allocated money to pay eligible project costs and track the allocation from another TID as revenue.

8. **Can allocations be made after the expenditure period?**

Yes, but the municipality must adopt the allocation amendment resolution before the Donor TID's expenditure period ends. The municipality can allocate funds to another TID after the Donor TID's expenditure period until it reaches its maximum life.

9. **Which TID type can allocate to another?**

See the [TID Allocation Fact Sheet](#).

**FOR Comments or Questions PLEASE CONTACT:**

MS 6-97

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<https://www.revenue.wi.gov/Pages/FAQS/slf-tif-audreport.aspx>

# Tax Incremental Finance (TIF) - Audits and Annual Report

[Secs. 60.85, 66.1105](#), and [66.1106, Wis. Stats.](#)

For more information, review the [TIF Audits and Annual Reports page](#).

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## 1. **What audits and reports does a municipality with a Tax Incremental District (TID) need to complete?**

Under state law, a municipality must complete the following audits and reports:

### a. **Audits**

Municipality must complete three Certified Public Accountant (CPA) audits as part of operating a TID.

#### 1. **First audit**

- Required 12 months after the municipality reaches 30 percent of the TID's total expenditures. Save a copy in the municipal TID records.
- If a municipality adds additional project costs as part of a project plan amendment, another "first audit" is required when the expenditures again reach 30 percent

#### 2. **Second audit** – required 12 months after the end of the expenditure period. Save a copy in the municipal TID records.

#### 3. **Final audit**

- Required 12 months after the TID is terminated. Save a copy in the municipal TID records. See [TIF Terminations Question #2](#) for all documents and steps required when a TID terminates.
- Electronically file (e-file) the TID Final Accounting Report ([Form PE-110](#)) with DOR

### b. **TID Annual Report**

Under state law, municipalities with an active TID must e-file a TID Annual Report ([Form PE-300](#)) with DOR for each TID.

#### 1. **Important dates**

- **Due July 1** – municipality must e-file this report with DOR every year, using the previous year's information

- **When the report is available for review, before or on July 1** – municipality must conduct a meeting with representatives of the overlying taxing jurisdictions (county, school, technical college, and special district) of each TID to review the TID Annual Report
2. **Grace Period**
- State law allows a 60-day grace period from the due date before the penalty applies
  - After the grace period, the penalty is \$100 per TID per day until the TID Annual Report is e-filed

2. **Can the municipal audit take the place of the TID Annual Report?**

No. A municipality must electronically file a TID Annual Report ([Form PE-300](#)) on or before July 1 with DOR.

3. **Does the first audit occur when the municipality reaches 30 percent of the capital expenditures or 30 percent of the total expenditures?**

Yes. The first audit should be completed after the municipality paid 30 percent of the expected total TID costs, based on the current project plan. The total costs include any eligible TID costs (ex: fees, financing or professional services).

4. **If the municipality amends the project plan to add costs after reaching 30 percent of project expenditures and completed a first audit, does the municipality need to complete another first audit?**

Yes. If the municipality approved an amendment to increase the project costs and has not paid 30 percent of the amended project costs, the municipality must repeat the audit when reaching 30 percent of the amended project costs.

5. **If the municipality finished a TID's final audit, but continued to incur additional project costs, is the municipality required to complete another final audit?**

Yes. A municipality must complete another final audit after all project costs are paid or it must arrange to cover future expenditures (ex: bond payments) from a source other than the TID fund.

6. **What determines the last reporting year for the TID Annual Report ([Form PE-300](#))?**

The municipal termination resolution adoption date determines the last reporting year for the TID Annual Report. See the [TID Termination Timeframes](#) table for details.

7. **Can a municipality use TIF funds to pay a Certified Public Accountant (CPA) to complete the required audits and annual reports?**

Yes. Under state law, professional services are an allowable TID expenditure.

8. **Can a municipality use TIF funds to pay for Annual Report penalties?**

No. Under state law, penalty payments are not an allowable TID expenditure.

9. **Does the Joint Review Board (JRB) need to meet before the municipality electronically files (e-files) the TID Annual Report(s)?**

No. Under state law, the JRB must meet on July 1 or when the report becomes available. The law does not state whether the meeting has to occur before or after e-filing the report with DOR.

10. **When a municipality schedules the JRB meeting, can the municipality email the TID Annual Report(s) to the JRB before the meeting?**

Yes. However, it is not necessary. State law does not require a municipality to provide the report in advance and does not require a specific method to distribute it. Under the law, the JRB must meet to review the report and the TID's status/performance. For each JRB meeting, a municipality must publish a notice five days before it holds the meeting. At the meeting, it may be helpful to provide paper copies of the report.

11. **Does a municipality need to provide DOR with documentation stating the JRB met to review the TID Annual Report?**

No. The municipality should keep a record of the JRB meeting notice and minutes in its TID files.

**12. How does the municipality determine the amount of "future costs" and "future revenue" on the TID Annual Report?**

The municipality can use a recent cash flow statement and/or the most recent approved project plan to estimate these amounts.

- Future costs – expected amount of TID eligible costs during the remaining life of the TID
- Future revenue – expected amount of revenue during the remaining life of the TID

**13. When completing the TID Annual Report for the first time, how should a municipality account for expenses in the prior year when the annual report was not required?**

The municipality should work with an accountant or auditor to determine whether to include the expenses on the first annual report or keep them separate. The municipality must keep track of these expenses to include in the TID Final Accounting Report at the end of the TID's life.

**14. When an error is found in a TID Annual Report after the amendment deadline of November 1, how should a municipality correct the report?**

After discovering an error in the TID Annual Report, a municipality should present the corrected report at the next JRB meeting and have revised numbers available for the public upon request. The original published report remains on DOR's website for seven years.

**15. If a municipality settles a claim on a property within a TID and issues a tax refund, how should that be reported on Form PE-300?**

Property tax refunds are not an eligible TID project cost. Do not include a property tax refund on the TID Annual Report (Form PE-300). Eligible TID project costs are defined in [sec. 66.1105\(2\)\(f\), Wis. Stats.](#)

**16. Are TID statistical reports available?**

Yes. Review the [Tax Incremental Financing Reports](#) for information, including yearly data, active TIDs, 12 percent value limit, and changes in TID values.

**FOR Comments or Questions CONTACT:**

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# Tax Incremental Finance (TIF) - Base Value Redetermination

[Sec. 66.1105, Wis. Stats.](#)

1. **When redetermining a base value, does the Wisconsin Department of Revenue (DOR) use the Tax Incremental District's (TID's) current Equalized Value or the TID's lowest historic value to set the new base value?**

DOR sets the new base value to the TID's Equalized Value as of the date of the local legislative body's resolution.

2. **What years should the municipality use to determine the Equalized Values two-year, 10 percent decline?**

Use the two most current years based on when the local legislative body passes the resolution.

**Example:**

**If the resolution is passed:**

- o **By August 14, 2020** — use 2018 and 2019 values
- o **Between August 15, 2020, and August 14, 2021** — use 2019 and 2020 values

3. **The amended project plan requires selecting Option (3), (4) or (5) from [sec. 66.1105\(5\)\(i\), Wis. Stats.](#) What impact do these three options have on the project plan?**

<b>Option 3</b> <b>(<a href="#">sec. 66.1105(5)(i)3.</a>)</b>	<b>Option 4</b> <b>(<a href="#">sec. 66.1105(5)(i)4.</a>)</b>	<b>Option 5</b> <b>(<a href="#">sec. 66.1105(5)(i)5.</a>)</b>
<ul style="list-style-type: none"><li>• At least 51 percent of the public infrastructure improvement's value must be financed by a private developer or entity</li></ul>	<ul style="list-style-type: none"><li>• All project costs are expected to be paid within 90 percent of the TID's remaining life</li></ul>	<ul style="list-style-type: none"><li>• Expenditures may be made only within the first half of the TID's maximum life</li><li>• Joint Review Board can unanimously approve additional</li></ul>

<b>Option 3</b> <b>(sec. 66.1105(5)(i)3.)</b>	<b>Option 4</b> <b>(sec. 66.1105(5)(i)4.)</b>	<b>Option 5</b> <b>(sec. 66.1105(5)(i)5.)</b>
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- Development agreement is required to receive cash grants which will solely repay the developer or entity for public infrastructure costs

expenditure(s) but not beyond the original expenditure period

**4. In Option (4), do the "project costs which must be paid within 90 percent of the TID's remaining life," include debt service?**

Yes. The amended project plan must demonstrate the TID will have sufficient revenue to pay off debt and **all** project costs within 90 percent of the TID's remaining life. After all project costs are paid, the TID must terminate.

**5. In Option (4), how is the TID's remaining life calculated?**

**Remaining life is based on the TID's maximum life and the redetermination year:**

- Determine the TID's maximum life (contact DOR for assistance if necessary)
- Determine the TID's redetermination year:
  - Local legislative body resolution adopted January 1 to September 30 — redetermination year is the year the resolution is adopted
  - Local legislative body resolution adopted October 1 to December 31 — redetermination year is the year after the year the resolution is adopted
- Subtract the redetermination year from the maximum life year
- Multiply the difference by (.9)
- Add the result to the TID's redetermination year

**Example:**

- Local legislative body adopted a resolution to create a mixed-use TID April 1, 2017; the maximum life is April 1, 2037
- Redetermination municipal resolution is adopted April 1, 2019; this is a 2019 redetermination
- $2037 \text{ (maximum life)} - 2019 \text{ (redetermination year)} = 18 \text{ years}$
- $18 \times (.9) = 16 \text{ years remaining life}$
- $2019 \text{ (redetermination year)} + 16 \text{ years} = 2035$ ; the local legislative body must adopt a termination resolution by April 1, 2035

**6. In Option (5), do "expenditures" include debt service?**

No. With this option, the municipality may only take on project costs within the first half of the TID's maximum life. Debt payments may continue through the TID's maximum life. Also, see [Municipal Expenditures and Debt Common Question #1](#).

**7. What is the difference between "all project costs" in Option (4) and "expenditures" in Option (5)?**

State law ([sec. 66.1105, Wis. Stats.](#)), does not provide a specific definition of expenditures; however, DOR considers an expenditure to include any eligible project cost at the point it is incurred. It does not include repayment of debt for an eligible project cost.

**8. If a municipality asks DOR to redetermine the TID's base value, would the adjustment affect the equalized value used for the apportionment of taxes?**

Yes. When the TID's base value is reduced through a redetermination amendment, this affects the municipal TID out value. This could result in a tax rate change to offset the increased TID increment.

**9. Can a municipality with an Environmental Remediation (ER) TID apply for a redetermination?**

Only an ER TID created after November 29, 2017, under [sec. 66.1105, Wis. Stats.](#), may apply for a redetermination. An ER TID created under [sec. 66.1106, Wis. Stats.](#), is not eligible.

**10. Can a municipality with a distressed (or severely distressed) TID apply for a redetermination?**

Yes. A municipality may redetermine the base for a distressed (or severely distressed) TID if the TID's current year value is at least 10 percent below the base value for two consecutive years (decrement).

**11. Can we include new project costs with the base value redetermination amendment?**

Yes. The municipality must submit a revised project plan as part of the base value redetermination application. The project plan may include new projects, but it must show the decrement calculation and select Option (3), (4) or (5). After the redetermination is complete, if new projects are added, the municipality must submit a project plan amendment to DOR. The new project plan must meet the requirements of the Option (3), (4) or (5) selected in the redetermination amendment.

**12. When is the deadline to apply for a TID base value redetermination with DOR?**

The municipality must adopt a municipal resolution on or before September 30 of the amendment year and email the redetermination documents to DOR by October 31. DOR will certify the values the following year.

**Example:** To re-determine a base value as of January 1, 2020, the local legislative body must adopt the redetermination resolution on or before September 30, 2020, and DOR must receive the redetermination documents on or before October 31, 2020. DOR will certify the re-determined value between January and March 2021.

**Redetermination documents include:**

- Decrement worksheet showing the 10 percent decline for the past two years
- [Form PE-605B](#) with required documents
- Updated project plan

See [Base Value Redetermination](#) for additional information.

**FOR Comments or Questions CONTACT:**

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# Tax Incremental Finance (TIF) - Creation

[Secs. 60.85](#) and [66.1105, Wis. Stats.](#)

## 1. **What entities can create a Tax Incremental District (TID)?**

Cities, villages and towns can create TIDs. For detailed information on creating a TID, review our publications:

- [TID checklist](#)
- [TIF manual](#)

## 2. **Can a municipality create one TID if it is located in more than one county, or are two separate TIDs required?**

One TID can be located in more than one county. Complete and submit a separate Base Value Workbook for each county to the Wisconsin Department of Revenue (DOR).

## 3. **Can a TID be located in more than one school district?**

Yes. List each school district and identify the parcels for each district on all the required base value forms.

## 4. **Can a city, village, or town create a joint TID?**

Yes. Two or more municipalities may enter into an intergovernmental cooperative agreement to jointly create a [multijurisdictional TID](#), under state law ([sec. 66.1105\(18\), Wis. Stats.](#)).

## 5. **How long does it take to create a new TID?**

Generally, the process requires a minimum of two months at the local level. The time required depends on how often the municipality meets and how long it takes to develop the project plan and boundaries.

## 6. **Where are the TID application forms located?**

The required DOR forms and process timelines are located on our website under [Forms/Information](#).

**7. When is the deadline to apply to Wisconsin Department of Revenue (DOR) for a TID creation?**

The local legislative body must adopt the resolution before September 30 and submit an application to DOR by October 31 of the creation year. DOR will certify the values the following year in January. The municipality receives its first tax increment the year after the certification.

See [TID Creation Timeframes](#).

**8. Does the Planning Commission have to hold a public hearing?**

Yes. If the municipality does not have a Planning Commission, it must create one following [sec. 62.23, Wis. Stats.](#), or designate another authority to act in that capacity (ex: Community Development Authority (CDA) or the Redevelopment Authority).

**9. If the Planning Commission is only an advisory board to the municipality and does not have authority to pass resolutions, what should the Planning Commission submit?**

Submit a copy of the Planning Commission meeting minutes documenting approval to both:

- Local legislative body
- DOR (as part of the TID documents)

**10. Do we need to adjust the maps in the project plan if the municipality approves different boundaries than those recommended by the Plan Commission?**

Yes. The maps in the final project plan must reflect the boundaries approved by the municipality and the Joint Review Board.

**11. Are there requirements for resolution wording?**

Yes. See the [Resolution Checklist](#) for the requirements for each resolution (planning commission, local legislative body and Joint Review Board).

**12. Can the municipality hold one public hearing when several TIDs are being created at the same time?**

Yes. However, the public hearing notice must list each creation separately and the municipality must approve each TID with a separate resolution.

**13. What year is used for the value of parcels in a TID?**

For a creation resolution adopted between October 1, 2019, and September 30, 2020, use the assessment as of January 1, 2020. Use the assessed values as of the final adjournment by that year's Board of Review (BOR). Do not complete the value forms until after the BOR.

**14. What are the TID types?**

When a municipality creates a TID, it must declare a type in the resolution. See the [Tax Incremental Finance \(TIF\) Manual](#), Section 1.5 Glossary, for definitions of each type.

[Municipal](#) TID types (created under [sec. 66.1105, Wis. Stats.](#)):

- Blight
- Rehabilitation/conservation
- Industrial
- Mixed-use
- Environmental Remediation (local legislative body resolution adopted on or after November 29, 2017)

[Environmental Remediation](#) TID type (created under [sec. 66.1106, Wis. Stats.](#) — local legislative body resolution adopted before November 29, 2017).

[Town](#) TID types (created under [sec. 60.85, Wis. Stats.](#)):

- Tourism
- Agriculture
- Forest
- Manufacturing

**15. Where do I find specific information on the different TID types?**

See the [TID Criteria Matrix](#) for TID life, standard extension, overlap option and expenditure period for each TID type.

**16. What determines the TID's maximum life?**

The TID's maximum life is based on the creation date and the TID type. The creation date is the date the local legislative body adopted the creation resolution. The TID type is declared in the resolution. See the [TID Criteria Matrix](#).

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# Tax Incremental Finance (TIF) - Extensions

[Sec. 66.1105, Wis. Stats.](#)

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## 1. **What extension types are available for Tax Incremental Districts (TIDs)?**

There are three types of extensions: Standard, Technical College, and Affordable Housing. Each extension has different requirements and exclusions.

- a. Standard – allows an extension (three or four years depending on TID type) if existing tax increments will not pay project costs within the TID maximum life
- b. Technical College – allows a three-year extension if tax increments were negatively impacted by 2013 Act 145, which increased state aid to technical colleges
- c. Affordable Housing – allows an extension, up to one year, if the municipality uses the final year's increment to benefit affordable housing

For details on each extension type, review the [TID Extension Types](#) matrix.

## 2. **To extend the life of a TID, is the municipality required to complete the amendment process?**

No. The municipality is not required to complete the Wisconsin Department of Revenue (DOR) amendment forms or provide DOR an updated project plan. However, a municipality must document that the TID needs extra time to pay off existing debt or the TID has paid all its project costs and would like one additional year for affordable housing. The municipality must provide DOR an approved resolution for each extension type.

## 3. **When extending a TID's life, what documents must a municipality provide to the Wisconsin Department of Revenue (DOR)?**

When the extension resolution is adopted, the municipality must email a scanned copy of the resolution to [tif@wisconsin.gov](mailto:tif@wisconsin.gov). DOR then extends the TID life.

## 4. **When a municipality adopts an extension resolution to change the maximum life, does this change the expenditure period?**

No. An extension does not change the expenditure period. The expenditure period is five years shorter than the maximum life without the extension. For more information, see [Municipal Expenditures and Debt Common Question #2](#).

5. **For the Standard or Technical College Extension, is the Joint Review Board (JRB) the only body that needs to approve the extension?**

Yes. The municipality must either present the JRB with documents showing the TID cannot repay project costs within its maximum life, or provide the JRB with an independent audit. The JRB must adopt a resolution approving the extension.

6. **Can a municipality use a Standard Extension to lengthen the life of an industrial TID created between 1995 and 2004?**

No. The law has no Standard Extension for industrial TIDs created between 1995 and 2004. A municipality could consider requesting the Technical College Extension if it needs more time to pay off a TID's existing debt. Other TID types not eligible for the Standard Extension are listed in the [TID Extension Types](#) matrix.

7. **Can a municipality request a Technical College Extension for a TID created before 2014 if it added project costs after 2014?**

Yes. If the TID was created before October 1, 2014, a municipality can request the 3-year Technical College Extension regardless of when the project costs were incurred or updated.

8. **Is the municipality required to inform the JRB when it adopts an Affordable Housing Resolution to extend the TID an additional year?**

No. The law does not require the municipality to notify the JRB; however, it would be beneficial for the municipality to inform the JRB of the Affordable Housing Extension.

9. **When can a municipality request the Affordable Housing Extension?**

A municipality can adopt an Affordable Housing Extension Resolution after it pays all the TID project costs. The Affordable Housing extension resolution states the year the final tax increment was (or will be received) and describes how the funds will be used for affordable housing. Once the final increment is received, the municipality must adopt a separate termination resolution before receiving an additional year's increment. April 15 is the deadline for a municipality to terminate a TID and have it removed from the same year's tax roll. Review the [Termination Timeframes table](#) for additional details.

**10. Can a municipality adopt all three extension resolutions at the same time?**

No. The Standard and Technical College Extension resolutions are designed to allow more time to pay existing costs and debt. These can be adopted at the same time; however, a municipality cannot adopt an Affordable Housing Extension resolution until all costs are paid.

**11. Is a municipality limited to using the affordable housing funds within the TID boundary?**

No. The funds can be used anywhere in the municipality; however, at least 75 percent must be used for affordable housing and the remainder on housing in general.

**12. What is affordable housing?**

State law defines "affordable housing" as housing that costs a household no more than 30 percent of the household's gross monthly income.

**13. What are eligible affordable housing costs?**

State law requires a municipality to use the funds for affordable housing and to describe how it will use the funds in its affordable housing extension resolution. The municipality should consult its attorney to determine whether the planned costs comply with state law.

**14. Is a municipality required to use the affordable housing funds within one year?**

No. However, the municipality must remove the money from the TID fund to terminate the TID. The municipality should keep the funds separate for affordable housing use.

**15. Is a TID eligible for the Affordable Housing Extension if its life was extended for other reasons (ex: declared distressed, donor to distressed, granted a Standard Extension or Technical College Extension)?**

Yes. A TID that extended its life for other reasons is eligible for the Affordable Housing Extension; however, only TIDs created under sec. 66.1105 Wis. Stats are eligible for the Affordable Housing Extension. Town TIDs (created under sec. 60.85 Wis. Stats.) and ER TIDs (created under sec. 66.1106 Wis. Stats.) are not eligible.

**16. Can a municipality adopt one resolution that includes both an Affordable Housing Extension and the TID termination?**

No. A municipality must complete separate resolutions. The Affordable Housing Extension Resolution must state the length of the extension, not to exceed 12 months. Before the Affordable Housing Extension period ends, the municipality must adopt a separate termination resolution. The termination resolution formally ends the TID.

**17. How does the municipality identify the affordable housing funds on the TID Final Accounting Report (Form PE-110)?**

The municipality can do either of the following:

- Include the amounts in the appropriate category (ex: capital expenditures) if the municipality uses the funds before the TID terminates
- Use "Transfers to other funds" or "Other expenditures" category if the municipality moves the funds to a separate account, for later use, after the TID terminates

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# Tax Incremental Finance (TIF) - General

[Secs. 60.23\(32\)](#), [60.85](#), [66.1105](#), and [66.1106](#), [Wis. Stats.](#)

## 1. What is the difference between TIF and a Tax Incremental District (TID)?

- **TIF** — an economic development technique to expand the property tax base. Property value increases fund site improvements that would not otherwise occur.
- **TID** — the actual physical area (whole parcels) designated for improvements using tax incremental financing

## 2. What is the Wisconsin Department of Revenue's (DOR) role?

- TIF is intended to be locally initiated and managed, with minimal State oversight. However, DOR cannot certify a tax incremental base until we determine procedures were followed, documents were completed correctly, and notices were provided timely.
- Facts supporting any document adopted or action taken by the local governing body are not subject to review by DOR. The municipality's facts, documents, proposed project costs must comply with state law. A municipality is encouraged to consult with an attorney and auditor about any questions.
- If you have questions about a specific project in a TID, contact the municipality or the members of the Joint Review Board (JRB) that approved the TID project plan and boundaries.

## 3. What statutes regulate the TIF Program?

- Village and City (regular) — [sec. 66.1105, Wis. Stats.](#)

- Town — [sec. 60.85](#) and [sec. 60.23\(32\), Wis. Stats.](#)
  
- Environmental remediation (municipal resolution adopted before November 29, 2017) — [sec. 66.1106, Wis. Stats.](#)

#### 4. **How is TIF funded?**

When a TID is created, the municipality and other taxing jurisdictions agree to support their normal operations from the existing tax base within the district, assuming that if the TID was not created, there would be no additional growth to the existing tax base. Property taxes for the school, county, technical college, and municipality are based on the taxable value of the TID at the time it is created. The tax rates are applied to the TID value increment (the difference between the TID's current value and the TID's base value), which results in additional revenues collected for the district's fund. Eligible TID costs are paid from these revenues before the additional tax base is shared.

The State of Wisconsin does **not** collect or pay tax increments to municipal governments.

#### 5. **Besides a municipality, what are the other taxing jurisdictions?**

The other taxing jurisdictions are the school district, county, and technical college. A municipality may also have a lake district, sanitary district or metro sewer district.

#### 6. **Are there limits on the use of TIF?**

Yes. Limits are applied to the creation of new districts or the addition of property to existing districts. The equalized value of property in the district, plus the value increment of all existing districts cannot exceed 12 percent of the total equalized value of taxable property within the municipality. This restriction does not apply to an Environmental Remediation TID created under [sec. 66.1106, Wis. Stats.](#), or when subtracting territory from a district. For more information, review the [Value Limit](#) Common Questions.

#### 7. **What is the TID maximum life with or without extensions?**

The TID maximum life without an extension depends on the TID type declared in the creation resolution and the date the municipality adopted the resolution. For more information on the maximum life without an extension for each type, see the [TID Criteria Matrix](#).

The municipality can approve an extension as a separate resolution later in a TID's life. The TID maximum life with an extension depends on the extension type. See [TID Extension Types](#) for extensions available including the length.

**8. How can I obtain information (ex: map, parcels) about a particular TID?**

For information on a particular TID, contact the municipality. You can also review yearly statistical information on DOR's website, under [Tax Incremental Financing](#) Reports.

**9. What fees are involved with having a TID and how does a municipality pay them?**

**Municipality must pay the following fees electronically through [My Tax Account](#):**

Payable by October 31 - once per request

- Creation: \$1,000
- Territory Amendment (addition or subtraction): \$1,000
- Territory Amendment (addition and subtraction): \$2,000
- Base Value Redetermination: \$1,000

Payable by April 15 - yearly

- Certification administrative fee: \$150 per active TID

**10. When are reports and documents due?**

**Due dates:**

- July 1 — TID Annual Report (late fee of \$100 per TID per day applicable after grace period) – e-file Form PE-300 accessible using [My DOR Government Account](#) system
- October 31 — Creations, Territory Amendments, and Base Value Redeterminations – email required documents to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)
- December 31 — Project Plan and/or Allocation Amendments – e-mail required documents to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

See [TID Dates and Requirements](#) for additional information.

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# Tax Incremental Finance (TIF) - Joint Review Board (JRB)

[Secs. 60.23\(32\)](#), [60.85](#), [66.1105](#), and [66.1106](#), Wis. Stats.

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**1. How soon can a JRB approve/deny a resolution after the local legislative body adopts the resolution?**

- **For Municipal TIDs** – the JRB may approve/deny a resolution anytime within 45 days of receiving the resolution from the local legislative body
- **For Town TIDs created under [sec 60.85, Wis. Stats.](#), or Environmental Remediation TIDs created under [sec. 66.1106, Wis. Stats.](#)** – the JRB may not approve/deny a resolution until 10 days after receiving the municipal resolution

**2. Does a Tax Incremental District (TID) creation need unanimous JRB approval?**

No. Only a majority approval vote is required.

**3. When does the initial JRB meeting for a creation or amendment have to be held?**

The initial JRB meeting must be held within 14 days after the public hearing notice is published.

**4. Do the JRB meetings require a published notice?**

Yes. For all JRB meetings, a municipal representative must publish a notice in a local newspaper, at least five days before the meeting.

**5. If there are two lake districts in a TID, which one should have a representative on the JRB?**

Neither. Only the school, county, technical college and municipality can appoint JRB members. However, the municipality must notify all affected taxing jurisdictions of the public hearing, including the lake districts.

**6. If there is an elementary and union high school district, which one has a representative on the JRB?**

A representative from the elementary school and a representative from the union high school share one seat and each have one-half a vote.

**7. If a municipality creates a TID with two counties, which county has a representative on the JRB?**

The county with the greatest value in the TID is represented on the JRB.

**8. If a municipality amends a TID with additional territory that includes a new school district or county, should the school district or the county have a representative on the JRB?**

The school district or county where the additional territory is located chooses the JRB member. After the territory amendment is completed, any future amendments require a new calculation to determine which school district or county has the majority of the land value and voting representation on the JRB.

**9. How are the JRB's chairperson and public member determined?**

The JRB members, by majority vote, choose the chairperson and public member. If the representative acting as chairperson resigns from the JRB ~~taxing jurisdiction~~, the members must elect a new chairperson by majority vote. If the public member resigns, the JRB must choose a new public member by majority vote.

**10. After the JRB adopts the resolution, how soon does the Wisconsin Department of Revenue (DOR) need to be notified?**

Under state law ([66.1105\(5\)\(cm\), Wis. Stats.](#)), the municipal clerk must give DOR written notice within 60 days of adopting any amendment resolution. Although state law does not require this same notice for a creation resolution, municipalities should also notify DOR within 60 days.

**11. How often does the JRB need to meet after the TID is created?**

At a minimum, the JRB must meet annually to review the TID's annual report, performance and status. The JRB must also meet to consider any amendments to the TID.

**12. Does the JRB need to vote to select a chairperson and public member at each year's meeting?**

No. Once the chairperson and public member are selected, no new vote is required. The chairperson and public member remain the same for the TID's life or until they are no longer on the board.

**13. How many JRB members need to attend the meeting for it to take place?**

At least one-half of the members must attend a meeting. When one-half or more of the members of a governmental body attend, a meeting is assumed to be for official purposes ([sec. 19.82\(2\), Wis. Stats.](#)).

**14. Are the JRB members required to attend meetings in person?**

At any JRB meeting that requires a vote, the members or their designated substitute must attend in person.

The JRB members can attend the annual report review meeting by phone because a vote is not required; however, there must be a physical location for all JRB meetings so the public can attend. DOR expects a municipal representative to attend in person to assist any public attendees.

For more information, review the [Joint Review Board](#) section of the TIF Manual.

**15. Where should the JRB meetings be held?**

When creating or amending a TID, the municipality should hold the JRB meeting locally so the affected members of the public can easily attend.

When reviewing the TID annual reports, the meeting may be held by one of the taxing jurisdictions (school, county, technical college) to review the reports from multiple municipalities.

**16. Since the JRB for any active TID is already established, does it still need to hold an organizational meeting when amending a TID?**

Yes. Under state law, ([sec. 66.1105\(4m\)\(a\), Wis. Stats.](#)), the JRB must hold its first meeting to review the proposal within 14 days after the public hearing notice is published. The organizational meeting provides the public an opportunity to express their views about the amendment.

**17. When a municipality has a standing JRB but is creating a new TID, should it reappoint a chairperson and public member for the new TID?**

Yes. The taxing jurisdiction may or may not appoint the same representatives for the newly created TID. DOR considers it a best practice to appoint a chairperson and public member for the new TID. They may be the same chairperson and public member as previous TIDs.

**18. What is the criteria for selecting a public member?**

State law does not define any requirements for the public member. The JRB members, by majority vote, choose the public member at the JRB's first meeting. A public member can be appointed as the JRB chairperson.

**19. Can the public member be employed by the municipality or county?**

Yes. A public member may work for the municipal, county, state or federal government.

**20. Does the public member need to live in the same municipality as the TID?**

No. State law does not require the public member to live in the same municipality as the proposed TID.

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# Tax Incremental Finance (TIF) - Municipal Expenditures and Debt

[Secs. 60.23\(32\)](#), [60.85](#), [66.1105](#), and [66.1106](#), Wis. Stats.

## 1. What is an expenditure?

The term "expenditure" is found within the definition of "project costs" under state law ([sec. 66.1105\(2\)\(f\)1., Wis. Stats.](#)). "Expenditure" is not explicitly defined; however, the Wisconsin Department of Revenue (DOR) considers an expenditure any eligible project cost at the point it is incurred. It does not include repayment of debt for an eligible project cost.

## 2. What is the expenditure period?

It is the maximum time period a TID can incur expenses related to the project plan. Generally, it is five years shorter than the maximum life. A municipality cannot take on any new projects after the end of the expenditure period. An extension does not change the expenditure period.

**Example:** A mixed-use TID has a maximum life of 20 years. Because the maximum life is 20 years, the expenditure period is 15 years.

Review the [TID Criteria Matrix](#) for the expenditure period by TID type.

## 3. What date is used to measure the start of the expenditure period?

The date the local legislative body adopts the creation resolution.

## 4. Can "new" project costs be incurred after the expenditure period?

No. Existing projects may be finished but no additional improvements can be started during the last five years of the TID's maximum life.

## 5. What is considered an existing project?

1. Project must be documented in the JRB approved project plan, *and*
2. Either the physical project is started, or one of the following must be in place:
  - Established financing
  - Signed contract
  - Signed developer's agreement

**6. Can payments be made after the expenditure period?**

Yes. Payments for project cost debt service, repayment of advances or other liabilities and approved allocations to other TIDs are allowed under state law ([sec. 66.1105\(6\)\(c\), Wis. Stats.](#)).

**7. Are there any restrictions on the length of maturity for TID debt?**

No. The same restrictions for other municipal debt apply to TID debt and would likely not mature beyond the TID's maximum life.

**8. Can a municipality transfer money from another fund into a TID fund and repay itself later?**

Yes. It can also charge a reasonable interest cost for advances to a TID fund if made after the TID is created.

**9. If a municipality incurs expenses before it creates a Tax Incremental District (TID), can these expenses be recovered?**

If a municipality incurs expenses before it creates a TID, the municipality can only recover expenses directly related to planning the district. The municipality cannot incur other expenses until after the municipality adopts the creation resolution approving the project plan. ([sec. 66.1105\(6\)\(am\)3, Wis. Stats.](#))

**10. What expenses can be considered "planning" expenses?**

State law does not define planning expenses; however, the consulting, legal, engineering, architectural or administrative costs required to develop and approve the project plan may qualify. The municipality should consult its attorney for assistance to determine if a specific cost is considered a planning expense.

**11. If a municipality purchased land before it creates a TID and sells the land to the Community Development Authority (CDA) after the TID is approved, can the land purchase be considered an expense?**

No. The land purchase is not an eligible TID expense. The purchase occurred before the TID was approved and is not a planning expense. When the municipality sells the land, the proceeds are TIF revenue and must be used to offset project costs because the land was sold after the TIF was approved.

If a municipality purchases land within one year before the TID creation, when setting the TID base value the land must be valued as if the purchase did not occur. ([sec. 66.1105\(5\)\(e\), Wis. Stats.](#))

**12. Can a municipality buy and improve land with TIF funds and place revenue from the improved land's sale into the general fund?**

No. A municipality cannot make a profit with TIF. It must use revenue from the sale of property purchased and improved with TIF funds to offset all other project costs.

**13. Can a municipality use TIF funds to reduce special assessments to property owners after the improvements are installed?**

No. Reducing special assessments is not an eligible expense, under state law ([sec. 66.1105\(2\)\(f\), Wis. Stats.](#)). If the municipality applied a special assessment for a particular project, it should not use TIF funds to pay for the same project. A project paid for with a special assessment is a non-project cost for the TID.

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# Tax Incremental Finance (TIF) - Municipal-Owned Property

[Secs. 60.23\(32\)](#), [60.85](#), [66.1105](#), and [66.1106](#), Wis. Stats.

1. **Is municipal-owned property included in the Tax Incremental District (TID) base value?**

Since October 1, 2015, municipal-owned property is excluded from the base value, unless the purchase date is within one year before the municipality's TID creation resolution. In that case the property's assessed value is included in the base value.

2. **Which TID form do we use to enter the municipal-owned property?**

Use [Form PE-619](#) to enter the TID's municipal-owned parcel numbers and purchase date for each. Enter a value when the purchase date was within one year before the municipality's adopted TID creation resolution date. Email this completed form to Wisconsin Department of Revenue with the other forms in the [Base Value Workbook](#).

3. **Should municipal-owned property be valued according to its exempt classification or at its value before it was purchased by the municipality?**

The municipal purchase date determines which municipal-owned property value to use in the TID base value. Compare the purchase date to the date of the TID creation resolution:

- **More than a year** — if the property was purchased *more than a year* before the municipality's TID creation resolution, the property should be valued at "zero" in the TID base value
  
- **Within one year** — if the property was purchased *within one year* before the municipality's TID creation resolution, use the assessed value prior to the purchase in the TID base value

4. **In a mixed-use TID, is municipal-owned exempt property (park/cemetery) included when determining the 35 percent newly-platted residential limitation in a mixed-use TID?**



Yes. Include all real property in the calculation.

5. **Can a municipality purchase property and then create a TID for that property?**

Yes. However, under state law ([sec. 66.1105\(5\)\(e\), Wis. Stats.](#)), any property the municipality purchases within one year before the TID's creation must be treated as if the sale did not occur, unless the municipality can prove it acquired the property for a reason other than creating the TID.

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# Tax Incremental Finance (TIF) - Overlaps

[Sec. 66.1105, Wis. Stats.](#)

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**1. What is an overlap?**

An overlap is when the boundary of one Tax Incremental District (TID) covers one or more existing TID's boundaries. For more information, review state law ([sec. 66.1105\(10\), Wis. Stats.](#)).

**2. Which Tax Incremental District (TID) is affected by value changes in the overlapped area?**

The newest TID is affected by value changes in the overlapped parcels. The value of the overlapped parcels is frozen in the older TID the year the overlap occurs.

**3. Where can the municipality view the TID's frozen overlap value?**

The municipality can view the value of the frozen overlap on the [TID Statement of Changes](#) report.

**4. Will the frozen overlap value of an overlapped TID be deleted if the overlapping TID is terminated?**

No. Once a frozen overlap value exists for an overlapped TID, the frozen overlap value is included in the current year TID value until the overlapped TID terminates. The frozen overlap value does not change even if the overlapping TID terminates.

**5. Does the Wisconsin Department of Revenue (DOR) use the parcel overlap value in determining the 12 percent value limit?**

No. Under state law ([sec. 66.1105\(10\)\(c\), Wis. Stats.](#)), DOR excludes this value when determining compliance with the 12 percent limit.

6. **Are the parcels in the overlapped area coded to both the new and old TID number on the assessment/tax roll?**

No. On the assessment/tax roll, the overlapped (older) TID number is removed from the parcel and the overlapping (newer) TID number is added to the parcel. A parcel may only have one TID number on the assessment/tax roll.

7. **Can a distressed or severely distressed TID be overlapped by a newly created TID?**

No. A newly created TID or an active TID that is adding parcels may not overlap a distressed or severely distressed TID.

8. **Can an Environmental Remediation (ER) TID created under sec. 66.1105, Wis. Stats., overlap another TID created under the same section? Or another ER TID created under sec. 66.1106, Wis. Stats.?**

Yes. An ER TID created under sec. 66.1105, Wis. Stats., can overlap another TID created under the same section or an ER TID created under sec. 66.1106, Wis. Stats.

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# Tax Incremental Finance (TIF) - Parcels

[Secs. 60.23\(32\)](#), [60.85](#), [66.1105](#), and [66.1106](#), Wis. Stats

1. **Can parcels be added to the Tax Incremental District (TID) after the hearing notices are published?**

Yes. The purpose of the public hearing is to receive/give input on the **proposed** boundaries of the district. A municipality may add or remove parcels based on the hearing. The hearing notice does not have to mention the proposed boundaries; however, including a general description of the area is helpful.

2. **How much detail is needed in the boundary description provided to the Wisconsin Department of Revenue (DOR)?**

A metes and bounds (legal boundary) description corresponding to the outer TID boundary is required. The boundary description must match the provided map.

See [TID Checklist](#), Boundary and Map section.

3. **How much detail is needed in the TID map provided to DOR?**

Map must be legible and:

- Show the outer boundary of the TID
- Show each parcel boundary
- Label each parcel by tax number or designate a map identification number
- Label all areas that do not have a parcel number (ex: streets, rights-of-way, wetlands, or bodies of water)
- Label the municipality or county boundaries if within the map view
- Indicate the municipality name and TID number
- Show the boundaries of the overlapped TID, when overlapping exists

Note:

- Each numbered parcel on the map must be listed on the [Base Value Workbook](#)

- Provide additional enlarged areas of the map, where boundaries or parcel numbers are too small to see clearly even when magnified

4. **Who is responsible for valuing and classifying a TID's land and buildings?**

The local assessor and DOR manufacturing assessor are responsible for valuing the improvements and land based on state law and the Wisconsin Property Assessment Manual.

5. **A TID must contain contiguous properties; however, can a municipality omit parcels from the TID's center?**

Yes. A municipality may omit parcels, as long as the TID boundaries remain contiguous.

6. **When two parcels are diagonal (kitty corner) from each other, is this contiguous?**

Yes. Two parcels that are diagonal to each other are considered contiguous and can be included in the same TID. They may or may not have a road between them.

7. **If the TID crosses a highway, river or railroad right-of-way, is this contiguous?**

Yes. This is contiguous if the parcels are continuously bounded on either side or both sides of the highway, river or railroad right-of-way.

8. **What is the difference between a railroad-owned parcel and a railroad right-of-way?**

- Railroad-owned parcel – (property with a separate parcel number) can be included in the TID and must be contiguous with other TID parcels.
- Railroad right-of-way – gives the railroad permission to use the property. Right-of-way alone does not make a TID contiguous unless it is continuously bounded on either side or both sides by parcels in the TID.

9. **Can a parcel (exempt or non-exempt) be partially in a TID?**

No. Under state law ([sec. 66.1105\(2\)\(k\), Wis. Stats.](#)), only whole parcels can be in a TID.

10. **Can a municipality combine two parcels if one parcel is in the TID and the other parcel is outside the TID?**

Yes. To do this, a municipality must complete one of the following amendments:

- **Territory addition amendment** — add the value of the parcel that is out of the TID to the TID base value
- **Territory subtraction amendment** — remove the existing parcel from the TID base value, before it combines with the parcel that is out of the TID

**11. If property owned by a utility company is included in a TID, is the property exempt?**

Location of a property in a TID does not determine taxability. Generally, utility property is not subject to local taxation and pays a state tax. Contact DOR's [Manufacturing and Utility Bureau](#) for more information. Tax exempt property in a TID does not add to the base value, and does not contribute to the value increment.

**12. How should a municipality indicate that wetlands are excluded from the TID?**

The municipality may describe the boundaries around the wetland or state at the end of the boundary description that all wetlands are excluded.

**13. What are "lands proposed for newly platted residential use?"**

State law does not define the phrase "lands proposed for newly platted residential use." A "plat" is a map of a subdivision. "Newly platted" refers to land that has not been previously subdivided or subject to a replat as defined in sec. 236.02(11), Wis. Stats. "Residential" commonly means relating to a place where people live.

When reviewing a project plan, DOR considers the current use, or zoning, and the future use, or zoning, as indicators of whether an area consists of "lands proposed for newly platted residential use."

**Example of lands proposed for newly platted residential use:** When residential lots are platted on an undeveloped parcel of land, such as subdividing a farm field for housing.

**14. What TID types can include costs for lands proposed for newly platted residential property?**

Only TIDs declared as mixed-use type can incur project costs for lands proposed for newly platted residential property; the property may not exceed 35 percent by area of the TID.

Under state law ([sec. 66.1105\(2\)\(f\)3 Wis. Stats.](#)), a municipality may only spend increment revenue on newly platted residential development in mixed-use TIDs if **one** of the following applies:

- Density of the residential housing is at least three units per acre;
- Residential housing is located in a conservation subdivision, as defined in [sec. 66.1027\(1\)\(a\), Wis. Stats.](#)
- Residential housing is located in a traditional neighborhood development, as defined in [sec. 66.1027\(1\)\(c\), Wis. Stats.](#)

**15. Is a road/highway included in the calculation determining the 35 percent residential use in mixed-use TIDs?**

Yes. All real property acreage is included in the calculation.

**16. In a mixed-use TID, does the housing density calculation include exempt property?**

Yes. The housing density is based on **all** real property in the area designated as newly-platted residential.

**17. For the 35 percent limit on lands proposed for newly platted residential use, is an assisted living building considered a residential use?**

Yes. An assisted living building is considered residential use because the building is used for living purposes. The property still needs to be newly platted as part of the TID project plan. This assumes that current or future zoning permits the assisted living building.

**18. Can a TID's boundaries be set based on something that will happen in the future?**

No. The boundaries are determined based on the parcels when the TID is created. Territory amendments are possible to address parcel splits or annexations.

**19. Do projects within a TID have to follow local zoning?**

Yes. The TIF statutes do not change municipal zoning rules.

**20. For mixed-use TIDs, does the land need to be zoned correctly before adopting the creation resolution?**

No. The municipality does not need to complete zoning before it adopts the creation resolution. At least 50 percent of the land must be **suitable** (not necessarily zoned) for at least two of the following types: industrial, commercial or residential. There are no restrictions on the percentage between the types.

**21. In an industrial TID, do all the parcels need to be zoned industrial?**

No. To qualify as an industrial TID, at least 50 percent (by area) must be zoned industrial. Under state law ([sec. 66.1105\(4\)\(gm\)5 Wis Stats.](#)), the parcels that are zoned industrial when the TID is created must remain zoned industrial for the life of the TID.

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# Tax Incremental Finance (TIF) - Project Costs

[Secs. 60.23\(32\)](#), [60.85](#), [66.1105](#), and [66.1106](#), Wis. Stats

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## 1. What are eligible project costs?

Eligible project costs are those costs related directly to establishing and improving the Tax Incremental District (TID), including:

- Capital development
- Financing
- Professional services (ex: consulting, accounting, legal services)
- Organizational and administrative activities
- Annual fees
- Relocation

### TID project cost examples:

- Creation of TID maps or architectural drawings
- Utility or street construction directly associated with the TID
- Removal or containment of lead contamination
- Demolition or building repairs
- Developer incentive (if municipality signs an agreement with the developer)

Under state law ([sec. 66.1105\(2\)\(f\)1.k](#)), improvements outside the TID may be eligible costs, but only to the extent that the improvement serves property in the TID (ex: water or sewage lines, treatment plants, and water towers).

## 2. Do eligible costs include capitalized interest, other costs of issuing debt, and refinancing temporary debt for the Tax Incremental District (TID)?

Yes. These are eligible financing costs authorized in [sec. 66.1105\(2\)\(f\)1.b.](#), Wis. Stats.

## 3. Who determines if project costs are eligible?

It is the municipality's responsibility to determine if a project cost is eligible under state law

([sec. 66.1105\(2\)\(f\)1 & 2., Wis. Stats.](#)). The municipality should consult its attorney for assistance on whether a specific cost is eligible. The Wisconsin Department of Revenue does not review project costs or determine cost eligibility.

4. **Can a municipality reduce the costs of one project in a plan and use that amount for another project not in the plan?**

No. However, the municipality may shift TIF funds from a project in the plan to a project outside the plan if the municipality completes a project plan amendment to include the additional project.

5. **Can a municipality add projects without adding territory?**

Yes. This is possible if the municipality adopts a project plan amendment to add projects. See [Project Plan Amendments](#).

6. **For mixed-use TIDs, are there restrictions on the project costs' percentage?**

No. For example, a mixed-use TID may contain 90 percent of the project costs for industrial projects and 10 percent for commercial projects.

7. **What are non-project costs?**

Non-project costs are public works projects that only partly benefit the TID. A municipality cannot use tax increments to pay these costs.

**Non-project costs examples include:**

- Public improvement made:
  - **Within the TID** – that also benefits property outside the TID. The portion of the total project costs allocated to the properties outside the TID is a non-project cost.
  - **Outside the TID** – that partially benefits property within the TID. The portion of the total project costs allocated to the properties outside the TID is a non-project cost.
- Projects started within the TID as part of the project plan implementation that are paid fully or in part by impact fees, grants, special assessments or revenues other than TIF increments

**8. Can a municipality include projects within a half-mile radius of the TID?**

Yes. A municipality may include projects outside the TID but within a half-mile radius if the projects are documented in the approved project plan. Only eligible costs within the half-mile radius can be paid for with TIF funds.

**9. Is a property tax refund an eligible TID project cost?**

No. A property tax refund is not an eligible TID project cost.

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# Tax Incremental Finance (TIF) - Project Plan

[Secs. 60.23\(32\)](#), [60.85](#), [66.1105](#), and [66.1106](#), [Wis. Stats.](#)

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**1. Does a municipality need to complete all projects in the plan?**

No. The project plan is a capital improvement plan (not an approved budget), therefore a municipality does not have to complete all projects. The municipality decides when and which project to complete. Many municipalities start individual projects as the funds become available (pay-as-you-go).

**2. Are there any projects outside the Tax Incremental District (TID) that can be paid with tax increments?**

Yes. The municipality may pay for projects within a half-mile radius of the TID if they are documented in the project plan and approved by the Joint Review Board. For more information, review state law ([sec. 66.1105\(2\)\(f\)1.n., Wis. Stats.](#)).

Also, the municipality may pay for a proportionate share of public improvements outside the TID with tax increments if the improvement serves property in the TID (ex: water tower, water or sewage lines, treatment plants). For more information, review state law ([sec. 66.1105\(2\)\(f\)1.k., Wis. Stats.](#)).

**3. If the Planning Commission denies a municipality's proposal to create a new TID, can the local legislative body overrule the Planning Commission and approve the TID?**

No. The Planning Commission must adopt a project plan for a proposed TID before the local legislative body can approve the TID.

**4. Does a municipality need to amend a project plan if an unanticipated development occurs?**

No. However, the municipality must amend the project plan if it needs tax increment to support the unexpected development. The municipality should amend the project plan before using tax increments to pay for unanticipated projects not in the project plan.

**5. How long does it take to amend a project plan?**

It depends on how long it takes the municipality to assemble the information and hold the necessary meetings. Generally, it takes less time than creating a new TID because only one hearing notice is required and there is no required waiting period between the public hearing and the municipal resolution.

See the [Tax Incremental District \(TID\) Checklist](#).

**6. If a municipality amends a project plan, can the municipality incur costs for a newly platted residential development?**

A municipality may only incur costs for a newly platted residential development for a TID declared as a mixed-use type.

See [Parcels question #14](#) for additional information on which development type qualifies.

**7. Does a municipality need to conduct a new economic feasibility study when it amends a project plan?**

Yes. If a municipality adds projects, it must update the economic feasibility study in the project plan. See [Guidelines for Project Plans](#).

**8. Can the municipality add projects or costs to the plan after the public hearing notice is published?**

Yes. The municipality may revise the project plan and costs any time before adopting the municipal resolution. The Joint Review Board must adopt a resolution approving the final project plan.

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<https://www.revenue.wi.gov/Pages/FAQS/slf-tif-pubnotif.aspx>

# Tax Incremental Finance (TIF) - Public Notices

For more information, review the TIF [public notice](#) web page.

[Secs. 60.23\(32\), 60.85, 66.1105](#), and [66.1106, Wis. Stats.](#)

1. **How many days before the public hearing does a municipality need to publish a Class 1 notice? A Class 2 notice?**

**When creating a TID** — the municipality must publish a Class 2 notice in the newspaper for the public hearing. The Class 2 notice must be published once each week for two consecutive weeks with the last notice published at least seven days before the public hearing.

**When amending a TID** — the municipality must publish a Class 1 notice in the newspaper at least seven days before the public hearing.

2. **What must be included in a public notice?**

The meeting notice must inform the public of the time, date, place, and subject matter of the meeting. For assistance, see the sample notices on the TIF [Public Notices](#) web page.

3. **Does the public hearing notice need to include a description of the proposed Tax Incremental District's (TID) outer boundary?**

No. Under state law, the notices do not have to include a legal description or parcel numbers in the public hearing notice; however, it may be helpful to include a small map or street locations to describe the area in the TID.

4. **How and when must a municipality notify owners of blighted or rehabilitation/conservation property of the public hearing?**

Under state law ([sec. 66.1105\(4\)\(c\), Wis. Stats.](#)), when creating a TID, a municipality must notify owners of property in the proposed TID that is identified as blighted or in need of rehabilitation/conservation work at least 15 days before the public hearing

When adding parcels to an existing TID, a municipality must notify the owners of **additional** property identified as blighted or in need of rehabilitation/conservation work, at least 15 days before the public hearing.

The law does not specify how to provide the notification; however, USPS mail is the usual method.

5. **Is notification still required if the municipality owns the property identified as blighted or rehabilitation/conservation?**

Yes. State law requires notification to all owners. The municipality should document the notice by creating a letter in the same format it notifies other owners. This letter does not need to be mailed, but must be retained in the municipal TID files.

6. **When a proposed TID is being created, do the adjoining parcel owners receive notification?**

State law does not require the municipality to send letters notifying property owners outside a proposed TID boundary. However, the municipality must publish notices for the public hearing and Joint Review Board (JRB) meetings in a local newspaper.

After the TID is created, any property development within the TID follows the approved project plan. **If** the plan requires changes to zoning, ordinances, or the city's master plan, then the local procedures for making these changes apply.

7. **When does a municipality need to publish the Joint Review Board's (JRB) Class 1 notice?**

A municipality must publish a Class 1 notice in a local newspaper at least five days before all JRB meetings. ([sec. 66.1105\(4m\)\(e\), Wis. Stats.](#))

8. **Can a municipality amend a TID plan without holding a public hearing?**

No. State law ([sec. 66.1105\(4\)\(h\)1, Wis. Stats.](#)), describes the amendment process and requires a public hearing.

9. **If a municipality is amending a TID, is there a 14-day waiting period between the public hearing and the local legislative body approval?**

No. The 14-day waiting period is only required when creating a TID; it does not apply to amending a TID. When amending a TID, the municipality can hold the public hearing and adopt a resolution approving the amendment on the same day.

10. **If a municipality previously held a public hearing and JRB organizational meeting, but afterwards put a hold on creating a TID until a few years later, does the municipality need to hold another public hearing and JRB organizational meeting?**

Under state law, there is no time limit between the public hearing/JRB's organizational meeting and adoption of the creation resolution. There is only the 14-day waiting period before adopting a resolution.

While not required, a municipality may start the process over. This promotes transparency and allows for updates to the project plan. The previous project plan, expenses and goals may no longer apply.

11. **Is the boundary and TID type in the public hearing notice final?**

No. The public hearing may result in possible changes to the boundary, TID type or project plan. The municipal resolution determines the TID's final details.

12. **Does posting the public hearing or JRB notice at city hall meet TID requirements for notifying the public?**

No. State law requires publishing the notice in a local newspaper.

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# Tax Incremental Finance (TIF) - Tax Increments

[Secs. 60.23\(32\)](#), [60.85](#), [66.1105](#), and [66.1106](#), Wis. Stats

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1. What is the difference between a value increment and a tax increment?

**Value increment** – difference between the Tax Incremental District's (TID's) base value and current value. It is the property value amount that generates the tax increment.

**Tax increment** – taxes levied by all overlying taxing jurisdictions on the value between the TID's base value and current value. The municipality that operates the TID collects the taxes and uses them to pay for the approved project costs.

2. **Who certifies the value increment annually?**

The Wisconsin Department of Revenue (DOR) certifies the annual value increment by August 15 each year. DOR certifies the increment only if the municipality pays a \$150 certification administrative fee for each active TID by April 15. If the fee is not paid, DOR will not certify the municipality's increment for that year.

3. **When does the municipality receive its first tax increment on a new creation?**

The date the municipality adopts the creation resolution determines when it will receive its first increment. The [TID Creation Timeframes](#) table explains the timing of the first tax increment.

4. **Does residential development in a TID produce value increment?**

Yes. All taxable property value that increases a TID's value becomes part of the increment.

5. **If personal property is located within a TID, is the personal property value included in the TID base value?**

Yes. The TID base value includes taxable real estate and personal property within the TID's boundaries in the creation/amendment year. The current year TID value includes the real estate and personal property within the TID as valued each year by the assessor.

6. **If a municipality received enough increment to pay the debt incurred for the district, can the excess increment be used for additional projects?**

Yes. A municipality may use excess increment for additional projects if the expenditure period has not expired; however, only projects in the approved plan may be paid with TIF funds. If the project is not in the approved plan, the municipality must complete a project plan amendment and email the required documents to DOR.

7. **If a TID terminates after April 15, is an increment still added to the tax levies in December?**

Yes. If the municipality terminates a TID after April 15, DOR will certify a value increment for that year. The tax increment for that year must be levied and collected. See the [TID Termination Timeframes](#) table for more information.

8. **Should a municipality collect the entire final tax increment in the TID's last year if it is not all needed?**

Yes. A municipality must collect the entire final tax increment to maintain equal taxation. State law ([sec 66.1105\(6\)\(c\), Wis. Stats.](#)), requires the municipality to return any surplus to the TID's overlying taxing jurisdictions.

9. **Can a municipality choose not to levy the increment on the tax roll?**

No. Wisconsin's constitution has a uniformity clause, which requires uniform taxation of property. By not levying the increment, the taxpayers in that municipality would be taxed at a different rate (for school, technical college, or county) than the other taxpayers.

10. **How is the tax increment calculated using the tax rate?**

Step a) First, a municipality must determine the tax rate per \$1,000 of property value.

**Example:** The tax rate is \$23.73. This amount is then apportioned to the taxing jurisdictions for that municipality.

Taxing Jurisdiction	Tax Rate	Percent of Total Rate
County	3.81	16.05%
Municipality	9.52	40.12%
School District	10.36	43.66%
Technical College	0.04	0.17%
Total	\$23.73	100%

Step b) Multiply the tax rate by the value increment DOR certifies to determine the actual dollars available to pay eligible project costs.

**Example:** This is a new TID with a 2019 creation year. Changes to the increment value or tax rate result in a different tax increment.

Year Assessed	Year Available	Increment Value	Tax Rate Percent	Tax Increment
2019	2020	0	.02373	0
2020	2021	1,500,000	.02373	35,595
2021	2022	1,500,000	.02401	36,015
2022	2023	1,800,000	.02401	43,218

Every municipality with a TID must complete the Tax Increment Worksheet ([Form PC-202](#)) each December to calculate the actual tax increment based on the municipality's levy amount. See the detailed example in the [TIF Manual, How TIF Works](#).

**11. How does the Wisconsin Department of Revenue (DOR) notify a municipality regarding its increment?**

Each year (on August 15 and September 1), DOR posts TIF reports to the web.

**Posted reports:**

- [Apportionment of County Levy](#) (August 15)
- [TIF Value Limitation](#) (August 15)
- [Statement of Changes](#) (August 15)
- [Certification Report](#) (September 1)

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# Tax Incremental Finance (TIF) - Terminations

[Secs. 60.23\(32\)](#), [60.85](#), [66.1105](#), and [66.1106](#), Wis. Stats.

## 1. **When does a municipality terminate a Tax Incremental District (TID)?**

The municipality must adopt a termination resolution when one of the following occurs:

- All project costs have been recovered
- TID reaches its maximum life
- Municipality decides to end the TID for any other reason

## 2. **What should the municipality provide to the Wisconsin Department of Revenue (DOR) when a TID terminates?**

### a. **Within 60 days of adopting the termination resolution, email [tif@wisconsin.gov](mailto:tif@wisconsin.gov):**

- [TID Termination Resolution](#)
- Final TID Accounting Submission Date Agreement ([Form PE-223](#))

### b. **Within six months of adopting the termination resolution:**

- Provide a list of the TID parcels to the appropriate Real Property Lister. Verify the TID number is removed from the correct tax/assessment roll year.
- Complete the Final Audit. Save a copy in the Municipal TID records.
- Electronically file the Final Accounting Report ([Form PE-110](#)) with DOR

## 3. **What is the last year a municipality receives an increment for a terminated TID?**

The date the municipality adopts the termination resolution determines the last year it receives an increment for that TID. For more details see the [TID Termination Timeframes](#) table.

## 4. **If a municipality adopts a TID termination resolution, does the municipality need to pay DOR a certification administrative fee?**

The answer depends on the date the local legislative body adopts the termination resolution:

- **On or before April 15** — if the local legislative body adopts the termination resolution on or before April 15, the municipality does not pay the certification administrative fee that year
- **After April 15** — if the local legislative body adopts the termination resolution after April 15, the municipality must pay the certification administrative fee that year

5. **Can a municipality terminate an existing TID and then create another TID in the same year?**

Yes. If the municipality is over the 12 percent value limit, the local legislative body must adopt the termination resolution **before** adopting the creation resolution for another TID. The municipality must remain below the 12 percent value limit after terminating a TID, to create another TID.

If the municipality is under the 12 percent value limit, the local legislative body can adopt a creation resolution for a new TID if the municipality remains below the 12 percent value limit. The termination resolution for an existing TID can occur at any time in the same year.

6. **When a municipality terminates a TID, what happens if there are still debts?**

The municipality is responsible for any remaining debt.

7. **How does the municipality divide excess funds among the overlying taxing jurisdictions?**

According to state law ([sec. 66.1105\(6\)\(c\), Wis. Stats.](#)), excess funds are paid to the taxing jurisdictions based on its portion of the total tax rate. DOR recommends basing the distribution on the most recent tax levy proportions without the tax increment. Column A of the Tax Increment Worksheet (PC-202) may be used for this calculation. Contact [lgs@wisconsin.gov](mailto:lgs@wisconsin.gov) for further assistance.

8. **What if a municipality terminated a TID and has some outstanding expenses to pay before disbursing any extra funds to the other overlying tax jurisdictions?**

It is the municipality's responsibility to determine proper administration in this situation. For example, a municipality may set up a temporary escrow account to cover the final payment. This allows the municipality to complete its final audit.

9. **If a municipality adopts a TID termination resolution and notified DOR, can it rescind the termination resolution so it can adopt an affordable housing resolution?**

The answer depends on whether the termination deadline has passed and whether the TID has reached its maximum life. Municipalities must certify a TID as active or inactive by April 15 under state law ([sec. 66.1105\(6\)\(ae\)](#), and [60.85\(6\)\(am\)](#), Wis. Stats.). Both the termination and rescission must be in the same year based on this deadline. See the [TID Termination Timeframes](#) table.

**Rescinding a termination resolution is possible when all items below apply:**

- TID did not reach its maximum life (or extended life) date
- Municipality paid the certification administrative fee for the year to keep the TID active. If the fee is paid, DOR considers the TID active.
- April 15 deadline has not passed; the TID number is still coded on the current year assessment/tax roll parcels

**Rescinding a termination resolution is not possible if any of the items below apply:**

- TID's maximum life (or extended life) date has passed
- Certification administrative fee deadline has passed and the fee was not paid. Since the fee was not paid, DOR considers this TID terminated.
- April 15 deadline has passed; the TID number is removed from the current year assessment/tax roll parcels

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# Tax Incremental Finance (TIF) - Territory Amendments

[Secs. 60.85](#) and [66.1105, Wis. Stats.](#)

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1. **How many times can a municipality amend a project plan to change boundaries?**

A municipality may change Tax Incremental District (TID) boundaries up to four times during the TID's life. If a municipality completes an addition and subtraction in the same year, it counts as one of the four territory amendments. Each amendment may add and/or subtract parcels if all parcels within the TID boundaries remain contiguous.

2. **How does a subtraction amendment differ from an addition amendment?**

**Subtraction amendment** — decreases the number of parcels in the TID. The value of the removed parcels (at the time they were added to the TID) is subtracted from the base value.

**Addition amendment** — increases the number of parcels in the TID. The value of the additional parcels (in the amendment year) is added to the existing base value.

3. **Does all property in a boundary amendment have to be in the same area?**

No. As long as added or subtracted parcels are contiguous to the original TID, the added or subtracted parcels do not have to be in the same area.

4. **If a municipality adds territory to a TID, does the total area of the TID (original parcels and added parcels) have to meet the 50 percent minimum property type based on its original TID type?**

Yes. After a TID is created and declared a specific type, it must remain that type throughout its life. If a municipality adds parcels, 50 percent of the property must meet the TID's original type. If a municipality subtracts parcels, 50 percent of the remaining property must meet the TID's original type.

5. **What should the map and the metes and bounds (boundary legal description) show in a Territory Amendment?**

**Map** — must show an outline of the complete TID and identify the added or subtracted parcels. The new boundary outline must show that the entire TID remains contiguous. Review [Parcels Common Question #3](#) for more information on maps.

**Boundary legal description** — must be revised to describe the updated TID outer boundary of the full TID, including the necessary revisions to account for parcel changes made in the amendment.

6. **Can a municipality discuss multiple amendments (to update projects, add/subtract territory, allocate to another TID) at the same public hearing?**

Yes. However, the municipality must describe each action in a separate statement in the public hearing notice.

See the [Tax Incremental District \(TID\) Checklist](#).

7. **Can a municipality complete a territory addition amendment and update the project plan with new projects at the same time?**

Yes. A municipality usually updates the project plan during a territory amendment to add projects in the new territory. The municipality can also update the project plan with projects that do not relate to the new territory. In both cases, the municipality can complete and submit one set of forms to DOR.

See the [TID Checklist](#) for the required forms and documents.

8. **Does the TID's base value of existing parcels change when territory is added?**

No. The base value of the existing parcels does not change; however, when territory is added, the new parcels' value is added to the TID's existing base value.

**Example:** TID #2 was created in 2012 with a base value of \$150,000. This value does not change when territory is added. In 2019, the municipality adds 10 parcels valued (as of January 1, 2019) at \$45,000. The \$150,000 existing base value plus the \$45,000 sum of additional parcels equals \$195,000. In 2020, the TID's new base value is \$195,000.

9. **Does adding territory affect the TID expenditure period?**

No. Adding territory does not change the TID expenditure period. All project costs (original and additional costs) must be incurred within five years before the TID's maximum life.

10. **Does a municipality need to notify owners of blighted property prior to an amendment hearing?**

Yes. When adding parcels to a blighted or rehabilitation/conservation TID, the municipality must notify the owners of parcels being added and identified as blighted or rehabilitation/conservation 15 days before the public hearing.

11. **Can a municipality amend the boundaries of a distressed or severely distressed TID?**

A municipality may complete a boundary amendment to subtract territory from an existing distressed or severely distressed TID; however, a municipality may not add territory to a TID that is declared distressed or severely distressed.

**12. If the municipality adds territory to an existing TID, does the TID include the new territory's personal property value in the base?**

Yes. When amending a TID, a municipality must include any taxable personal property within the new territory. If taxable personal property is located in a TID, the taxable personal property value becomes part of the TID's new base value.

**13. If a municipality is over the 12 percent value limit, can the municipality add and subtract territory simultaneously?**

If a municipality is over the 12 percent value limit, it can add and subtract territory in the same TID at the same time as long as the net change to the base value is negative. However, the value of the added and subtracted parcels are determined differently.

Value of the:

- Subtracted parcels – is the original value when the parcels entered the TID
- Additional parcels – is the value as of January 1 of the amendment year.

See Value Limit Common [Question #9](#) for additional information.

**FOR Comments or Questions CONTACT:**

MS 6-97

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## Town Tax Incremental Districts (TIDs) created under sec. 60.23, Wis. Stats.

### [Sec. 60.23\(32\), Wis. Stats.](#)

1. **Are the procedures (ex: notices, public hearings, resolutions) for creating a town TID under state law (sec. 60.23, Wis. Stats.), different from those for a city or village?**

No. The procedures are the same because the town chose to exercise all powers of a city, under sec. 66.1105, Wis. Stats. See the [TID Checklist](#).

2. **What additional requirements must a town meet compared to a city or village when creating a TID under sec. 60.23 Wis. Stats.?**

There are three additional requirements:

- a. Prior year [Equalized Value](#) — must be at least \$500,000,000
- b. Prior year population — must be at least 3,500 based on the Wisconsin Department of Administration's most recent [Annual Population Estimates](#)
- c. Sewer service — is or will be provided before use or operation of any improvements

Note: The project plan should show that the town meets the requirements.

3. **State law ([sec. 60.23\(32\)\(f\)2., Wis. Stats.](#)) requires the town to select option (a), (b) or (c). What impact do these three options have on the project plan?**

**Option (a) — ([sec. 60.23\(32\)\(f\)2.a.](#))**

- At least 51 percent of the public infrastructure improvement value must be financed by a private developer or entity
- Development agreement is required to receive cash grants which will solely repay the developer or entity for public infrastructure costs

**Option (b) — ([sec. 60.23\(32\)\(f\)2.b.](#))**

- Town expects all project costs to be paid within 90 percent of the TID's remaining life

**Option (c) — ([sec 60.23\(32\)\(f\)2.c.](#))**

- Expenditures may be made only within the first half of the TID's remaining life
- Joint Review Board can approve additional expenditures; however, the vote must be unanimous and the expenditures cannot exceed the original expenditure period

4. **Is debt service included in the timeframe for Option (b) or Option (c)?**

**Option (b)** — the creation project plan must demonstrate the TID will have sufficient revenue to pay off debt and all project costs within 90 percent of the TID's maximum life. After all project costs are paid, the TID must terminate.

**Option (c)** — the municipality may only take on project costs within the first half of the TID's remaining life. Debt payments may continue through the TID's maximum life.

5. **Does a town have to choose option (a), (b) or (c) each time it amends a TID, or do the options only apply when creating a TID?**

A town must select an option (a, b, or c) when creating the TID, and document the selection in the project plan. If the town completes an amendment, it must reconfirm the TID's original creation option or select a different option.

6. **What limitation percentage affects a town?**

**12 percent** — if the TID is created under sec. 60.23, Wis. Stats., the 12 percent limitation is used because the town chose to exercise all powers of a city under sec. 66.1105, Wis. Stats.

**5 or 7 percent** — if the TID is created under sec. 60.85, Wis. Stats., the 5 percent or 7 percent limitation is used.

See the [Value Limit Common Questions](#) for more information.

7. **Can a town TID still be created under sec. 60.85, Wis. Stats.?**

Yes. This state law remains in effect. See the [Town Creation page](#).

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# Tax Incremental Finance (TIF) - Value Limit

[Secs. 60.23\(32\)](#), [60.85](#), and [66.1105](#), Wis. Stats.

## 1. **What is the Equalized Value limit?**

The Equalized Value limit is the maximum property value a municipality can have within Tax Incremental Districts (TIDs). It is calculated by adding the Equalized Value of the new TID's taxable property as of January 1 (of the creation or amendment year) and the value increment of all existing TIDs (for that municipality). This value cannot exceed 12 percent of the municipality's total Equalized Value.

See state law ([sec. 66.1105\(4\)\(gm\)4.c.](#), Wis. Stats.).

## 2. **What role does releasing Equalized Values on August 15 have in determining the 12 percent limit?**

The Wisconsin Department of Revenue (DOR) updates municipal Equalized Values annually on August 15. The municipal TID creation (or amendment) resolution adoption date determines which year's value increment and municipal value to use in the value limit calculation. If the local legislative body resolution is adopted:

- **Before August 15** — use the previous year's Equalized Value Increment and municipal value
- **On or after August 15** — use the new Equalized Value Increment and municipal value

## 3. **If a Tax Incremental District (TID) is in more than one county, is the value limit calculation separated by county?**

No. The entire TID's final full value is included in the value limit calculation. Values from both counties for the TID base, TID increment and municipal Equalized Value are combined when calculating the 12 percent limit.

## 4. **In calculating the 12 percent limit for creating a TID or adding parcels to an existing TID, does the municipality include the increment for a terminated district?**

No. The municipality does not include the terminated TID's value increment when calculating the 12 percent limit, as long as the termination resolution was adopted before the creation or territory resolution.

5. **Are overlapped parcel values included in the 12 percent limit calculation?**

No. Under state law ([sec. 66.1105\(10\)\(c\), Wis. Stats.](#)), the value of overlapped parcels are not included in the 12 percent limit calculation.

6. **Can a municipality create a new TID with a zero base value if the municipality's existing TIDs already exceed the 12 percent limit?**

No. Under state law ([sec. 66.1105\(4\)\(gm\)4.c., Wis. Stats.](#)), a new TID or boundary addition cannot be approved if the municipality already exceeds 12 percent.

7. **If a municipality is creating multiple TIDs in the same year, and all the TIDs are under 12 percent individually but collectively exceed the limit, can the TIDs be created?**

Yes. Each submission stands alone. As long as each TID (created/amended) in the same year meets the 12 percent limit individually, the TIDs can be created/amended. See state law ([sec. 66.1105\(4\)\(gm\)4.c., Wis. Stats.](#)).

8. **Does the 12 percent limit apply to amendments (adding/subtracting parcels), or does it only apply when a municipality is creating a new Tax Incremental District (TID)?**

The 12 percent value limit applies to new TID creations (except designated Environmental Remediation (ER) TIDs) and TID amendments adding parcels. The value limit calculation is part of the required findings in the municipal resolution. The 12 percent value limitation does not apply when a municipality is subtracting parcels from a TID.

9. **When a municipality amends an existing TID to add and subtract parcels, how does the 12 percent limit apply?**

If a municipality completes the amendments at the same time, the value of the added and the subtracted parcel values are combined. The resulting value is used in the value limit calculation. Subtracted parcels use the value from the year they entered the TID. Added parcels use the value as of January 1 of the amendment year.

**Example 1:** A municipality adds one parcel with a value of \$100,000 and subtracts one parcel that had a value of \$50,000 when it entered the TID. The combined value is an addition of \$50,000. The \$50,000 total is used in the 12 percent value limit calculation.



**Example 2:** A municipality adds one parcel with a value of \$50,000 and subtracts one parcel that had a value of \$100,000 when it entered the TID. Because the combined value is a subtraction of \$50,000, the amendment is not required to meet the 12 percent value limitation.

10. **Can a municipality amend a project plan to add projects when the municipality is over the 12 percent limit?**

Yes. The 12 percent value limit only applies when a TID is created or parcels are added.

11. **When a municipality amends a TID using simultaneous creation and subtraction, how does the 12 percent limit apply?**

Under state law ([sec. 66.1105\(17\), Wis. Stats.](#)), a municipality may complete a [simultaneous creation and subtraction](#) amendment without including the 12 percent finding in the resolution. The municipality must submit both the creation and subtraction amendment together and include a fair market value appraisal for each. The appraisal must show that the property value being removed in the subtraction amendment equals or exceeds the amount needed for the proposed TID to comply with the 12 percent limit.

A municipality may only complete a simultaneous creation and subtraction if it has no other active TID created using this option.

12. **Does the 12 percent value limit apply to Town TIDs created under state law ([sec. 60.85, Wis. Stats.](#))?**

No. Under state law ([sec. 60.85\(3\)\(h\)5.d., Wis. Stats.](#)), the limits are different. A town can only create a TID if it meets the 5 percent or 7 percent limit:

**5 percent limit** — the district's Equalized Value plus the *value increment* of all existing districts in the town cannot exceed 5 percent of the town's total Equalized Value.

**7 percent limit** — the district's Equalized Value plus the *Equalized Value* of all existing districts in the town cannot exceed 7 percent of the town's total Equalized Value.

13. **Does the 12 percent value limit apply to Environmental Remediation (ER) TIDs created under state law [sec. 66.1105, Wis. Stats.](#)?**

Yes. However, the municipality can designate one ER TID created under [sec. 66.1105, Wis. Stats.](#), as excluded from the 12 percent value limit.

The municipality cannot change this designation to another ER TID. After the designated ER TID terminates, the municipality may designate another ER TID created under [sec. 66.1105, Wis. Stats.](#), as excluded from the value limit.

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## Tax Incremental District (TID) Creation Timeframes

Municipal Creation Resolution Adoption Date	Creation Year*	TID Added to Tax/Assessment Roll	First Year Tax Increment Received	First Year Administrative Certification Fee Due	First TID Equalized Value Established	First Annual Report Due to DOR
October 1, 2016 – September 30, 2017	2017	2018	2019	April 15, 2018	August 15, 2018	July 1, 2019 (for 2018)
October 1, 2017 – September 30, 2018	2018	2019	2020	April 15, 2019	August 15, 2019	July 1, 2020 (for 2019)
October 1, 2018 – September 30, 2019	2019	2020	2021	April 15, 2020	August 15, 2020	July 1, 2021 (for 2020)
October 1, 2019 – September 30, 2020	2020	2021	2022	April 15, 2021	August 15, 2021	July 1, 2022 (for 2021)
October 1, 2020 – September 30, 2021	2021	2022	2023	April 15, 2022	August 15, 2022	July 1, 2023 (for 2022)
October 1, 2021 – September 30, 2022	2022	2023	2024	April 15, 2023	August 15, 2023	July 1, 2024 (for 2023)
October 1, 2022 – September 30, 2023	2023	2024	2025	April 15, 2024	August 15, 2024	July 1, 2025 (for 2024)

\* TID creation documents for municipal TIDs are due to the Wisconsin Department of Revenue (DOR) October 31 of the creation year.  
TID creation documents for Town TIDs created under sec. 60.85, Wis. Stats. are due to DOR December 31 of the creation year.

(r.11/19)

## Tax Incremental District (TID) Termination Timeframes

Municipal Termination Resolution Adoption Date	Termination Year	TID Removed from Tax/Assessment Roll	Last Year Tax Collection for Increment	Last Year Administrative Certification Fee Due	Last TID Equalized Value Established	Last Annual Report Due to DOR
April 16, 2018 – April 15, 2019	2019	2019	2019 (for 2018 taxes)	April 15, 2018	August 15, 2018	July 1, 2019 (for 2018)
April 16, 2019 – April 15, 2020	2020	2020	2020 (for 2019 taxes)	April 15, 2019	August 15, 2019	July 1, 2020 (for 2019)
April 16, 2020 – April 15, 2021	2021	2021	2021 (for 2020 taxes)	April 15, 2020	August 15, 2020	July 1, 2021 (for 2020)
April 16, 2021 – April 15, 2022	2022	2022	2022 (for 2021 taxes)	April 15, 2021	August 15, 2021	July 1, 2022 (for 2021)
April 16, 2022 – April 15, 2023	2023	2023	2023 (for 2022 taxes)	April 15, 2022	August 15, 2022	July 1, 2023 (for 2022)
April 16, 2023 – April 15, 2024	2024	2024	2024 (for 2023 taxes)	April 15, 2023	August 15, 2023	July 1, 2024 (for 2023)
April 16, 2024 – April 15, 2025	2025	2025	2025 (for 2024 taxes)	April 15, 2024	August 15, 2024	July 1, 2025 (for 2024)

(r. 11/19)

## Municipal Tax Incremental Finance (TIF) Annual Report and Audits

When a municipality creates a Tax Incremental District (TID), state law requires the following annual report and audits.

<p><a href="#">TID Annual Report (PE-300)</a></p>	<ul style="list-style-type: none"> <li>• State law requires municipalities with active TIDs to electronically file an annual report for each TID by July 1 to the Wisconsin Department of Revenue</li> <li>• If you are not a Clerk or Clerk/Treasurer then you must request access to file this form through My DOR Government Account</li> <li>• Reported items include: general information, beginning fiscal balance, revenues, expenditures, future costs, future revenue, and ending fiscal balance</li> <li>• Future costs and future revenue are estimates based on the remaining life of the TID. Information may be found in a recent cash flow statement or in the original project plan.</li> <li>• A standing Joint Review Board must meet by July 1 (or when the report is available) to review each TID's annual report, performance, and status</li> <li>• Municipality must provide each overlying tax jurisdiction a copy of the annual report by July 1</li> </ul> <p>State law:</p> <ul style="list-style-type: none"> <li>• <a href="#">60.85(8)(c), Wis. Stats.</a></li> <li>• <a href="#">66.1105(6m)(c), Wis Stats.</a></li> <li>• <a href="#">66.1106(10)(a), Wis. Stats.</a></li> </ul>
<p>Certified Public Accountant (CPA) Audits</p>	<p><b>For Town and Municipal TIDs</b>, CPA audits are required at least <b>three</b> times during the TID's life, no later than 12 months after:</p> <ul style="list-style-type: none"> <li>• 30 percent of total project expenditures</li> <li>• End of expenditure period</li> <li>• Termination of the district</li> </ul> <p><b>For Environmental Remediation TIDs created before November 2017</b>, a CPA audit is required at least <b>once</b> during the TID's life, no later than 12 months after:</p> <ul style="list-style-type: none"> <li>• Termination of the district</li> </ul>

	<p>The CPA must determine if all financial transactions comply with the state law.</p> <p>State law:</p> <ul style="list-style-type: none"><li>• <a href="#">60.85(8)(b), Wis. Stats.</a></li><li>• <a href="#">66.1105(6m)(b), Wis. Stats.</a></li><li>• <a href="#">66.1106(10)(c), Wis. Stats.</a></li></ul>
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<b>Publications/Information</b>
<a href="#">TIF Manual</a> - TIF reference guide

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## Tax Incremental Finance (TIF) Base Value Redetermination (sec. 66.1105, Wis. Stats.)

A municipality may request a base value redetermination for a Tax Incremental District (TID) in a decrement situation, under state law ([sec. 66.1105\(2\)\(aj\), Wis. Stats.](#)).

### Requirements

- TID must be created under state law ([sec. 66.1105, Wis. Stats.](#)); TIDs created under other sections are not eligible
- TID's current year value is at least 10 percent below the TID's base value for two consecutive years (decrement) (see [TID Statement of Changes Report](#)).
  - The date of the municipality's redetermination resolution determines the two consecutive years
  - Example: if the municipal resolution is adopted May 21, 2020, the 2018 and 2019 values must be 10 percent below the TID's current base value).
- Only one base value redetermination is allowed during a TID's life

### Decrement Determination Examples

Example 1: TID created with a base value = \$49,621,600			
Year	Equalized Value	Calculation Change	Decline
2017	44,595,000	$44,595,000 - 49,621,600 = -5,026,200 / 49,621,600 =$	10.13%
2018	44,595,000	$44,595,000 - 49,621,600 = -5,026,200 / 49,621,600 =$	10.13%

Value decreased by 10 percent and was 10 percent lower for two consecutive years  
TID qualifies for a redetermination — new base value is \$44,595,000

Example 2: TID created with a base value = \$8,113,400			
Year	Equalized Value	Calculation Change	Decline
2017	6,513,800	$6,513,800 - 8,113,400 = -1,599,600 / 8,113,400 =$	19.72%
2018	6,852,600	$6,852,600 - 8,113,400 = -1,260,800 / 8,113,400 =$	15.54%

Value decreased by 10 percent for two consecutive years and met the requirement, even though the TID value increased from 2017 to 2018  
TID qualifies for a redetermination — new base value is \$6,852,600

**Example 3: TID created with a base value = \$56,813,200**

Year	Equalized Value	Calculation Change	Decline
2017	53,843,100	$53,843,100 - 56,813,200 = -2,970,100 / 56,813,200 =$	5.23%
2018	49,582,600	$49,582,600 - 56,813,200 = -7,230,600 / 56,813,200 =$	12.73%

TID does not qualify for a redetermination because 2017 TID value had only a 5 percent decline. If 2019 results in a decline of at least 10 percent, the TID would qualify for a base redetermination.

**Due date/process**

- Municipal resolution must be adopted by September 30 of the redetermination amendment year
- All TID documents due to Wisconsin Department of Revenue ( DOR) by **October 31** of the redetermination amendment year
- **TIF Fee** — after a municipality notifies DOR it amended a TID, DOR posts a bill in [My Tax Account](#)
- DOR redetermines base values after January 1 of the year following the redetermination amendment

**Forms**

<a href="#">PE-605B</a>	TID Base Value Redetermination - Legal Requirements
<a href="#">Decrement Worksheet</a>	TID Base Redetermination Worksheet

**Publications/Information**

<a href="#">TID Checklist</a> - required forms to complete and documents to provide
<a href="#">TIF Public Notices</a> - information on public notices
<a href="#">Resolution Checklist</a> - required resolution information
<a href="#">Guidelines for Project Plans</a> - required project plan information
<a href="#">Common Questions</a> - questions and answers on TID base value redeterminations
<a href="#">TIF Manual</a> - TIF reference guide



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# Tax Incremental District (TID) Certification Report

Municipalities, counties, school districts, technical colleges, and special districts use this report to view annual TID Value increments. Each report includes the current, base and increment values by TID for the taxing jurisdiction (sec. [60.85\(5\)\(i\)](#), [66.1105\(5\)\(g\)](#), [66.1106\(6\)](#), Wis. Stats). For more information, review the [Tax Increments Common Questions](#).

## Report Column Definitions

- **School District/Special District/Technical College** – name of the district, if applicable
- **School/Special/Tech code** – district code, if applicable
- **County** – county where the TID is located
- **CoMun** – county municipal code where the TID is located
- **TVC** – municipality type (town, village, city)
- **Municipality** – name of the city, village or town where the TID is located
- **TID #** – number assigned to the TID by the municipality
- **Base Yr.** – year the TID was created
- **Current Value** – total full market value of all property within the TID for the current year
- **Base Value** – total full market value of all property within the TID when the TID was created
- **Increment**
  - Calculated by subtracting the base value from the current year value
  - Property taxes collected on the increment value used by the municipality to pay eligible TID project costs (sec. [60.85\(6\)\(c\)](#), [66.1105\(6\)\(b\)](#), [66.1106\(8\)](#), Wis. Stats)
  - Negative increment is considered zero, generating no payment to the municipality
- **Net Adjustment** - if a TID has multiple school districts, technical colleges or specials districts, the district with the negative value is subtracted from the district with the positive value

## TID Certification Reports

### County

- [2014](#)
- [2013](#)
- [2012](#)

### Municipal

- [2014](#)
- [2013](#)
- [2012](#)

### **Municipal/County**

- [2018](#)
- [2017](#)
- [2016](#)
- [2015](#)

### **School Districts**

- [2018](#)
- [2017](#)
- [2016](#)
- [2015](#)
- [2014](#)
- [2013](#)
- [2012](#)

### **Special Districts**

- [2018](#)
- [2017](#)
- [2016](#)
- [2015](#)
- [2014](#)
- [2013](#)
- [2012](#)

### **Technical College Districts**

- [2018](#)
- [2017](#)
- [2016](#)
- [2015](#)
- [2014](#)
- [2013](#)
- [2012](#)

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## Tax Incremental Finance (TIF) Distressed/Severely Distressed TID

[Sec. 66.1105\(4e\), Wis. Stats.](#)

A municipality can no longer designate an active Tax Incremental District (TID) as distressed or severely distressed. This provision sunset on September 30, 2015.

### Distressed vs. Severely Distressed

- Distressed - allowed the municipality to extend a TID 10 years past the original termination date
- Severely distressed - allowed a municipality to extend a TID up to 40 years from the creation date

### Distressed/severely distressed TIDs:

- Created before October 1, 2008
- Cannot amend after October 1, 2009
- Have projected TID increments showing the project costs and debt cannot be paid within the normal life of the TID
- Must use any increment that exceeds the TID's annual expenditures to retire the TID debt or establish a reserve fund that can only be used to retire the debt of the distressed/severely distressed TID
- Note: Severely Distressed TIDS only - must have an increment in any year that has declined at least 25% from the highest value increment

### Municipalities with distressed/severely distressed TIDs may not:

- Make any additional expenditures in the distressed/severely distressed TID after the original expenditure period ends
- Amend the TID's project plan to add any new costs, add any new territory or become a donor TID
- Overlap the distressed/severely distressed TID's boundaries with another TID
- Spend any funds outside the TID boundaries
- Rescind the TID's distressed/severely distressed designation. The TID must remain distressed/severely distressed until the municipality terminates it.

### Municipalities with distressed/severely distressed TIDs may:

- Subtract parcels from the distressed/severely distressed TID
- Request a base value redetermination if the TID is in a decrement situation
- Terminate the distressed/severely distressed TID before the extended life

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## Eligible Projects for a Town Tax Incremental District (TID) (Sec. 60.85, Wis. Stats.)

A town TID may only incur costs for these project types ([sec. 60.85\(2\)\(b\)](#), Wis. Stats.) as classified by the [North American Industry Classification System \(NAICS\), 1997 edition](#) ([sec. 60.85\(1\)](#), Wis. Stats.):

- Agricultural
- Forestry
- Manufacturing
- Tourism

The Town's creation resolution must declare the TID's project type and specify the industry classification number from the list below. For more information on each classification, use the link to access the main NAICS section, and then navigate to the appropriate sub-classification.	
<b>Agricultural Projects</b>	<b>NAICS classifications allowed</b> ( <a href="#">sec. 60.85(1)(a)</a> , Wis. Stats.)
<a href="#">111</a>	Crop production
<a href="#">112</a>	Animal production
<a href="#">1151</a>	Support activities for agriculture
<a href="#">1152</a>	Support activities for animal production
<a href="#">493120</a>	Refrigerated farm product warehousing and storage
<b>Forestry Projects</b>	<b>NAICS classifications allowed</b> ( <a href="#">sec. 60.85(1)(c)</a> , Wis. Stats.)
<a href="#">113</a>	Forestry and logging
<a href="#">115310</a>	Support activities for forestry
<b>Manufacturing Projects</b>	<b>NAICS classifications allowed</b> ( <a href="#">sec. 60.85(1)(e)</a> , Wis. Stats.)
<a href="#">31161</a>	Animal slaughtering and processing
<a href="#">321</a>	Wood product manufacturing
<a href="#">322</a>	Paper manufacturing
<a href="#">325193</a>	Ethyl alcohol manufacturing
<b>Tourism Projects</b>	<b>NAICS classifications allowed</b> ( <a href="#">sec. 60.85(1)(p)</a> , Wis. Stats.)
<a href="#">721214</a>	Recreational and vacation camps
<a href="#">721211</a>	RV parks and campgrounds
<a href="#">711212</a>	Racetracks
<a href="#">44529</a>	Dairy product stores
<a href="#">713910</a>	Public Golf courses

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<https://www.revenue.wi.gov/Pages/Form/govtif-erbase.aspx>

## Tax Incremental Finance (TIF) Environmental Remediation (ER) (sec. 66.1105, Wis. Stats.) Creation

Creating an ER TID requires a municipality to obtain a Wisconsin Department of Natural Resources (DNR) certification of the site investigation report **before** adopting a municipal creation resolution. Costs incurred for a site investigation report are considered planning expenditures and may be reimbursed using increment received.

Provide DNR the following to obtain certification:

- Description of the environmental pollution in the proposed district
- Proposed remedial action plan
- Cost estimates for expected project costs
- Schedule for remediation (design, implementation, construction)

For more information, visit the DNR [Financial resources for cleaning up & redeveloping contaminated properties](#) website, click "Tax credits & incentives" tab at the bottom of the page.

The municipality must email the completed forms and required documents to Wisconsin Department of Revenue (DOR), including the DNR certification and site investigation report. We use this information to confirm the parcels in the TID and verify the municipality followed state law.

ER TIDs created by a municipal resolution:

- After November 29, 2017 – must follow [sec. 66.1105 Wis. Stats.](#)
- On or before November 29, 2017 – must follow [sec. 66.1106 Wis. Stats.](#)

### Requirements/Limits

- Maximum life is 27 years with a possible 3-year standard extension
- Project plan must specify either:
  - All project costs will be paid within 90 percent of the TIDs remaining life or
  - Expenditures will only be made in the first half of the TID life; **exception** – expenditures for significant environmental pollution not identified in the certified site investigation report may continue for 22 years (five years before the maximum life)
- May only allocate excess funds to other ER TIDs created under 66.1105 or 66.1106, Wis. Stats.
- A municipality may designate only one ER TID created under sec. 66.1105, Wis. Stats., as excluded from the 12 percent value limit. Once the excluded TID is designated, it cannot be changed.
- When an ER TID is created under sec 66.1105 Wis. Stats., DOR sets the base value at \$1
- When the ER TID is amended to add territory, the full value of the additional parcels as of January 1 of the amendment year is added to the existing \$1 base value

### Due date/process

- Municipal resolution must be adopted by September 30 of the creation year
- All TID documents due to DOR by **October 31** of the creation year
- **TIF Fee** – after your municipality notifies DOR it created a TID, DOR posts a bill in [My Tax Account](#)
- DOR certifies TID base values after January 1 of the year following creation



Forms	
<a href="#">PE-605</a>	TID Creation - Legal Requirements
<a href="#">Base Value Workbook</a>	This Excel workbook contains all of the necessary forms to document the property and taxing jurisdictions affected by the TID. For best results, open the workbook, save it to your computer and then complete the forms.

Publications/Information
<a href="#">TID Checklist</a> - required forms to complete and documents to provide
<a href="#">TID Creation Timeline</a> – shows relevant dates from creation year through first increment
<a href="#">TID Creation Timeframes</a> – provides timeframes for fees, increment, and values
<a href="#">TIF Public Notices</a> – information on public notices
<a href="#">Resolution Checklist</a> – required resolution information
<a href="#">Guidelines for Project Plans</a> – required project plan information
<a href="#">TIF Manual</a> – TIF reference guide

Law References
<a href="#">66.1105(20m)</a> – ER Tax Increment law for ER TIDs created <b>after</b> November 29, 2017
<a href="#">66.1106</a> – ER Tax Increment Law for ER TIDs created <b>on or before</b> November 29, 2017

FOR Comments or Questions, CONTACT:

MS 6-97  
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 PO Box 8971  
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 Phone: (608) 266-7750  
 Email additional questions to: [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

<https://www.revenue.wi.gov/Pages/Form/govtif-Home.aspx>

# Tax Incremental Financing (TIF) Forms

TIF and Tax Incremental District (TID) forms are listed below in form number order.

## MyDORGov forms

- Must have access to the form in My DOR Gov Account
- Forms are filed electronically

## Excel forms

- Municipal Assessor and Clerk must confirm numbers
- Email completed forms to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

## Adobe forms

- Work best using [Internet Explorer](#)
- Trouble downloading?
  - [Internet Explorer](#)
  - [Microsoft Edge](#)
  - [Google Chrome](#)
- Email completed forms to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)
- [PDF Help](#) - How to Use Fill-In Forms and Adobe Reader Information

Form	Format	Description
<a href="#">PE-110</a>	MyDORGov	TID Final Accounting Report
<a href="#">PE-223</a>	Adobe	Terminated TID Final Accounting Submission Date Agreement
<a href="#">PE-300</a>	MyDORGov	TID Annual Report
<a href="#">PE-601A</a>	Excel	TID – Local Personal Property
<a href="#">PE-605</a>	Adobe	TID Creation – Legal Requirements
<a href="#">PE-605A</a>	Adobe	Project Plan or Allocation Amendment – Legal Requirements
<a href="#">PE-605B</a>	Adobe	Base Value Redetermination – Legal Requirements
<a href="#">PE-605T</a>	Adobe	TID Territory Amendment – Legal Requirements
<a href="#">PE-606</a>	Excel	Equalized Value Determination Request
<a href="#">PE-608</a>	Excel	TID Parcel List – Locally Assessed Property
<a href="#">PE-608M</a>	Excel	TID Parcel List – Manufacturing Real Property
<a href="#">PE-608MP</a>	Excel	TID – Manufacturing Personal Property

<b>Form</b>	<b>Format</b>	<b>Description</b>
<a href="#">PE-615A</a>	Excel	TID Assessment Summary
<a href="#">PE-619</a>	Excel	TID Parcel List – Municipal-Owned Property
	Excel-Print-Sign-Scan	<a href="#">Clerk Signature Statement</a>
	Excel-Print-Sign-Scan	<a href="#">Assessor Signature Statement</a>
	Excel	<a href="#">Territory Subtraction Workbook</a>
	Excel	<a href="#">TID Base Redetermination Worksheet</a>

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# Multijurisdictional Tax Incremental Finance (TIF) Creation ([sec. 66.1105\(18\), Wis. Stats.](#))

To create a Tax Incremental District (TID), email completed forms and required documents to the Wisconsin Department of Revenue (DOR). DOR uses this information to establish the district's base value and verify the municipality followed state law.

**For a multijurisdictional TID, provide all the regular required TID forms and documents, *plus* the following:**

1. Identification of the TID type when the lead municipality emails the 60-day notice to DOR
2. Copy of the Intergovernmental Cooperation Agreement with the provisions outlined in state law ([sec. 66.1105\(18\)\(b\), Wis. Stats.](#)), including items listed in TIF Manual
3. Required forms for each participating municipality
4. Any additional resolutions required for municipalities exceeding the 12 percent value limit

See the [TIF Manual](#) for boundary requirements and limitations on a multijurisdictional TID. Multijurisdictional TIDs have the same life, expenditure period, reporting/audit requirements as TIDs created under [sec. 66.1105](#), Wis. Stats.

## Due date/process

- Municipal resolution must be adopted by September 30 of the creation year
- All TID documents due to DOR **by October 31** of the creation year
- **TIF Fee** - after a municipality notifies DOR it created a TID, DOR posts a bill in [My Tax Account](#)
- DOR certifies base values after January 1 of the year following creation

Forms	
<a href="#">PE-605</a>	TID Creation - Legal Requirements
<a href="#">Base Value Workbook</a>	This Excel workbook contains all of the necessary forms to document the property and taxing jurisdictions affected by the TID. For best results, open the workbook, save it to your computer and then complete the forms.

Publications/Information
<a href="#">TID Checklist</a> - required forms to complete and documents to provide
<a href="#">TID Creation Timeline</a> – shows relevant dates from creation year through first increment

<b>Publications/Information</b>
<a href="#">TID Creation Timeframes</a> – provides timeframes for fees, increment, and values
<a href="#">TIF Public Notices</a> – information on public notices
<a href="#">Resolution Checklist</a> – required resolution information
<a href="#">Guidelines for Project Plans</a> – required project plan information
<a href="#">TIF Manual</a> – TIF reference guide

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<https://www.revenue.wi.gov/Pages/Form/govtif-tidbase.aspx>

## Tax Incremental Finance (TIF) (sec. 66.1105 and sec. 60.23, Wis. Stats.) Municipal Creation

To create a Tax Incremental District (TID), email the completed forms and required documents to the Wisconsin Department of Revenue (DOR). DOR uses this information to establish the district's base value and verify the municipality followed state law.

To create a Town TID under state law ([sec. 60.23\(32\), Wis. Stats.](#)), the town must meet additional requirements:

- In the **year before** the town adopts a resolution, the following criteria must be met:
  - Equalized Value must be at least \$500 Million – use the [Statement of Changes in Equalized Values Report](#)
  - Population must be at least 3,500 – use the [annual population estimates](#)
- Sewer service is or will be provided before use or operation of any improvements

### Due date/process

- Municipal resolution must be adopted by September 30 of the creation year
- All TID documents due to DOR **by October 31** of the creation year
- **TIF Fee** – after a municipality notifies DOR it created a TID, DOR posts a bill in [My Tax Account](#)
- DOR certifies base values after January 1 of the year following creation

Forms	
<a href="#">PE-605</a>	TID Creation - Legal Requirements
<a href="#">Base Value Workbook</a>	This Excel workbook contains all of the necessary forms to document the property and taxing jurisdictions affected by the TID. For best results, open the workbook, save it to your computer and then complete the forms.

Publications/Information
<a href="#">TID Checklist</a> – required forms to complete and documents to provide
<a href="#">TID Creation Timeline</a> – shows relevant dates from creation year through first increment
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<a href="#">TIF Public Notices</a> – information on public notices
<a href="#">Resolution Checklist</a> – required resolution information

<b>Publications/Information</b>
<a href="#">Guidelines for Project Plans</a> – required project plan information
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# Municipal Tax Incremental Finance (TIF) Extensions

Secs. [66.1105\(7\)\(am\)](#) and [66.1105\(6\)\(g\)](#), Wis. Stats.

## Extension type – resolution required

A municipality may extend the life of a Tax Incremental District (TID) using any (or all) the extension types.

1. Affordable housing extension – Municipal resolution
2. Standard extension – Joint Review Board (JRB) resolution
3. Technical college extension – JRB resolution

## Extension information

A municipality must adopt an extension resolution before:

- TID reaches its maximum life date
- Adopting a TID termination resolution

## General

- The municipality must email the approved resolution to the Wisconsin Department of Revenue (DOR)
- The municipality does **not** need to:
  - Update the TID's project plan
  - Follow the TID amendment process
- Extensions do not change the expenditure period; it still ends five years before the TID's maximum life date
- After the extension period ends, the municipality must adopt a separate termination resolution

### Sample Resolutions

A municipality may use one of these fill-in resolutions or its own version. Email the adopted resolution to [tif@wisconsin.gov](mailto:tif@wisconsin.gov).

[Affordable Housing Extension Resolution Sample](#)

[Standard Extension Resolution Sample](#)

[Technical College Extension Resolution Sample](#)

### Publications/Information

[TID Extension Types](#) – Information on each type of extension

[Common Questions](#) – Questions and answers on TID extensions



## Publications/Information

[TIF Manual](#) – TIF reference guide (p. 19-20)

### **FOR Comments or Questions CONTACT:**

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# Municipal Tax Incremental Finance (TIF) (sec. 66.1105, Wis. Stats.) Project Plan and/or Allocation Amendments

## Project Plan Amendment ([sec. 66.1105\(4\)\(h\), Wis. Stats.](#))

- Add projects not included in the original plan (ex: half mile radius, developer incentives, etc.)
- Project plan amendment resolution must be adopted before expenditure period ends
- No limit on number of project plan amendments per TID
- Does not change the expenditure period, base value or maximum life of the Tax Incremental District (TID)

## Allocation with Project Plan Amendment ([sec. 66.1105\(6\)\(f\), Wis. Stats.](#))

- Certain donor and recipient requirements (see Allocation Fact Sheet below)
- Allocation amendment resolution must be adopted before expenditure period ends
- Only update the donor TID's project plan
- Does not change the expenditure period, base value or maximum life of the TID

## Due date/process

- Municipal resolution can be adopted anytime during the year
- All TID documents due to Wisconsin Department of Revenue (DOR) **by December 31** of the amendment year
- DOR approves project plan and/or allocation amendments upon receipt of the municipality's form and supporting documents

Forms	
<a href="#">PE-605A</a>	Project Plan and/or Allocation Amendment - Legal Requirements

Publications/Information	
<a href="#">TID Checklist</a>	- required forms to complete and documents to provide
<a href="#">TIF Public Notices</a>	– information on public notices
<a href="#">Resolution Checklist</a>	– identifies required resolution information
<a href="#">Guidelines for Project Plans</a>	– required project plan information
<a href="#">TIF Manual</a>	– TIF reference guide
<a href="#">Allocation Fact Sheet</a>	– donor to recipient transfers allowed by TID type

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<https://www.revenue.wi.gov/Pages/Municipalities/pubNotice.aspx>

# Tax Incremental Finance (TIF) Public Notices

## Published notices

When creating or amending a Tax Incremental District (TID), the municipality must publish notices about the public hearing and Joint Review Board (JRB) meetings.

Notice needed for:

- **JRB meetings** - publish one notice at least five days before **any** JRB meeting ([sec. 66.1105\(4m\)\(e\)](#), Wis. Stats.) Excluded:
  - Town TIDs created under sec. 60.85, Wis. Stats.
  - Environmental Remediation TIDs (under sec. 66.1106, Wis. Stats.)
- **TID Creation** – publish two consecutive notices, one per week, with the second notice at least seven days before the public hearing
- **TID Amendments** – publish one notice at least seven days before the public hearing

The minimum number of days does not include the day the notice is published but does include the day of the meeting.

For more information, review:

- [Chapter 985](#), Wis. Stats. - Publication of Legal Notices
- [TID Checklist](#)
- Common Questions - [Public Notices](#) and TID Creation questions [\(8\)](#) and [\(12\)](#)

## Open meeting law

Public hearings must comply with open meetings law. For more information, review:

- [Wisconsin Department of Justice](#)
- [University of Wisconsin-Extension Local Government Center](#)

## Sample notices

The Wisconsin Department of Revenue (DOR) developed the following sample notices:

- [Combined Public Hearing Notice and first JRB meeting](#)
- [Second JRB Meeting](#)
- [JRB meeting - TID Annual Report](#)

Sample notice instructions:

- Use each sample as a guide
- Modify each notice to address your municipality's specific situation
- Samples contain some words in red, which indicate the **minimal** updates needed with specific municipality and TID information
- Samples are not meant to be legal advice for any municipality or individual
- A municipality should consult its attorney on specific questions about notices or complying with open meetings law

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## Municipal Tax Incremental Finance (TIF) (sec. 66.1105(17), Wis. Stats.) Simultaneous Creation and Subtraction

In specific situations, a municipality may simultaneously create a new Tax Incremental District (TID) and subtract parcels from an existing TID when a municipality is over the [12 percent limit](#). The municipal resolution does not need to state the TID meets the 12 percent limit. However, the municipality must meet the 12 percent limit using the appraisal values. The Wisconsin Department of Revenue (DOR) can assist with the limit calculation.

Create a TID and subtract parcels from an existing TID by emailing the required documents and two appraisals from a licensed appraiser to DOR by October 31 of the creation and amendment year. Appraisers are licensed by the [Wisconsin Department of Safety and Professional Services](#).

Appraisals must show the taxable property's current fair market value:

1. For the parcels in the new TID and
2. For the parcels being subtracted from the existing TID

*To ensure the 12 percent limit is met when the TID is created, both appraisals must show that the subtracted property value equals or exceeds the new TID's value.*

### Requirements/limits

- New TID and the existing TID subtracting parcels must be in the same municipality
- Only one TID in a municipality can be created under state law ([sec. 66.1105\(17\), Wis. Stats.](#))

### Due date/process

- Municipal creation and amendment resolutions must be adopted by September 30 of the creation and amendment year
- **TIF Fee** – after a municipality notifies DOR it simultaneously created a TID and amended a TID, DOR posts a bill in [My Tax Account](#)
- DOR certifies base values after January 1 of the year following the creation and amendment

### Additional TIF information

For more information, review these webpages:

- [TIF Municipal Creation](#)
- [Municipal TIF Territory Subtraction Amendment](#)

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# Municipal Tax Incremental Finance (TIF) Termination

[Sec. 66.1105\(7\), Wis. Stats.](#)

**A municipality must adopt a Tax Incremental District (TID) termination resolution when one of the following occurs:**

- Municipality receives total tax increments equal to the total of all project costs as described in the most recent approved project plan
- TID reaches its maximum life. The maximum life before extensions varies and is determined by the TID type and creation resolution date. See the [TID Criteria Matrix table](#) for more details.
- Municipality chooses to terminate the district early

**When a municipality adopts a resolution to terminate a TID, the municipality must:**

1. Email the Wisconsin Department of Revenue (DOR) within 60 days after adopting the termination resolution:
  - Final Accounting for Terminated TID Agreement ([Form PE-223](#))
  - Copy of the adopted municipal termination resolution
2. Notify:
  - Property Lister – provide a list of the parcels where the TID number needs to be removed from the tax/assessment roll
  - Local assessor
  - All overlying taxing jurisdictions for the TID
3. Comply with the submission date established on Form PE-223 by:
  - Completing the TID Final Audit and saving a copy in the municipal TID records
  - Electronically filing (e-filing) the TID Final Accounting Report ([Form PE-110](#)) with DOR

Forms	
<a href="#">TID Termination Resolution Sample</a>	Fill-in resolution. Email adopted resolution to DOR within 60 days.
<a href="#">Terminated TID Final Accounting Submission Date Agreement</a> (Form PE-223)	Form confirms termination dates and establishes the date to e-file the TID Final Accounting Report. Email the completed agreement to DOR.
<a href="#">TID Final Accounting Report</a> (Form PE-110)	Form documenting total expenditures and revenues for the TID. E-file the form using My DOR Gov Account.

Publications/Information
<a href="#">TID Termination Timeframes</a> - Important dates for the termination process
<a href="#">TIF Manual</a> – TIF reference guide



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# Municipal Tax Incremental Finance (TIF) (sec. 66.1105, Wis. Stats.) Territory Amendment (adding parcels)

A municipality may amend the boundaries of an active Tax Incremental District (TID) up to four times ([sec. 66.1105\(4\)\(h\)2., Wis. Stats.](#)) by adding whole parcels contiguous to the TID. A municipality may also add and subtract parcels through one process.

## Due date/process

- List the additional parcels on the Base Value Workbook with the assessed values as of January 1 of the amendment year
- DOR adds the value of the additional value to the existing base value
- Municipal resolution must be adopted by September 30 of the amendment year
- All TID documents due to DOR **by October 31** of the amendment year
- **TIF Fee** – after a municipality notifies DOR it amended a TID, DOR posts a bill in [My Tax Account](#)
- DOR certifies the amended base value after January 1 of the year following the amendment

Forms	
<a href="#">PE-605T</a>	TID Territory Amendment - Legal Requirements
<a href="#">Base Value Workbook</a>	This Excel workbook contains all the necessary forms to document the property and taxing jurisdictions affected by the TID. For best results, open the workbook, save it to your computer and then complete the forms.

Publications/Information	
<a href="#">TID Checklist</a> - required forms to complete and documents to provide	
<a href="#">TIF Public Notices</a> – information on public notices	
<a href="#">Resolution Checklist</a> – required resolution information	
<a href="#">Guidelines for Project Plans</a> – required project plan information	
<a href="#">TIF Manual</a> – TIF reference guide	

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# Municipal Tax Incremental Finance (TIF) (Sec. 66.1105, Wis. Stats.) Territory Subtraction Amendment (subtracting parcels)

A municipality may amend the boundaries of an active Tax Incremental District (TID) up to four times ([sec. 66.1105\(4\)\(h\)2., Wis. Stats.](#)) by subtracting whole parcels. The TID must remain contiguous after parcels are subtracted. A municipality may also add and subtract parcels through one process.

## Territory Subtraction Workbook

- List the subtracted parcels with the value at the time the parcels became part of the TID
- If subtracted parcels entered the TID in different years, create a new tab within the Territory Subtraction Workbook (Excel) for each year

## Due date/process

- DOR subtracts the original value of the parcels from the existing base value
- Municipal resolution must be adopted by September 30 of the amendment year
- All TID documents due to DOR **by October 31** of the amendment year
- **TIF Fee** – after a municipality notifies DOR it amended a TID, DOR posts a bill in [My Tax Account](#)
- DOR certifies the amended base value after January 1 of the year following the amendment

### Forms

[PE-605T](#) TID Territory Amendment - Legal Requirements

[Territory Subtraction Workbook](#) This Excel workbook contains all the necessary forms to document the property subtracted from the TID. For best results, open the workbook, save it to your computer and then complete the forms.

### Publications/Information

[TID Checklist](#) - required forms to complete and documents to provide

[TIF Public Notices](#) – information on public notices

[Resolution Checklist](#) – required resolution information

[Guidelines for Project Plans](#) – required project plan information

[TIF Manual](#) – TIF reference guide

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# Town Tax Incremental Finance (TIF) (sec. 60.85, Wis. Stats.) Amendment

Under state law ([sec. 60.85, Wis. Stats.](#)), towns have limited authority when creating a Tax Incremental District (TID). Towns may amend a TID in **two** ways – by amending the project plan or by adding territory.

## Project Plan Amendment

Under a Project Plan Amendment, a municipality may add project costs not included in the original plan. This does not affect the TID's base value or maximum life.

### Due date/process

- Adopt the municipal resolution at any time during the year
- All TID documents due to Wisconsin Department of Revenue (DOR) **by December 31**
- DOR approves project plan amendments upon receipt of the municipality's form and supporting documents

Forms	
<a href="#">PE-605A</a>	Project Plan and Allocation Amendment - Legal Requirements

Publications/Information
<a href="#">TID Checklist</a> - required forms to complete and documents to provide
<a href="#">Resolution Checklist</a> – required resolution information
<a href="#">Guidelines for Project Plans</a> – required project plan information
<a href="#">TIF Public Notices</a> – information on public notices
<a href="#">TIF Manual</a> – TIF reference guide

## Territory Amendment

A Town may **add** territory only **once** during the TID's first **five** years ([sec. 60.85\(3\)\(j\)2, Wis. Stats.](#)). The value of the new parcels is added to the original base.

### Due date/process

- Municipal resolution must be adopted by September 30 of the amendment year

- All TID documents due to DOR **by December 31** of the amendment year
- **TIF Fee** – after a municipality notifies DOR it amended a TID, DOR posts a bill in [My Tax Account](#)
- DOR certifies the amended base value after January 1 of the year following the amendment

<b>Forms</b>	
<a href="#">PE-605T</a>	TID Territory Amendment - Legal Requirements
<a href="#">Base Value Workbook</a>	This Excel workbook contains all the necessary forms to document the property and taxing jurisdictions affected by the TID. For best results, open the workbook, save it to your computer and then complete the forms.

<b>Publications/Information</b>	
<a href="#">TID Checklist</a> - required forms to complete and documents to provide	
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<https://www.revenue.wi.gov/Pages/Form/govtif-townbase.aspx>

# Tax Incremental Finance (TIF) (sec. 60.85, Wis. Stats.) Town Creation

To create a Tax Incremental District (TID), email the completed forms and required documents to the Wisconsin Department of Revenue (DOR). DOR uses this information to establish the district's base value and verify the municipality followed state law.

State law allows towns to use TIF only for specific agricultural, forest, manufacturing and tourism projects. For more information, review [Eligible Projects for a Town TID](#).

## Due date/process

- Municipal resolution must be adopted by September 30 of the creation year
- All TID documents are due to DOR **by December 31**
- DOR certifies base values after January 1 of the year following creation
- **TIF Fee** - after a municipality notifies DOR it created a TID, DOR posts a bill in [My Tax Account](#)

Forms	
<a href="#">PE-605</a>	TID Creation - legal requirements
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Publications/Information
<a href="#">TID Checklist</a> - required forms to complete and documents to provide
<a href="#">TID Creation Timeframes</a> - provides timeframes for fees, increment, and values
<a href="#">TIF Public Notices</a> – information on public notices
<a href="#">Resolution Checklist</a> – required resolution information
<a href="#">Guidelines for Project Plans</a> – required project plan information
<a href="#">TIF Manual</a> – TIF reference guide

**FOR Comments or Questions CONTACT:**



MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

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# Tax Incremental Financing (TIF) Value Limitation Report

Use this report to review values and increments of Tax Incremental District(s) (TIDs) to determine whether a municipality can create a TID or add parcels to an existing TID. Under state law, ([sec. 66.1105\(4\)\(gm\)4.c., Wis. Stats.](#)) a municipality cannot create a TID or add parcels to an existing TID when the total value of its TIDs exceeds a specific percentage.

## Report includes

- Current value of each TID and municipal total
- Current increment value of each TID and municipal total
- Total current municipal equalized value
- Value Limit Percentage

## Report Column definitions

- **Municipality** – city, village or town with active TIDs
- **TID Co-Muni Code** – county municipal code where TID is located
- **TID No.** – number assigned to a TID by the municipality
- **Base Year** – TID creation year
- **TID Current Value** – Equalized value total of all property within the TID for the current year
- **TID Value Increment** – calculated by subtracting the TID base value from the TID current value
  - Property taxes collected on the value increment are used to pay eligible TID project costs
  - Negative increment is considered zero, generating no revenue to the TID
- **Total Municipal Equalized Value** - DOR's determination of the full value of the taxable property in the municipality
- **5% Test**
  - For TIDs created under sec. 60.85, Wis. Stats.
  - District's equalized value plus the value increment of all existing districts in the town cannot exceed 5 percent of the town's total Equalized Value
- **7% Test**
  - For TIDs created under sec. 60.85, Wis. Stats.
  - District's equalized value plus Equalized Value of all existing districts in the town cannot exceed 7 percent of the town's total Equalized Value
- **12% Test**
  - For TIDs created under 66.1105, Wis. Stats.
  - District's equalized value plus the value increment of all existing districts in the municipality cannot exceed 12 percent of the municipality's total Equalized Value

## TIF Value Limitation Reports

- [2018 \(Excel\)](#)
- [2017 \(Excel\)](#)
- [2016 \(Excel\)](#)
- [2015 \(Excel\)](#)
- [2014](#)
- [2013](#)
- [2012](#)

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