



WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

2003 Wisconsin Act 127 [2003 Senate Bill 306]	Tax Incremental Financing
2003 Acts: www.legis.state.wi.us/2003/data/acts/	Act Memos: www.legis.state.wi.us/lc/act_memo/act_memo.htm

2003 Wisconsin Act 127 (“the Act”) requires the Department of Revenue (DOR) to perform certain new administrative duties with respect to tax incremental districts (TIDs) and authorizes DOR to impose a fee on TIDs to help pay for the costs of the implementing of Wisconsin Acts 127 and 126.

The Act requires DOR to create and update a manual on tax incremental financing. The manual is required to contain the rules relating to the program, common problems encountered by cities and villages under the program, and possible side effects of the use of tax incremental financing. The manual is intended to be an educational tool for local government officials, citizens, and joint review board members.

In addition, the Act requires DOR to assist joint review boards in reviewing particular proposals for TIDs. The joint review board, which is composed of representatives of local governments that impose property taxes on property within proposed TIDs, is required to review each proposal for a new TID. The TID may not be created unless the joint review board approves it. The Act allows the joint review board, by a majority vote, to request DOR to review the objective facts for any proposed TIDs. The request by the joint review board must be in writing and must specify which particular objective facts are believed to be incomplete or inaccurate. The DOR is then required to investigate the specific facts cited by the joint review board. If DOR determines that the TID proposal contains factual inaccuracies or does not comply with state statutes, it must return the TID proposal to the city or village.

The Act authorizes DOR to impose a fee of \$1,000 on a city or village with respect to each new TID or amendment to an existing TID that requires the department to determine the incremental base property within the TID. In addition, the Act authorizes DOR two new additional positions to help administer the tax incremental financing program.

Effective Date: The Act takes effect on March 6, 2004.

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This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents.