



**WISCONSIN LEGISLATIVE COUNCIL
AMENDMENT MEMO**

2005 Senate Bill 83

**Senate Amendments 1 and 2,
and Assembly Amendment 1**

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SENATE AMENDMENT 1

Senate Amendment 1 authorizes the Department of Revenue (DOR) to collect a fee of \$2,000 from a city or village that adopts a single amendment to an existing tax incremental district (TID) that both adds and subtracts territory from the TID. (Under current law, DOR is authorized to collect a fee of \$1,000 from a city or village that adopts an amendment to an existing TID that either adds territory or subtracts territory from the TID, but current law does not clearly address the amount of the fee when a single amendment both adds territory and subtracts territory). **Senate Amendment 1** also corrects technical problems in the bill.

SENATE AMENDMENT 2

Senate Amendment 2 requires DOR to refuse to certify the tax incremental base of a mixed-use development TID (the effect of refusing certification is to disallow the TID) if the department determines that more than 35% of the land within the TID is proposed for newly platted residential use or if the TID does not satisfy at least one of the following conditions:

1. The density of the residential housing within the TID is at least three units per acre.
2. The residential housing within the TID is located in a conservation subdivision, as defined in s. 66.1027 (1) (a), Stats.
3. The residential housing within the TID is located in a traditional neighborhood development, as defined in s. 66.1027 (1) (c), Stats.

If DOR certifies the tax incremental base of a mixed-use development TID and then subsequently determines that more than 35% of the land within the TID is used for newly platted residential use or that the TID does not satisfy at least one of the three conditions described immediately

above, DOR is required to refuse to certify the tax incremental base of any other TID in that city or village until the DOR certifies that the mixed-use development district complies with the 35% requirement and the conditions described above.

Under current law, no more than 35% of the territory in a mixed-use development TID can be devoted to newly platted residential use. In addition, under current law, tax increments may be used to pay for newly platted residential development in a mixed-use development TID only if the density of the residential housing in the TID is at least three units per acre, the residential housing is located in a conservation subdivision, as defined in s. 66.1027 (1) (a), Stats., or the residential housing is located in a traditional neighborhood development, as defined in s. 66.1027 (1) (c), Stats.

ASSEMBLY AMENDMENT 1

Assembly Amendment 1 corrects a deficiency in the language inserted in the bill by Senate Amendment 2. It clarifies that DOR is required to refuse to certify the tax incremental base of a TID only if the TID is not in compliance with s. 66.1105 (2) (f) 3., Stats.

LEGISLATIVE HISTORY

Senate Amendments 1 and 2 were introduced by Sen. Stepp and Senate Amendment 2 was introduced by Sens. Stepp, Lassa, and Plale. These amendments were adopted by the Senate on March 10, 2005 by a voice vote. Senate Bill 83, as amended, was passed by a vote of Ayes, 32; Noes, 0. Assembly Amendment 1 was adopted by the Assembly Committee on Ways and Means by a vote of Ayes, 11; Noes, 0, and the bill, as amended, was recommended for passage by a vote of Ayes, 11; Noes, 1, on March 16, 2005.

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