State of Wisconsin
2021 - 2022 LEGISLATURE

LRB-3391/1
EKL:cjs

2021 SENATE BILL 391

June 10, 2021 - Introduced by Senator PETROWSKI, cosponsored by Representative SPIROS. Referred to Committee on Government Operations, Legal Review and Consumer Protection.

AN ACT ***to amend*** 66.1105 (7) (ak) 2.; and ***to create*** 66.1105 (6) (a) 19., 66.1105 (6) (am) 2. n. and 66.1105 (7) (ak) 5. of the statutes; **relating to:** extending the life and tax increment allocation and project cost expenditure periods for Tax Incremental District Number 1 in the village of Marathon City.

Analysis by the Legislative Reference Bureau

This bill extends the life and the periods during which tax increments may be allocated and expenditures for project costs may be made for a tax incremental district (TID) in the village of Marathon City.

Under current law, when a city or village creates a TID, the Department of Revenue calculates the "tax incremental base" value of the TID, which is the equalized value of all taxable property within the TID at its creation. If the development in the TID increases the value of the property in the TID above the base value, a "value increment" is created. The portion of the property taxes received from the TID that is attributable to the TID's value increment is called a "tax increment." The tax increment is placed in a special fund that may be used only to pay back the TID project costs. DOR authorizes the allocation of the tax increments until the TID terminates or, generally, 20 years, 23 years, or 27 years after the TID is created, depending on the type of TID and the year in which it was created. Also under current law, a city or village may not generally make expenditures for project costs later than five years before the TID's unextended termination date.

Under this bill, tax increments may be allocated for Tax Incremental District Number 1 in the village of Marathon City until January 3, 2035, which is 33 years

after the TID's creation, expenditures may be made for project costs through January 3, 2023, and the life of the TID is extended for seven years.

For further information see the local fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 66.1105 (6) (a) 19. of the statutes is created to read:

66.1105 **(6)** (a) 19. Thirty–three years after the tax incremental district is created if the district is Tax Incremental District Number 1 in the village of Marathon City.

SECTION 2. 66.1105 (6) (am) 2. n. of the statutes is created to read:

66.1105 **(6)** (am) 2. n. Expenditures for project costs for Tax Incremental District Number 1 in the village of Marathon City. Such expenditures may be made through January 3, 2023.

SECTION 3. 66.1105 (7) (ak) 2. of the statutes is amended to read:

66.1105 **(7)** (ak) 2. Except as provided in par. (am) 4., for a district that is created after September 30, 1995, and before October 1, 2004, and that is not subject to subd. 1., ~~or~~ 4., or 5., 23 years after the district was created, and, except as provided in subd. 3., for a district that is created before October 1, 1995, 27 years after the district is created.

SECTION 4. 66.1105 (7) (ak) 5. of the statutes is created to read:

66.1105 **(7)** (ak) 5. For Tax Incremental District Number 1 in the village of Marathon City, 33 years after the district is created.

(END)