



2013 ASSEMBLY BILL 255

June 26, 2013 – Introduced by Representative KAPENGA, cosponsored by Senator FARROW. Referred to Committee on State and Local Finance.

AUTHORS SUBJECT TO CHANGE

1 **AN ACT to create** 66.1105 (6) (a) 12. and 66.1105 (6) (am) 2. g. of the statutes;
2 **relating to:** lengthening the time during which tax increments may be
3 allocated and expenditures for project costs may be made for Tax Incremental
4 District Number 1 in the village of Wales.

Analysis by the Legislative Reference Bureau

Under the current tax incremental financing program, a city or village may create a tax incremental district (TID) in part of its territory to foster development if at least 50 percent of the area to be included in the TID is blighted, in need of rehabilitation or conservation, suitable for industrial sites, or suitable for mixed-use development. Currently, towns and counties also have a limited ability to create a TID under certain circumstances. Before a city or village may create a TID, several steps and plans are required. These steps and plans include public hearings on the proposed TID within specified time frames, preparation and adoption by the local planning commission of a proposed project plan for the TID, approval of the proposed project plan by the common council or village board, approval of the city's or village's proposed TID by a joint review board that consists of members who represent the overlying taxation districts, and adoption of a resolution by the common council or village board that creates the TID as of a date provided in the resolution.

Also under current law, once a TID has been created, the Department of Revenue (DOR) calculates the "tax incremental base" value of the TID, which is the equalized value of all taxable property within the TID at the time of its creation. If the development in the TID increases the value of the property in the TID above the

