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# Wisconsin Legislative Council

## ACT MEMO

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**2021 Wisconsin Act 68**  
[2021 Senate Bill 174]

**Timeframe to Make  
Expenditures in an Information  
Technology Manufacturing Zone  
Tax Incremental District**

### BACKGROUND

Very generally, the state's tax incremental financing (TIF) law authorizes a municipality (city, village, or town) to create a tax incremental district (TID) in order to rehabilitate a particularly blighted area or to encourage economic development where it would not occur but for the creation of a TID. The TIF designation freezes the taxable value of the district at its current "base value." Public expenditures in the TID, called "project costs," are then financed by property taxes on the "increment" of property value, which is the amount by which the property value of the TID exceeds the base value over time. The state's TIF law specifies, among other things, the TID's lifespan and how long expenditures may be made on the project costs.

In 2017 Wisconsin Act 58, specific TIF provisions were enacted for a TID that is created in an electronics and information technology manufacturing (EITM) zone. Very generally, state law authorizes the Wisconsin Economic Development Corporation (WEDC) to designate one EITM zone in the state. The only EITM zone designated by WEDC is for the Foxconn project. Among the specific TIF provisions enacted was that expenditures for a TID created in an EITM zone may only be made for the first **84 months** following the TID's creation.

### 2021 WISCONSIN ACT 68

2021 Wisconsin Act 68 increases the timeframe within which expenditures may be made in TID created in an EITM zone. Under the act, expenditures may be made within the first **180 months** after the TID in an EITM zone is created.

**Effective date:** July 10, 2021

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