

PROPOSED ORDER OF THE DEPARTMENT OF REVENUE AMENDING AND CREATING RULES

The Wisconsin Department of Revenue (DOR) proposes an order to: **create** Tax 12.60; **relating to** the Tax Incremental District annual report.

The scope statement for this rule, SS 063-16, was approved by the Governor on July 11, 2016, published in Register No. 727A3 on July 18, 2016, and approved by the Secretary of Revenue on August 3, 2016.

Analysis by DOR

Statutes interpreted: ss. 60.85 (6) (f) 1., 66.1105 (6m) (d) 1. and 66.1106 (10m), Wis. Stats.

Statutory authority: ss. 60.85 (6) (f) 1., 66.1105 (6m) (d) 1. and 66.1106 (10m), Wis. Stats.

Explanation of agency authority: ss. 60.85 (6) (f) 1., 66.1105 (6m) (d) 1. and 66.1106 (10m), Wis. Stats., require DOR to designate a format for annual reports by rule. "...The department of revenue shall, by rule, designate a format for annual reports under par. (c) and shall require these reports to be filed electronically..."

Related statute or rule: There are no other applicable statutes or rules.

Plain language analysis: [2015 Wisconsin Act 257](#) created sections of the law requiring municipalities to file annual reports with the Wisconsin Department of Revenue (DOR) for each Tax Incremental District (TID) within the municipality. The law requires municipalities to file the report electronically with DOR. This proposed rule designates an electronic format for the TID annual report.

Summary of, and comparison with, existing or proposed federal regulation: There is no existing or proposed federal regulation for Tax Incremental Finance.

Comparison with rules in adjacent states: Illinois collects similar Tax Incremental Finance (TIF) reports. Reporting requirements are outlined in administrative code. However, the code does not specify format beyond the requirement to "transmit".

Iowa collects TIF information. The administrative code does not include requirements for the collection.

Michigan statutes provide TIF reporting, however, there is minimal specificity and no related administrative code.

Minnesota statutes require each county to e-mail an annual report that includes breakdowns by TIF district and municipality. The law and administrative code does not specify the reporting format beyond the requirement to "email".

Summary of factual data and analytical methodologies: DOR collects electronic information from counties and municipalities throughout the year using industry standards. The proposed language is consistent with these efforts where DOR provides a non-proprietary application for satisfying filing requirements.

Analysis and supporting documents used to determine effect on small business: This rule order applies to municipalities that are required to file the TID annual report. Therefore, this rule order does not affect small business.

Anticipated costs incurred by private sector: DOR does not anticipate any costs will be incurred by the private sector.

Effect on small business: DOR does not anticipate any effect on small business.

Agency contact person: Please contact Stacy Leitner at (608) 261-5335 or stacy.leitner@wisconsin.gov, if you have any questions regarding this proposed rule.

Place where comments are to be submitted and deadline for submission: Comments may be submitted to the contact person shown below no later than the date on which the public hearing on this proposed rule is conducted. Information as to the place, date, and time of the public hearing will be published in the Wisconsin Administrative Register.

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SECTION 1. Tax 12.60 and 12.65 are created to read:

Tax 12.60 TAX INCREMENTAL DISTRICT ANNUAL REPORT. The tax incremental district annual reports required by ss. 60.85 (8) (c), 66.1105 (6m) (c) and 66.1106 (10) (a), Stats., must be electronically filed with the department of revenue for each tax incremental district. The report must be filed on the department's website using the prescribed hypertext markup language, HTML, format. The department may amend the filing format due to changes in technology.

SECTION 2. EFFECTIVE DATE. This rule shall take effect on the first day of the month following publication in the Wisconsin Administrative Register as provided in s. 227.22 (2) (intro.), Stats.