

## NOTICE OF PROPOSED GUIDANCE DOCUMENT

### Tax Incremental Finance

Pursuant to s. 227.112, Wis. Stats., the Wisconsin Department of Revenue is hereby seeking comment on the following proposed Tax Incremental Finance guidance.

Page	Subject
3	Certification
4-6	Guidelines for Project Plans – Tax Incremental Finance (TIF)
7	Allocation Amendment Fact Sheet – Tax Incremental District (TID)
8	Combined Public Notice
9-10	2017 Act 70 – Environmental Remediation (ER) TIDs
11-12	Tax Increment Worksheet
13-15	Tax Incremental Finance (TIF) – Allocation Amendments
16-18	Tax Incremental Finance (TIF) - Annexations
19-22	Tax Incremental Finance (TIF) – Audits and Annual Report
23-27	Tax Incremental Finance (TIF) – Base Value Redetermination
28-31	Tax Incremental Finance (TIF) – Creation
32-34	Tax Incremental Finance (TIF) – Developer's Agreement
35-38	Tax Incremental Finance (TIF) – Extensions
39-42	Tax Incremental Finance (TIF) – General
43-47	Tax Incremental Finance (TIF) – Joint Review Board (JRB)
48-51	Tax Incremental Finance (TIF) – Municipal Expenditures and Debt
53-54	Tax Incremental Finance (TIF) – Municipal-Owned Property
55-57	Tax Incremental Finance (TIF) – Overlaps
58-61	Tax Incremental Finance (TIF) – Parcels, Overlaps and Annexations
62-66	Tax Incremental Finance (TIF) – Parcels
67-70	Tax Incremental Finance (TIF) – Project Costs
71-73	Tax Incremental Finance (TIF) – Project Plan
74-77	Tax Incremental Finance (TIF) – Public Notices
78-82	Tax Incremental Finance (TIF) – Tax Increments
83-86	Tax Incremental Finance (TIF) – Terminations
87-90	Tax Incremental Finance (TIF) – Territory Amendments
91-95	Tax Incremental Finance (TIF) – Value Limit
96-98	Tax Incremental Finance (TIF) – What to Consider Before Creating a Tax Incremental District (TID)
99-101	Town Tax Incremental Districts (TID) created under sec. 60.23, Wis. Stats.
102	Notice Of Joint Review Board Meeting
103	Tax Incremental District (TID) – Extension Types
104-108	Tax Incremental District (TID) Checklist
109	Tax Incremental District (TID) Criteria Matrix

110-111	Tax Incremental District (TID) Dates and Requirements
112-113	Tax Incremental Finance (TIF) Public Notices
114-115	Municipal Tax Incremental Finance (TIF) Audits and Annual Report
116-117	Municipal Tax Incremental Finance (TIF) Termination
118-120	Tax Incremental Finance (TIF) Base Value Redetermination (sec. 66.1105, Wis. Stats.)
121	Town Tax Incremental Finance (TIF) (sec. 60.85, Wis. Stats.) Amendment
122-123	Territory Amendment
124-125	Tax Incremental Finance (TIF) Distressed/Severely Distressed TID
126-127	Municipal Tax Incremental Finance (TIF) (sec. 66.1105, Wis. Stats.) Project Plan and/or Allocation Amendments
128-129	Municipal Tax Incremental Finance (TIF) (sec. 66.1105(17), Wis. Stats.) Simultaneous Creation and Subtraction
130-131	Municipal Tax Incremental Finance (TIF) (Sec. 66.1105, Wis. Stats.) Territory Subtraction Amendment (subtracting parcels)
132-133	Municipal Tax Incremental Finance (TIF) (sec. 66.1105, Wis. Stats.) Territory Amendment (adding parcels)
134-135	Summary of Eligible Project Districts for a Town Tax Incremental District (TID)
136-137	Town Tax Incremental Finance (TIF) (sec. 60.85, Wis. Stats.) Creation
138-139	Tax Incremental Finance (TIF) Environmental Remediation (ER) (sec. 66.1105, Wis. Stats.) Creation
140-141	Multijurisdictional Tax Incremental Finance (TIF) Creation
142-143	Tax Incremental Finance (TIF) (sec. 66.1105 and sec. 60.23, Wis. Stats.) Municipal Creation

### **PUBLIC COMMENTS AND DEADLINE FOR SUBMISSION**

Comments may be submitted to Wisconsin Department of Revenue until August 12, 2019 by:  
Emailing [bapdor@wisconsin.gov](mailto:bapdor@wisconsin.gov)

### **LOCATION OF GUIDANCE**

The final version of the guidance documents will be posted to allow for ongoing comment: <https://www.revenue.wi.gov/Pages/SLF/tif.aspx>

### **AGENCY CONTACT PERSON**

Scott Shields  
[scott.shields@wisconsin.gov](mailto:scott.shields@wisconsin.gov)

State of Wisconsin  
Department of Revenue

## Certification Statement

As the Secretary of the Wisconsin Department of Revenue (DOR), I certify the guidance document(s) attached or referenced hereto under sec. 227.112(6), Wis. Stats.:

I have reviewed this guidance document or proposed guidance document and I certify that it complies with sections 227.10 and 227.11 of the Wisconsin Statutes. I further certify that the guidance document or proposed guidance document contains no standard, requirement, or threshold that is not explicitly required or explicitly permitted by a statute or a rule that has been lawfully promulgated. I further certify that the guidance document or proposed guidance document contains no standard, requirement, or threshold that is more restrictive than a standard, requirement, or threshold contained in the Wisconsin Statutes.

DEPARTMENT OF REVENUE

A large, handwritten signature in black ink that reads "Peter W. Barca". The signature is written in a cursive style with a large, looped initial "P" and "B".

Peter Barca  
Secretary of Revenue

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

## Guidelines for Project Plans – Tax Incremental Financing (TIF)

Under state law (secs. [66.1105\(4\)\(f\)](#), [60.85\(3\)\(f\)](#) and [60.23\(32\)\(f\)2](#), Wis. Stats.) the following information must be included in the project plan for a Tax Incremental District (TID). A municipality must make this plan available to the public.

1. **State number, location and type of proposed public works** – include a narrative describing the general goals of the TID, including TID type, a listing of major public improvement categories, and the reason for each improvement

**General category examples:**

- Utilities (ex: sanitary or storm sewer; water system improvements, gas or electric infrastructure)
- Streets and amenities
- Site preparation
- Land assembly costs
- Administrative and organizational costs
- Relocation costs
- Financing costs
- Development incentives/cash grants\*

\* Eligible project costs **only** if the developer and municipality signed a development agreement and the intention to provide cash grants is indicated in the public hearing notice.

2. **Economic feasibility study** – there are several ways to prepare an economic feasibility study, but certain items must be in each study:

- Show the municipality has the resources to finance proposed projects (ex: a general obligation borrowing limit projection or the non-general obligation securities the municipality will use)
- Anticipated value of new development
- Projected tax increment revenues and when the municipality will receive them
- Table showing the annual cash flow during the TID's life and that revenues should cover the anticipated expenditures
- Municipality's general economic condition and impact of the anticipated development

3. **Detailed list of project costs**

**Include:**

- Financing costs
- Estimated expenditures for each major category of public improvements (See #1 above – General category examples)
- Specific improvements paid with TIF increments
- Amount and improvements not paid with tax increments (non-project costs)
- Total costs (both paid **and** not paid with increments)
- For costs not paid with increment revenue, include details of the planned revenue sources (ex: grants, special assessments, utility assessments, other tax revenue or other sources)

4. **Description of how the projects will be financed** – include the financing methods, timeframes for those costs or planned monetary obligations

**Example** – if the municipality intends to issue municipal bonds to finance the projects:

- Show the security type and repayment schedule
- Show when it expects to complete each project
- Plan a bond issue based on the expenditures for each year
- Budget a bond issue to pay for projects to be completed in more than one year

5. **Proposed changes in zoning ordinances, master plan, building codes, map, and city ordinances**  
Describe any changes made or proposed changes as a result of the TID. If none are planned, state this.
6. **List and estimate non-project costs** – state law (sec. [66.1105\(2\)\(f\)2](#) and sec. [60.85\(1\)\(h\)2](#), Wis. Stats.), lists costs that are not allowable project costs, including:
- Construction or expansion of administrative buildings
  - General government operating expenses unrelated to the TID development
  - Cash grants to developers without a signed development agreement
- Allowable project costs** – limited to the project amount that benefits the TID.
- Non-project costs** – are public works projects that only partly benefit the TID or are costs not eligible for payment by tax increments. If the project benefits property outside the district, that part of the cost is a non-project cost.
- Examples of non-project costs:**
- Partially “non-project” – interceptor sewer or water tower serving property both in and out of the TID
  - Ineligible costs – costs paid by special assessments to property owners or paid with user fees; general government operating expenses not related to the project
7. **Plan for relocating any displaced persons or businesses** – if relocation of people or businesses is expected due to the project, describe how the municipality will comply with state law ([sec. 32.19, Wis. Stats., Wis. Stats.](#)). Contact the municipal attorney to determine the required actions.
- Using TIF does not relieve** the municipality of its responsibility to pay relocation benefits. These are an eligible project cost, the municipality can pay them with tax increments.
8. **Describe how the district’s creation promotes the municipality’s orderly development** – explain how the development fits into the community’s overall development plan
- Examples:**
- Using TIF to offset some costs, the municipality can encourage development in the desired area rather than using open areas where costs may be lower
  - A specified company will be able to build a new facility increasing the tax base and creating jobs
9. **Map** – show existing uses and conditions of real property in the district
10. **Map** – show proposed improvements and uses in the district
11. **Signed attorney’s opinion that the plan is complete and complies with the state law**
- Written by municipality attorney
  - Opinion must be on municipal or attorney’s letterhead and include the attorney’s signature
12. **For town TIDs created under state law (sec. 60.23(32), Wis. Stats.)** – specify the expenditure option selected:
- **Option (a)** – ([sec. 60.23\(32\)\(f\)2.a. Wis. Stats.](#))
    - At least 51 percent of the public infrastructure improvement value must be financed by a private developer or entity
    - Development agreement is required to receive cash grants which will solely repay the developer or entity for public infrastructure costs
  - **Option (b)** – ([sec. 60.23\(32\)\(f\)2.b. Wis. Stats.](#))
    - The town expects all project costs to be paid within 90 percent of the TID’s remaining life
  - **Option (c)** – ([sec. 60.23\(32\)\(f\)2.c. Wis. Stats.](#))
    - Expenditures may be made only within the first half of the TID’s remaining life
    - Joint Review Board can unanimously approve additional expenditures but not beyond the original expenditure period

**13. For Environmental Remediation TIDs created under sec. 66.1105., Wis. Stats.** – specify the expenditure option selected:

- **Option (a)** – ([sec. 66.1105\(20m\)\(b\)2.a. Wis. Stats.](#))
  - All project costs are expected to be paid within 90 percent of the TID's remaining life
- **Option (b)** – ([sec. 66.1105\(20m\)\(b\)2.b. Wis. Stats.](#))
  - Expenditures may be made only within the first half of the TID's remaining life
  - Limitation on the expenditure period does not apply to any expenditure made to address significant environmental pollution not identified in the original certified site investigation report
  - No expenditures may be made beyond the original expenditure period

**14. For Base Value Redetermination amendments** – specify the expenditure option selected:

- **Option (3)** – ([sec. 66.1105\(5\)\(i\)3. Wis. Stats.](#))
  - At least 51 percent of the public infrastructure improvement value must be financed by a private developer or entity
  - Development agreement is required to receive cash grants which will solely repay the developer or entity for public infrastructure costs
- **Option (4)** – ([sec. 66.1105\(5\)\(i\)4. Wis. Stats.](#))
  - All project costs are expected to be paid within 90 percent of the TID's remaining life
- **Option (5)** – ([sec. 66.1105\(5\)\(i\)5. Wis. Stats.](#))
  - Expenditures may be made only within the first half of the TID's maximum life
  - Joint Review Board can unanimously approve additional expenditures but not beyond the original expenditure period

## Allocation Amendment Fact Sheet – Tax Incremental District (TID)

Within the same municipality, a TID with excess funds (the donor) can transfer funds to another TID (the recipient) through an allocation amendment. For more information, visit the Municipal Tax Incremental Finance Project Plan and/or Allocation Amendments [web page](#).

**Donor TID must:**

- Be created under sec. 60.23, sec. 66.1105 or sec. 66.1106 Wis. Stats.
- Have the same overlying taxing jurisdictions as the recipient TID

**Municipality must:**

- Adopt an Allocation Amendment Resolution before the expenditure period ends. Allocations may be made after the Municipal Allocation Amendment Resolution is adopted until the maximum life of the donor TID.
- Demonstrate the TID has sufficient revenue to pay for all its current project costs and has sufficient surplus revenue to pay eligible costs of the recipient TID
- Update the project plan for the donor TID and include a total amount and yearly breakdown for the allocations, if available

Distressed or Severely Distressed <i>(sec. 66.1105(4e)(d), Wis. Stats.)</i>	Allocations based on Recipient Type <i>(sec. 66.1105(6)(f)2, Wis. Stats.)</i>	Environmental Remediation (ER) TID Created on or before November 29, 2017 <i>(sec. 66.1106(2)(c), Wis. Stats.)</i>
<p>For a recipient TID classified as distressed or severely distressed, the donor TID may contribute excess increments for the below timeframes:</p> <ul style="list-style-type: none"> <li>• <b>Distressed</b> – whichever is less:                             <ul style="list-style-type: none"> <li>○ 10 years past the donor TID's maximum life</li> <li>○ Recipient TID's extended life</li> </ul> </li> <li>• <b>Severely distressed</b> – whichever is less:                             <ul style="list-style-type: none"> <li>○ Until the donor TID exists for 40 years</li> <li>○ Recipient TID's extended life</li> </ul> </li> </ul>	<p>Recipient TID must meet one of the following conditions:</p> <ul style="list-style-type: none"> <li>• Has project costs to create, provide or rehabilitate low-cost housing or to remediate environmental contamination</li> <li>• Is a blighted or rehabilitation/conservation TID</li> <li>• Is an Industrial or mixed-use TID designated as distressed or severely distressed</li> <li>• Is an ER TID</li> </ul> <p><b>Donor restrictions:</b></p> <ul style="list-style-type: none"> <li>• Once an industrial or mixed-use TID created after September 30, 2004 becomes a donor, it can no longer receive the standard extension to its maximum life, per <a href="#">(sec. 66.1105(6)(f)4., Wis. Stats.)</a></li> <li>• An ER TID created under sec. 66.1105 Wis. Stats. may only allocate to another ER TID</li> </ul>	<p>ER TID created under sec. 66.1106 allocating to either:</p> <ul style="list-style-type: none"> <li>• Any ER TID</li> <li>• A TID meeting one of the following conditions <a href="#">(sec. 66.1105(6)(f)2, Wis. Stats.)</a>:                             <ul style="list-style-type: none"> <li>○ Has project costs to create, provide or rehabilitate low-cost housing or to remediate environmental contamination</li> <li>○ Is a blighted or rehabilitation/conservation TID</li> <li>○ Is an industrial or mixed-use TID designated as distressed or severely distressed</li> </ul> </li> </ul>

**NOTICE OF PUBLIC HEARING AND JOINT REVIEW BOARD MEETING  
REGARDING THE PROPOSED PROJECT PLAN AND BOUNDARY  
FOR TAX INCREMENTAL DISTRICT (TID) NO. 1  
IN THE CITY OF BADGER, WISCONSIN**

NOTICE IS HEREBY GIVEN, that the City of Badger will hold an organizational Joint Review Board (JRB) meeting on March 30, 2015 at 6:00 p.m. at the Badger City Hall, located at 123 Main Street. The purpose of this meeting is to organize a JRB for purposes of considering the proposed Project Plan for TID No. 1. The meeting is open to the public.

NOTICE IS HEREBY GIVEN, that the Plan Commission, of the City of Badger, will hold a public hearing on March 30, 2015 at 7:00 p.m., at the Badger City Hall, 123 Main Street, Badger, WI regarding the proposed Project Plan and Boundary for Tax Incremental District No. 1 in the City.

Badger Tax Incremental District No. 1 is generally located in the area [can give general street area description, parcel numbers, metes and bounds description or include a map at bottom of notice] located within the city's limits.

TID No. 1 will be classified as a mixed-use district based on the identification and classification of the property proposed to be included within the District.

Proposed public project improvements may include, but are limited to: [Examples to list: site grading, sanitary sewer system improvements, storm water management system improvements, electric service, gas service, communications infrastructure, street improvements, lighting, sidewalks, professional and organizational services, administrative costs, and finance costs.]

Use if applicable: The proposed costs include projects within the proposed boundary and within a ½ mile radius of the proposed boundary of the District. As part of the Project Plan, cash grants may be made by the City of owners, lessees, or developers of property within TID No. 1.

At the public hearing, all persons will be afforded a reasonable opportunity to be heard concerning the proposed Project Plan. A copy of the TID No. 1 Project Plan and Boundary is available for inspection and will be provided upon request. Arrangements for either inspection or receipt of a copy of the Project Plan may be made by contacting the City Clerk, 123 Main Street, Badger, WI; Phone (123) 444-5678.

Dated this 19<sup>th</sup> day of March, 2015

John A. Doe  
Clerk

Publication Dates: March 19, 2015 and March 26, 2015.



State of Wisconsin  
Department of Revenue

## 2017 Act 70 - Environmental Remediation (ER) TIDs

**February 20, 2018**

**To: Assessors, Real Property Listers, Municipal Clerks & Treasurers, TID/TIF**

The Wisconsin Department of Revenue (DOR) is providing this summary of recent changes to the Tax Incremental Financing (TIF) law.

### Summary of 2017 Act 70 Environmental Remediation (ER) Tax Incremental Districts (TID):

#### General Information

Effective date November 29, 2017

- ER TIDs created by a municipal resolution:
  - Before November 29, 2017, must follow sec. 66.1106, Wis. Stats., and are not affected by 2017 Act 70
  - On or after November 29, 2017, must follow sec. 66.1105, Wis. Stats.
- Currently – all ER TIDs must now be created under section 66.1105, Wis. Stats.

#### Requirements/Limits

- Maximum life is 27 years with the possibility of a 3-year standard extension
- Before creating an ER TID under sec. 66.1105 Wis. Stats., the municipality must obtain a certified Department of Natural Resources (DNR) site investigation report and email it to DOR  
To obtain this certified report, a municipality must provide DNR:
  - Description of the environmental pollution in the proposed district
  - Proposed remedial action plan
  - Cost estimates for expected project costs
  - Schedule for remediation (design, implementation, construction)
- At least 50 percent of the TID area has significant environmental pollution
- Project plan must specify either:
  - All project costs will be paid within 90 percent of the TIDs remaining life
  - Expenditures will only be made in the first half of the TID life, except for significant environmental pollution not identified in the certified site investigation report
    - Expenditures for significant environmental pollution not identified in the certified site investigation report may continue for 22 years (5 years before the maximum life)

- May only allocate excess funds to other ER TIDs (created under 66.1105 or 66.1106, Wis. Stats.)
- A municipality may designate only one ER TID created under sec. 66.1105 Wis. Stats., as excluded from the 12 percent value limit. Once the excluded TID is designated, it cannot be changed.

## TID Base Value

- When an ER TID is created under sec 66.1105 Wis. Stats., DOR sets the base value to \$1
- If the ER TID is amended to add territory, the full value of the additional parcels as of January 1 of the amendment year is added to the existing \$1 base value

## Questions?

- As new information becomes available, we will post it to our [website](#)
- If you have any questions, contact us at [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Tax Increment Worksheet

1. What is the Tax Increment Worksheet (TIW)?
2. Who needs to file the TIW?
3. How do I file the TIW?
4. What is the deadline to file the TIW?
5. Where do my values come from for filing the TIW?
6. What if an auto-filled apportioned levy is missing or incorrect?
7. Which levy amount from the TIW should I use to calculate property tax mill rates – Column A (Apportioned Levy) or Column E (Levy Amount)?
8. I found an error on my TIW; can I fix it?

---

### 1. **What is the Tax Increment Worksheet (TIW)?**

The Tax Increment Worksheet ([PC-202](#)) calculates property tax amounts for the Tax Incremental Districts (TIDs) within a municipality. The TIW uses the overlying taxing jurisdiction's apportioned tax levies and the value increment within each taxing jurisdiction to determine their share of the tax increment. The total tax increment is distributed to the municipality's TIDs.

### 2. **Who needs to file the TIW?**

Any town, village or city with one or more TIDs with a positive total value increment must complete the TIW each year. You must file this worksheet before you can file the Statement of Taxes (SOT).

### 3. **How do I file the TIW?**

You must electronically file (e-file) the TIW. This form is located on our website: <https://www.revenue.wi.gov/Pages/OnlineServices/slfilling.aspx>

### 4. **What is the deadline to file the TIW?**

Each required municipality must e-file the TIW with the Wisconsin Department of Revenue (DOR) by the third Monday in December. Note: You must file the TIW before you complete the mill rate worksheet.

### 5. **Where do my values come from for filing the TIW?**

Most values on the TIW are auto-filled. The only value you need to report is the municipality's local levy, which is the sum of these lines from the Statement of Taxes (SOT):

- Other special purpose district taxes ( Line D1)
- Other state special charges (Line D4)
- County special charges (Line D5)
- All other town, village or city taxes (Line D6)

**Note:**

- Do not include any tax increment in your municipality's local levy
- Special purpose districts are not authorizing taxing jurisdictions; in result, you must include their levies in your municipality's local levy on the TIW

**6. What if an auto-filled apportioned levy is missing or incorrect?**

You must contact the taxing jurisdiction directly. Taxing jurisdictions (except schools) report their apportioned levies to DOR. School districts provide their apportioned levies to the Wisconsin Department of Public Instruction (DPI), which is shared with DOR.

**7. Which levy amount from the TIW should I use to calculate property tax mill rates – Column A (Apportioned Levy) or Column E (Levy Amount)?**

Use Column E (Levy Amount) to calculate mill rates for property tax bills. This will ensure the total apportioned tax levies and the tax increment are collected. Column A (Apportioned Levy) amounts will be shown on your municipality's SOT.

**8. I found an error on my TIW; can I fix it?**

Yes. You can electronically amend Form PC-202, located on our website:

<https://www.revenue.wi.gov/Pages/OnlineServices/slfiling.aspx>

After you amend the TIW, you may also need to amend the SOT.

**FOR MORE INFORMATION PLEASE CONTACT:**

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Tax Incremental Finance (TIF) - Allocation Amendments

1. Can a municipality allocate increment between its Tax Incremental Districts (TIDs) with different overlying taxing jurisdictions?
2. Which TID project plan should a municipality amend to allocate increment from one TID to another?
3. If a municipality amends both TID #1 and TID #2 to share with TID #3, how many project plans are needed?
4. After a municipality completes an allocation amendment, can the municipality decide not to allocate the funds?
5. If a donor TID paid off all its project costs, can it stay open solely to allocate to another TID?
6. When can an allocation transfer take place?
7. Are allocations made to other TIDs considered a project cost?
8. Can allocations be made during the expenditure period?
9. Which TID type can allocate to another?

---

**1. Can a municipality allocate increment between its Tax Incremental Districts (TIDs) with different overlying taxing jurisdictions?**

No. State law ([sec. 66.1105\(6\)\(f\)\(1\)\(a\), Wis. Stats.](#)) requires that both the donor and recipient TIDs have the same overlying taxing jurisdictions.

**2. Which TID project plan should a municipality amend to allocate increment from one TID to another?**

A municipality must amend the donor district's project plan. For details on how to complete an allocation amendment, see [Municipal TIF Project Plan and/or Allocation Amendments](#).

**3. If a municipality amends both TID #1 and TID #2 to share with TID #3, how many project plans are needed?**

If the municipality is amending TID #1 and TID #2 to become Donor TIDs, it must create two project plans. One for each Donor (#1 and #2). The economic feasibility section of the project plan must show that the Donor TID has extra increment to share.

**4. After a municipality completes an allocation amendment, can the municipality decide not to allocate the funds?**

After a project plan is amended and resolutions adopted to allocate funds, the municipality can (for whatever reason) choose not to allocate in any given year. There is no additional action required if this occurs.

**5. If a donor TID paid off all its project costs, can it stay open solely to allocate to another TID?**

Yes. Provided the municipal allocation amendment resolution was approved before the expenditure period expired and the maximum life of the donor TID is not expired.

**6. When can an allocation transfer take place?**

If funds are available from the donor district, the allocation transfer can occur after the resolution is adopted and the JRB approves the allocation.

**7. Are allocations made to other TIDs considered a project cost?**

Yes. The Recipient TID must use the allocated money to pay eligible project costs.

**8. Can allocations be made during the expenditure period?**

Yes. A municipality must adopt the allocation amendment resolution before the donor TID's expenditure period ends. The the municipality can allocate funds to another TID after the donor TID's expenditure period or until it reaches its maximum life.

**9. Which TID type can allocate to another?**

See the [TID Allocation Fact Sheet](#).

**FOR MORE INFORMATION PLEASE CONTACT:**

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

## Related Links

- [Allocation Amendments](#)
- [Annexations](#)
- [Audits and Annual Report](#)
- [Base Value Redetermination](#)

- [Creation](#)
- [Developer's Agreement](#)
- [Extensions](#)
- [General](#)
- [Joint Review Board \(JRB\)](#)
- [Municipal Expenditures and Debt](#)
- [Municipal-Owned Property](#)
- [Overlaps](#)
- [Parcels](#)
- [Project Costs](#)
- [Project Plan](#)
- [Public Notices](#)
- [Tax Increments](#)
- [Terminations](#)
- [Territory Amendment](#)
- [Town TIDs created under sec. 60.23, Wis. Stats.](#)
- [Value Limit](#)
- [What to Consider before Creating a TID](#)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Tax Incremental Finance (TIF) - Annexations

1. Can the municipality create a Tax Incremental District (TID) that includes annexed parcels before approving the annexation?
2. What additional documents does a municipality have to submit to the Wisconsin Department of Revenue if a TID creation or territory amendment includes annexed parcels?
3. If annexed property is included in a TID and a court later reverses the annexation, how is the TID affected?
4. If a town is annexed (absorbed) by a city before a TID created under a cooperative agreement reaches its maximum life, can the city continue to collect the increments to pay for the town projects?

---

1. **Can the municipality create a Tax Incremental District (TID) that includes annexed parcels before approving the annexation?**

No. The municipality annexing the property must approve the annexation ordinance before the municipality can adopt the TID creation resolution.

2. **What additional documents does a municipality have to submit to the Wisconsin Department of Revenue if a TID creation or territory amendment includes annexed parcels?**

**Municipality must submit:**

- o Separate set of  base value forms for the annexed parcels, with signatures from the town's clerk and assessor
- o Copies of the annexation documents including the municipal resolution approving the annexation

3. **If annexed property is included in a TID and a court later reverses the annexation, how is the TID affected?**

If a court order reverses the annexation, the municipality must complete a territory amendment to remove any annexed property from the TID.

4. **If a town is annexed (absorbed) by a city before a TID created under a cooperative agreement reaches its maximum life, can the city continue to collect the increments to pay for the town projects?**

Yes. Under state law (sec. 66.1105(16)(c), Wis. Stats.), when a town TID created under a cooperative agreement with a city (or village) is absorbed by that city (or village), the city (or village) administers the TID as if it were created by that city (or village).



**FOR MORE INFORMATION PLEASE CONTACT:**

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)**Related Links**

- [Allocation Amendments](#)
- [Annexations](#)
- [Audits and Annual Report](#)
- [Base Value Redetermination](#)
- [Creation](#)
- [Developer's Agreement](#)
- [Extensions](#)
- [General](#)
- [Joint Review Board \(JRB\)](#)
- [Municipal Expenditures and Debt](#)
- [Municipal-Owned Property](#)
- [Overlaps](#)
- [Parcels](#)
- [Project Costs](#)
- [Project Plan](#)
- [Public Notices](#)
- [Tax Increments](#)
- [Terminations](#)
- [Territory Amendments](#)
- [Town TIDs created under sec. 60.23, Wis. Stats.](#)
- [Value Limit](#)

- [What to Consider before Creating a TID](#)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Tax Incremental Finance (TIF) - Audits and Annual Report

For more information, review the [TIF Audits and Annual Reports page](#).

1. [What audits and reports does a municipality with a Tax Incremental District \(TID\) need to complete?](#)
2. [Can the municipal audit take the place of the TID Annual Report?](#)
3. [If the municipality finished its TID's final audit, but continued to incur additional project costs, is the municipality required to submit another final audit?](#)
4. [What determines the last reporting year for the TID Annual Report \(Form PE-300\)?](#)
5. [Can a municipality use TIF funds to pay a Certified Public Accountant \(CPA\) for completing the required audits and annual reports?](#)
6. [Can a municipality use TIF funds to pay for Annual Report penalties?](#)
7. [Does the Joint Review Board \(JRB\) need to meet before the municipality electronically files \(e-files\) the TID Annual Report\(s\)?](#)
8. [When a municipality schedules the JRB meeting, can the municipality email the TID Annual Report\(s\) before the meeting?](#)
9. [Does a municipality need to provide DOR with documentation stating the JRB met to review the TID Annual Report?](#)
10. [When an error is found in a TID Annual Report after the amendment deadline of November 1, how should a municipality correct the report?](#)
11. [Are TID statistical reports available?](#)

---

**1. What audits and reports does a municipality with a Tax Incremental District (TID) need to complete?**

Under state law, a municipality must complete the following audits and reports:

**a. Audits**

Municipality must complete three Certified Public Accountant (CPA) audits as part of operating a TID.

**1. First audit**

- Required 12 months after the municipality reaches 30 percent of the TID's expenditures. Save a copy in the municipal TID records.

- If a municipality adds additional project costs as part of a project plan amendment, another "first audit" is required when the expenditures again reach 30 percent
  - 2. **Second audit** – required 12 months after the end of the expenditure period. Save a copy in the municipal TID records.
  - 3. **Final audit**
    - Required 12 months after the TID is terminated. Save a copy in the municipal TID records. See [TIF Terminations Question #2](#) for all documents and steps required when a TID terminates.
    - Electronically file (e-file) the TID Final Accounting Report ( [Form PE-110](#)) with DOR

#### b. **TID Annual Report**

Under state law, municipalities with an active TID must e-file a TID Annual Report ([Form PE-300](#)) with DOR for each TID.

##### 1. **Important dates**

- **Due July 1** – municipality must e-file this report with DOR every year, using the previous year's information
- **When the report is available for review, before or on July 1** – municipality must conduct a meeting with representatives of the overlying taxing jurisdictions (county, school, technical college, and special district) of each TID to review the TID Annual Report

##### 2. **Grace Period**

- State law allows a 60-day grace period from the due date before the penalty applies
- After the grace period, the penalty is \$100 per TID per day until the TID Annual Report is e-filed

#### 2. **Can the municipal audit take the place of the TID Annual Report?**

No. A municipality must electronically file a TID Annual Report ([Form PE-300](#)) on or before July 1 with DOR.

#### 3. **If the municipality finished its TID's final audit, but continued to incur additional project costs, is the municipality required to submit another final audit?**

Yes. A municipality must complete the Final audit after all project costs are paid or it must make arrangements to cover upcoming expenditures (ex: bond payments).

#### 4. **What determines the last reporting year for the TID Annual Report ([Form PE-300](#))?**

The municipal termination resolution adoption date determines the last reporting year for the TID Annual Report. See the [TID Termination Timeframes](#) table for details.

#### 5. **Can a municipality use TIF funds to pay a Certified Public Accountant (CPA) for completing the required audits and annual reports?**

Yes. Under state law, professional services are an allowable TID expenditure.

#### 6. **Can a municipality use TIF funds to pay for Annual Report penalties?**

No. Under state law, penalty payments are not an allowable TID expenditure.

#### 7. **Does the Joint Review Board (JRB) need to meet before the municipality electronically files (e-files) the TID Annual Report(s)?**

No. Under state law, the JRB must meet on July 1 or when the report becomes available. The

law does not state whether the meeting has to occur before or after e-filing the report with DOR.

**8. When a municipality schedules the JRB meeting, can the municipality email the TID Annual Report(s) before the meeting?**

Yes. However, it is not necessary. State law does not require a municipality to provide the report in advance and does not require a specific method to distribute it. Under the law, the JRB must meet to review the report and the TID's status/performance. For each JRB meeting, a municipality must publish a notice five days before it holds the meeting. At the meeting, it may be helpful to provide paper copies of the report.

**9. Does a municipality need to provide DOR with documentation stating the JRB met to review the TID Annual Report?**

No. The municipality should keep a record of the JRB meeting notice and minutes in its TID files.

**10. When an error is found in a TID Annual Report after the amendment deadline of November 1, how should a municipality correct the report?**

After discovering an error in the TID Annual Report, a municipality should present the corrected report at the next JRB meeting and have revised numbers available for the public upon request.

**11. Are TID statistical reports available?**

Yes. Review the [Tax Incremental Financing Reports](#) on our website for information, including yearly data, active TIDs, 12 percent value limit, and changes in TID values.

**FOR MORE INFORMATION PLEASE CONTACT:**

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

## Related Links

- [Allocation Amendment s](#)
- [Annexations](#)
- [Audits and Annual Report](#)
- [Base Value Redetermination](#)

- [Creation](#)
- [Developer's Agreement](#)
- [Extensions](#)
- [General](#)
- [Joint Review Board \(JRB\)](#)
- [Municipal Expenditures and Debt](#)
- [Municipal-Owned Property](#)
- [Overlaps](#)
- [Parcels](#)
- [Project Costs](#)
- [Project Plan](#)
- [Public Notices](#)
- [Tax Increments](#)
- [Terminations](#)
- [Territory Amendment](#)
- [Town TIDs created under sec. 60.23, Wis. Stats.](#)
- [Value Limit](#)
- [What to Consider before Creating a TID](#)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Tax Incremental Finance (TIF) - Base Value Redetermination

1. When redetermining a base value, does the Wisconsin Department of Revenue (DOR) use the current Equalized Value or the lowest historic TID value to set the new base value?
2. What years should we use to determine the Equalized Values two-year, 10 percent decline?
3. The amended project plan requires selecting Option (3), (4) or (5) from sec. 66.1105(5)(i), Wis. Stats. What impact do these three options have on the project plan?
4. In Option (4), do the "project costs which must be paid within 90 percent of the TID's remaining life," include debt service?
5. In Option (4), how is the TID's remaining life calculated?
6. In Option (5), do "expenditures" include debt service?
7. What is the difference between "all project costs" in Option (4) and "expenditures" in Option (5)?
8. If a municipality asks DOR to redetermine the TID's base value, would the adjustment affect the equalized value used for the apportionment of taxes?
9. Can a municipality with an Environmental Remediation (ER) TID apply for a redetermination?
10. Can a municipality with a distressed (or severely distressed) TID apply for a redetermination?
11. Can we include new project costs with the base value redetermination amendment?
12. When is the deadline to apply for a TID base value redetermination with DOR?

- 
1. **When redetermining a base value, does the Wisconsin Department of Revenue (DOR) use the current Equalized Value or the lowest historic TID value to set the new base value?**

DOR sets the new base value to the TID's Equalized Value as of the date of the local legislative body's resolution.

2. **What years should we use to determine the Equalized Values two-year, 10 percent decline?**

Use the two most current years based on when the local legislative body passes the resolution.

**Example:****If the resolution is passed:**

- **By August 14, 2019** — use 2017 and 2018 values
- **Between August 15, 2019, and August 14, 2020** — use 2018 and 2019 values

**3. The amended project plan requires selecting Option (3), (4) or (5) from sec. 66.1105(5)(i), Wis. Stats. What impact do these three options have on the project plan?**

<b>Option 3 (<u>sec. 66.1105(5)(i)3.</u>)</b>	<b>Option 4 (<u>sec. 66.1105(5)(i)4.</u>)</b>	<b>Option 5 (<u>sec. 66.1105(5)(i)5.</u>)</b>
<ul style="list-style-type: none"> <li>• At least 51 percent of the public infrastructure improvement's value must be financed by a private developer or entity</li> <li>• Development agreement is required to receive cash grants which will solely repay the developer or entity for public infrastructure costs</li> </ul>	<ul style="list-style-type: none"> <li>• All project costs are expected to be paid within 90 percent of the TID's remaining life</li> </ul>	<ul style="list-style-type: none"> <li>• Expenditures may be made only within the first half of the TID's maximum life</li> <li>• Joint Review Board can unanimously approve additional expenditure(s) but not beyond the original expenditure period</li> </ul>

**4. In Option (4), do the "project costs which must be paid within 90 percent of the TID's remaining life," include debt service?**

Yes. The amended project plan must demonstrate the TID will have sufficient revenue to pay off debt and all project costs within 90 percent of the TID's remaining life. After all project costs are paid, the TID terminates.

**5. In Option (4), how is the TID's remaining life calculated?**

**Remaining life is based on the TID's maximum life and the redetermination year:**

- a. Determine the TID's maximum life before extensions (contact DOR for assistance if necessary)
- b. Determine the TID's redetermination year:
  - Local legislative body resolution adopted January 1 to September 30 — redetermination year is the year the resolution is adopted
  - Local legislative body resolution adopted October 1 to December 31 — redetermination year is the year after the year the resolution is adopted
- c. Subtract the redetermination year from the maximum life year
- d. Multiply the difference by (.9)
- e. Add the result to the TID's redetermination year



**Example:**

- a. Local legislative body adopted a resolution to create a mixed-use TID April 1, 2007; the maximum life is April 1, 2027
- b. Redetermination resolution is adopted April 1, 2017; this is a 2017 redetermination
- c. 2027 (maximum life) - 2017 (redetermination year) = 10 years
- d.  $10 \times (.9) = 9$  years remaining life
- e. 2017 (redetermination year) + 9 years = 2026; the local legislative body must adopt a termination resolution by April 1, 2026

**6. In Option (5), do "expenditures" include debt service?**

No. With this option, the municipality may only take on project costs within the first half of the TID's maximum life. Debt payments may continue through the TID's maximum life. Also, see Municipal Expenditures and Debt Common Question #1.

**7. What is the difference between "all project costs" in Option (4) and "expenditures" in Option (5)?**

State law (sec. 66.1105, Wis. Stats.), does not provide a specific definition of expenditures; however, DOR considers an expenditure to include any eligible project cost at the point it is incurred. It does not include repayment of debt for an eligible project cost.

**8. If a municipality asks DOR to redetermine the TID's base value, would the adjustment affect the equalized value used for the apportionment of taxes?**

Yes. When the TID's base value is reduced through a redetermination amendment, this affects the municipal TID out value. This could result in a tax rate change to offset the increased TID increment.

**9. Can a municipality with an Environmental Remediation (ER) TID apply for a redetermination?**

Only an ER TID created after November 29, 2017, under sec. 66.1105, Wis. Stats., may apply for a redetermination. An ER TID created under sec. 66.1106, Wis. Stats., is not eligible.

**10. Can a municipality with a distressed (or severely distressed) TID apply for a redetermination?**

Yes. A distressed (or severely distressed) TID may apply for a redetermination.

**11. Can we include new project costs with the base value redetermination amendment?**

Yes. The municipality must submit a revised project plan as part of the base value redetermination application. The project plan may include new projects, but it must show the decrement calculation and select Option (3), (4) or (5). After the redetermination is complete, if new projects are added, the municipality must submit a project plan amendment to DOR. The new project plan must meet the requirements of the Option (3), (4) or (5) selected in the redetermination amendment.


**12. When is the deadline to apply for a TID base value redetermination with DOR?**

You must email the redetermination documents to DOR by October 31. DOR will certify the values the following year.

**Example:** To re-determine a base value as of January 1, 2019, the local legislative body must adopt the redetermination resolution on or before September 30, 2019, and DOR must receive

the redetermination documents on or before October 31, 2019. DOR will certify the re-determined value between January and March 2020.

**Redetermination documents include:**

- Decrement worksheet showing the two-year decline
-  [Form PE-605B](#) with required documents
- Updated project plan

See [Base Value Redetermination](#) for additional information.

**FOR MORE INFORMATION PLEASE CONTACT:**

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

## Related Links

- [Allocation Amendments](#)
- [Annexations](#)
- [Audits and Annual Report](#)
- [Base Value Redetermination](#)
- [Creation](#)
- [Developer's Agreement](#)
- [Extensions](#)
- [General](#)
- [Joint Review Board \(JRB\)](#)
- [Municipal Expenditures and Debt](#)
- [Municipal-Owned Property](#)
- [Overlaps](#)
- [Parcels](#)
- [Project Costs](#)
- [Project Plan](#)
- [Public Notices](#)

- [Tax Increments](#)
- [Terminations](#)
- [Territory Amendments](#)
- [Town TIDs created under sec. 60.23, Wis. Stats.](#)
- [Value Limit](#)
- [What to Consider before Creating a TID](#)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Tax Incremental Finance (TIF) - Creation

1. What entities can create a Tax Incremental District (TID)?
2. Can a municipality create one TID if it is located in more than one county, or are two separate TIDs required?
3. Can a TID be located in more than one school district?
4. Can a city, village, or town create a joint TID?
5. How long does it take to create a new TID?
6. Where are the TID application forms located?
7. When is the deadline to apply to Wisconsin Department of Revenue (DOR) for a TID creation?
8. Does the Planning Commission have to hold a public hearing?
9. If the Planning Commission is only an advisory board to the municipality and does not have authority to pass resolutions, what should the Planning Commission submit?
10. Do we need to adjust the maps in the project plan if the municipality approves different boundaries than those recommended by the Plan Commission?
11. Are there requirements for resolution wording?
12. Can the municipality hold one public hearing when several TIDs are being created at the same time?
13. What year is used for the value of parcels in a TID?
14. What are the TID types?
15. Where do I find specific information on the different TID types?
16. What determines the TID's maximum life?

---

### 1. **What entities can create a Tax Incremental District (TID)?**

Cities, villages and towns can create TIDs. For detailed information on creating a TID, review our publications:

- [TID checklist](#)
- [TIF manual](#)

2. **Can a municipality create one TID if it is located in more than one county, or are two separate TIDs required?**

One TID can be located in more than one county. Complete and submit a separate set of base value forms for each county to the Wisconsin Department of Revenue (DOR).

3. **Can a TID be located in more than one school district?**

Yes. List each school district and identify the parcels for each district on all the required base value forms.

4. **Can a city, village, or town create a joint TID?**

Yes. Two or more municipalities may enter into an intergovernmental cooperative agreement to jointly create a multijurisdictional TID, under state law (sec. 66.1105 (18), Wis. Stats.).

5. **How long does it take to create a new TID?**

Generally, the process requires a minimum of two months at the local level. The time required depends on how often the municipality meets and how long it takes to develop the project plan and boundaries.

6. **Where are the TID application forms located?**

The required DOR forms and process timelines are located on our website under Forms/Information.

7. **When is the deadline to apply to Wisconsin Department of Revenue (DOR) for a TID creation?**

The local legislative body must adopt the resolution before September 30 and submit an application to DOR by October 31 of the creation year. DOR will certify the values the following year in January. The municipality receives its first tax increment the year after the certification.

See [TID Creation Timeframes](#).

8. **Does the Planning Commission have to hold a public hearing?**

Yes. If the municipality does not have a Planning Commission, it designates another authority to act in that capacity (ex: Community Development Authority (CDA) or the Redevelopment Authority).

9. **If the Planning Commission is only an advisory board to the municipality and does not have authority to pass resolutions, what should the Planning Commission submit?**

Submit a copy of the Planning Commission meeting minutes, documenting approval to both:

- o Local legislative body
- o DOR (as part of the TID documents)

10. **Do we need to adjust the maps in the project plan if the municipality approves different boundaries than those recommended by the Plan Commission?**

Yes. The maps in the final project plan should reflect the boundaries approved by the municipality and the Joint Review Board.

11. **Are there requirements for resolution wording?**

Yes. See the [Resolution Checklist](#) for the requirements for each resolution (planning commission, local legislative body and Joint Review Board).

**12. Can the municipality hold one public hearing when several TIDs are being created at the same time?**

Yes. However, the public hearing notice must list each creation separately and the municipality must approve each TID with a separate resolution.

**13. What year is used for the value of parcels in a TID?**

For a creation resolution adopted between October 1, 2018, and September 30, 2019, use the assessment as of January 1, 2019. Use the assessed values as of the final adjournment by that year's Board of Review (BOR). Do not complete the value forms until after the BOR.

**14. What are the TID types?**

When a municipality creates a TID, it must declare a type in the resolution. See the [Tax Incremental Finance \(TIF\) Manual](#), Section 1.5 Glossary, for definitions of each type.

Municipal TID types (created under [sec. 66.1105, Wis. Stats.](#)):

- o Blight
- o Rehabilitation/conservation
- o Industrial
- o Mixed-use
- o Environmental Remediation (local legislative body resolution adopted on or after November 29, 2017)

Environmental Remediation TID type (created under [sec. 66.1106, Wis. Stats.](#) — local legislative body resolution adopted before November 29, 2017).

Town TID types (created under [sec. 60.85, Wis. Stats.](#)):

- o Tourism
- o Agriculture
- o Forest
- o Manufacturing

**15. Where do I find specific information on the different TID types?**

See the [TID Criteria Matrix](#) for TID life, standard extension, overlap option and expenditure period for each TID type.

**16. What determines the TID's maximum life?**

The TID's maximum life is based on the creation date and the TID type. The creation date is the date the local legislative body adopted the creation resolution. The TID type is declared in the resolution. See the [TID Criteria Matrix](#).

**FOR MORE INFORMATION PLEASE CONTACT:**

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

## Related Links

- [Allocation Amendments](#)
- [Annexations](#)
- [Audits and Annual Report](#)
- [Base Value Redetermination](#)
- [Creation](#)
- [Developer's Agreement](#)
- [Extensions](#)
- [General](#)
- [Joint Review Board \(JRB\)](#)
- [Municipal Expenditures and Debt](#)
- [Municipal-Owned Property](#)
- [Overlaps](#)
- [Parcels](#)
- [Project Costs](#)
- [Project Plan](#)
- [Public Notices](#)
- [Tax Increments](#)
- [Terminations](#)
- [Territory Amendments](#)
- [Town TIDs created under sec. 60.23, Wis. Stats.](#)
- [Value Limit](#)
- [What to Consider before Creating a TID](#)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Tax Incremental Finance (TIF) - Developer's Agreement

1. What is the difference between a loan and a grant?
2. What are the requirements for a municipality to provide a cash grant using increment funds?
3. Is the municipality required to send a copy of the developer's agreement to the Wisconsin Department of Revenue (DOR)?
4. When must the public hearing notice include the cash grant reference? Is an amount required?
5. Who makes the decision on what to include in a developer's agreement?

1. **What is the difference between a loan and a grant?**

Cash grant — when the municipality provides funds to an owner, developer, or lessee of land using Tax Incremental District (TID) increments and the funds are not paid back.

The project plan may also refer to a cash grant as a "developer incentive."

**Loan versus a grant:**

- o Loan — must be paid back in full
- o Grant — paid for by increments from property taxes; not required to be paid back

2. **What are the requirements for a municipality to provide a cash grant using increment funds?**

- o Municipality must have a signed development agreement to provide cash grants to property owners, lessees or developers
- o Public hearing notice must indicate the TID costs include cash grants

Cash grants are not allowed for town TIDs under sec. 60.85, Wis. Stats.

3. **Is the municipality required to send a copy of the developer's agreement to the Wisconsin Department of Revenue (DOR)?**

No. The municipality does not need to send the agreement to DOR. However, the law states a copy of the developer's agreement must be sent to the Joint Review Board (JRB) or, if the TID is terminated, saved by the municipality in the official TID records.

4. **When must the public hearing notice include the cash grant reference? Is an amount required?**

If the municipality anticipates the proposed project may include cash grants, the municipality must include this information on the hearing notice under state law (sec. 66.1105(4)(e), Wis. Stats.). The hearing notice does not need to include the purpose of the cash grant or list the



exact amount.

**5. Who makes the decision on what to include in a developer's agreement?**

The municipality and its attorney decide what information to include in the developer's agreement.

**FOR MORE INFORMATION PLEASE CONTACT:**

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

## Related Links

- [Allocation Amendments](#)
- [Annexations](#)
- [Audits and Annual Report](#)
- [Base Value Redetermination](#)
- [Creation](#)
- [Developer's Agreement](#)
- [Extensions](#)
- [General](#)
- [Joint Review Board \(JRB\)](#)
- [Municipal Expenditures and Debt](#)
- [Municipal-Owned Property](#)
- [Overlaps](#)
- [Parcels](#)
- [Project Costs](#)
- [Project Plan](#)
- [Public Notices](#)
- [Tax Increments](#)
- [Terminations](#)
- [Territory Amendment](#)

S

- Town TIDs created under sec. 60.23, Wis. Stats.
- Value Limit
- What to Consider before Creating a TID

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Tax Incremental Finance (TIF) - Extensions

1. What extension types are available for Tax Incremental Districts (TIDs)?
2. To extend the life of a TID, is the municipality required to complete the amendment process?
3. What documents must a municipality provide to the Wisconsin Department of Revenue (DOR)?
4. When a municipality adopts an extension resolution to change the maximum life, does this change the expenditure period?
5. For the Standard or Technical College Extension, is the Joint Review Board (JRB) the only body that needs to approve the extension?
6. Can a municipality use a Standard Extension to lengthen the life of an industrial TID created between 1995 and 2004?
7. Can a municipality request a Technical College Extension for a TID created before 2014 if it added project costs after 2014?
8. Is the municipality required to inform the JRB when it adopts an Affordable Housing Resolution to extend the TID an additional year?
9. When can a municipality request the Affordable Housing Extension?
10. Is a TID eligible for the Affordable Housing Extension if its life was extended for other reasons (ex: declared distressed, donor to distressed, granted a Standard Extension or Technical College Extension)?
11. Can a municipality adopt one resolution that includes both an Affordable Housing Extension and the TID termination?

---

### 1. **What extension types are available for Tax Incremental Districts (TIDs)?**

There are three types of extensions: Standard, Technical College, and Affordable Housing. Each extension has different requirements and exclusions.

- a. Standard – allows an extension (three or four years depending on TID type) if existing tax increments will not pay project costs within the TID maximum life
- b. Technical College – allows a three-year extension if tax increments were negatively impacted by 2013 Act 145, which increased state aid to technical colleges
- c. Affordable Housing – allows a one-year extension if the municipality uses the final year's increment to benefit affordable housing

For details on each extension type, review the [TID Extension Types](#) matrix.

**2. To extend the life of a TID, is the municipality required to complete the amendment process?**

No. The municipality is not required to complete the Wisconsin Department of Revenue (DOR) amendment forms or provide DOR an updated project plan. However, a municipality must document that the TID needs extra time to pay off existing debt or the TID has paid all its project costs and would like one additional year for affordable housing. The municipality must provide DOR an approved resolution for each extension type.

**3. What documents must a municipality provide to the Wisconsin Department of Revenue (DOR)?**

When the extension resolution is adopted, the municipality must email a scanned copy of the resolution to [tif@wisconsin.gov](mailto:tif@wisconsin.gov). DOR then extends the TID life.

**4. When a municipality adopts an extension resolution to change the maximum life, does this change the expenditure period?**

No. An extension does not change the expenditure period. The expenditure period is five years shorter than the maximum life without the extension. For more information, see [Municipal Expenditures and Debt Common Question #2](#).

**5. For the Standard or Technical College Extension, is the Joint Review Board (JRB) the only body that needs to approve the extension?**

Yes. The municipality must either present the JRB with documents showing the TID cannot repay project costs within its maximum life, or the municipality provides the JRB an independent audit. The JRB must adopt a resolution approving the extension.

**6. Can a municipality use a Standard Extension to lengthen the life of an industrial TID created between 1995 and 2004?**

No. The law has no Standard Extension for industrial TIDs created between 1995 and 2004. A municipality could consider requesting the Technical College Extension if it needs more time to pay off a TID's existing debt. Other TID types not eligible for the Standard Extension are listed in the [TID Extension Types](#) matrix.

**7. Can a municipality request a Technical College Extension for a TID created before 2014 if it added project costs after 2014?**

Yes. If the TID was created before October 1, 2014, a municipality can request the 3-year Technical College Extension regardless of when the project costs were incurred or updated.

**8. Is the municipality required to inform the JRB when it adopts an Affordable Housing Resolution to extend the TID an additional year?**

No. The law does not require the municipality to notify the JRB; however, it would be beneficial for the municipality to inform the JRB of the Affordable Housing Extension.

**9. When can a municipality request the Affordable Housing Extension?**

The municipality can adopt an Affordable Housing Extension Resolution after it pays all the TID project costs. Since the Standard and Technical College Extensions are designed to allow more time to pay on existing debt, an Affordable Housing Extension cannot be adopted at the same time as other extensions.

**10. Is a TID eligible for the Affordable Housing Extension if its life was extended for other reasons (ex: declared distressed, donor to distressed, granted a Standard Extension or Technical College Extension)?**

Yes. A TID that had its life extended for other reasons is eligible for the Affordable Housing Extension; however, only TIDs created under sec. 66.1105 Wis. Stats are eligible for the Affordable Housing Extension. Town TIDs (created under sec. 60.85 Wis. Stats.) and ER TIDs (created under sec. 66.1106 Wis. Stats.) are not eligible.

**11. Can a municipality adopt one resolution that includes both an Affordable Housing Extension and the TID termination?**

No. A municipality must complete separate resolutions. The Affordable Housing Extension Resolution must state the length of the extension, not to exceed 12 months. Before the Affordable Housing Extension period ends, the municipality must adopt a separate termination resolution. The termination resolution formally ends the TID.

## FOR MORE INFORMATION PLEASE CONTACT:

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

## Related Links

- [Allocation Amendments](#)
- [Annexations](#)
- [Audits and Annual Report](#)
- [Base Value Redetermination](#)
- [Creation](#)
- [Developer's Agreement](#)
- [Extensions](#)
- [General](#)

- [Joint Review Board \(JRB\)](#)
- [Municipal Expenditures and Debt](#)
- [Municipal-Owned Property](#)
- [Overlaps](#)
- [Parcels](#)
- [Project Costs](#)
- [Project Plan](#)
- [Public Notices](#)
- [Tax Increments](#)
- [Terminations](#)
- [Territory Amendments](#)
- [Town TIDs created under sec. 60.23, Wis. Stats.](#)
- [Value Limit](#)
- [What to Consider before Creating a TID](#)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Tax Incremental Finance (TIF) - General

1. What is the difference between TIF and a Tax Incremental District (TID)?
2. What is the Wisconsin Department of Revenue's (DOR) role?
3. What statutes regulate the TIF program?
4. How is TIF funded?
5. Besides a municipality, what are the other taxing entities?
6. Are there limits on the use of TIF?
7. What is the TID maximum life with or without extensions?
8. How can I obtain information (ex: map, parcels) about a particular TID?
9. What fees are involved with having a TID and how does a municipality pay them?
10. When are reports and documents due?

### 1. **What is the difference between TIF and a Tax Incremental District (TID)?**

- **TIF** — an economic development program which helps promote local tax base expansion by using property tax revenues to fund site improvements to attract new industrial or mixed-use development, rehabilitate/conservate property, eliminate blight and remediate the environment
- **TID** — the actual physical area (whole parcels) designated for improvements using tax incremental financing

### 2. **What is the Wisconsin Department of Revenue's (DOR) role?**

- The TIF program is intended to be locally initiated and locally managed, with minimal State oversight. However, DOR cannot certify a tax incremental base until we determine procedures were followed, documents were completed correctly, and notices were provided timely.
- Facts supporting any document adopted or action taken by the local governing body are not subject to review by DOR. The responsibility for specific TIF expenditures belongs to the municipality with consultation from its attorney and auditor.
- If you have questions about a specific project in a TID, contact the municipality or the members of the Joint Review Board (JRB) that approved the TID project plan and boundaries.

### 3. What statutes regulate the TIF Program?

- Village and City (regular) — [sec. 66.1105, Wis. Stats.](#)
- Town — [sec. 60.85](#) and [sec. 60.23\(32\), Wis. Stats.](#)
- Environmental remediation (municipal resolution adopted before November 29, 2017) — [sec. 66.1106, Wis. Stats.](#)

### 4. How is TIF funded?

When a TID is created, the municipality and other taxing entities agree to support their normal operations from the existing tax base within the district, assuming that if the TID was not created, there would be no additional growth to the existing tax base. Property taxes for the school, county, technical college, and municipality are based on the taxable value of the TID at the time it is created. The tax rates are applied to the TID value increment, which results in additional revenues collected for the district's fund. Eligible TID costs are paid from these revenues before the additional tax base is shared.

The State of Wisconsin does **not** collect or pay increments to municipal governments.

### 5. Besides a municipality, what are the other taxing entities?

The other taxing entities are the school district, county, and technical college. A municipality may also have a lake district, sanitary district or metro sewer district.

### 6. Are there limits on the use of TIF?

Yes. Limits are applied to the creation of new districts or the addition of property to existing districts. The equalized value of property in the district, plus the value increment of all existing districts cannot exceed 12 percent of the total equalized value of taxable property within the municipality. This restriction does not apply to an Environmental Remediation TID created under [sec. 66.1106, Wis. Stats.](#), or when subtracting territory from a district. For more information, review the [Value Limit Common Questions](#).

### 7. What is the TID maximum life with or without extensions?

The TID maximum life without an extension depends on the TID type declared in the creation resolution and the date the municipality adopted the resolution. For more information on the maximum life without an extension for each type, see the [TID Criteria Matrix](#).

The municipality can approve an extension as a separate resolution later in a TID's life. The TID maximum life with an extension depends on the extension type. See [TID Extension Types](#) for extensions available including the length.

### 8. How can I obtain information (ex: map, parcels) about a particular TID?

For information on a particular TID, contact the municipality. You can also review yearly statistical information on DOR's website, under [Tax Incremental Financing Reports](#).

### 9. What fees are involved with having a TID and how does a municipality pay them? Municipality must pay the following fees electronically through [My Tax Account](#):

Payable by October 31 - once per request

- Creation: \$1,000
- Territory Amendment (addition or subtraction): \$1,000
- Territory Amendment (addition and subtraction): \$2,000



- Base Value Redetermination: \$1,000

Payable by April 15\* - yearly

- Certification administrative fee: \$150 per active TID  
*\*Effective January 1, 2018, the TID certification administrative fee deadline changed from May 15 to April 15. See [2017 Act 15](#) for additional information.*

## 10. When are reports and documents due?

### Due dates:

- July 1 — Annual Report (late fee of \$100 per TID per day applicable after grace period) – e-file Form PE-300 located on the [DOR online filing page](#)
- October 31 — Creations, Territory Amendments, and Base Value Redeterminations – email required documents to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)
- December 31 — Project Plan and/or Allocation Amendments – e-mail required documents to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

See [TID Dates and Requirements](#) for additional information.

## FOR MORE INFORMATION PLEASE CONTACT:

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

## Related Links

- [Allocation Amendment](#)
- [Annexations](#)
- [Audits and Annual Report](#)
- [Base Value Redetermination](#)
- [Creation](#)
- [Developer's Agreement](#)
- [Extensions](#)
- [General](#)
- [Joint Review Board \(JRB\)](#)

- [Municipal Expenditures and Debt](#)
- [Municipal-Owned Property](#)
- [Overlaps](#)
- [Parcels](#)
- [Project Costs](#)
- [Project Plan](#)
- [Public Notices](#)
- [Tax Increments](#)
- [Terminations](#)
- [Territory Amendments](#)
- [Town TIDs created under sec. 60.23, Wis. Stats.](#)
- [Value Limit](#)
- [What to Consider before Creating a TID](#)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Tax Incremental Finance (TIF) - Joint Review Board (JRB)

1. How soon can a JRB approve/deny a resolution after the local legislative body adopts a resolution?
2. Does a Tax Incremental District (TID) creation need unanimous JRB approval?
3. When must the initial JRB meeting for a creation or amendment be held?
4. Do the JRB meetings require a published notice?
5. If there are two lake districts in a TID, which one has a representative on the JRB?
6. If there is an elementary and union high school district, which one has a representative on the JRB?
7. If a municipality is creating a TID with two counties, which county has a representative on the JRB?
8. If a municipality is amending a TID with additional territory that includes a new school district or county, should the school district or the county have a representative on the JRB?
9. How are the JRB's chairperson and public member determined?
10. After the JRB adopts the resolution, how soon does the Wisconsin Department of Revenue (DOR) need to be notified?
11. How often must the JRB meet after the TID is created?
12. Does the JRB need to vote to select a chairperson at each year's meeting?
13. How many JRB members need to attend the meeting for it to take place?
14. Are the JRB members required to attend meetings in person?
15. Where can the JRB meetings be held?
16. Since the JRB for any active TID is already established, does it still need to hold an organizational meeting when amending a TID?
17. When a municipality has a standing JRB but is creating a new TID, should it reappoint a public member and chairperson for the new TID?

- 
1. **How soon can a JRB approve/deny a resolution after the local legislative body adopts a resolution?**

- **For Municipal TIDs** — the JRB may approve/deny a resolution anytime within 45 days of receiving the resolution from the local legislative body
  - **For Town TIDs** created under sec 60.85, Wis. Stats., or **Environmental Remediation TIDs** created under sec. 66.1106, Wis. Stats. — the JRB may not approve/deny a resolution until 10 days after receiving the municipal resolution
2. **Does a Tax Incremental District (TID) creation need unanimous JRB approval?**  
No. Only a majority vote is required.
  3. **When must the initial JRB meeting for a creation or amendment be held?**  
The initial JRB meeting must be held within 14 days after the public hearing notice is published.
  4. **Do the JRB meetings require a published notice?**  
Yes. For all JRB meetings, a municipal representative must publish a notice in a local newspaper, at least five days before the meeting.
  5. **If there are two lake districts in a TID, which one has a representative on the JRB?**  
Neither. Only the school, county, technical college and municipality can appoint JRB members. However, the municipality must notify all affected taxing jurisdictions of the public hearing, including the lake districts.
  6. **If there is an elementary and union high school district, which one has a representative on the JRB?**  
A representative from the elementary school and a representative from the union high school share one seat and each have one-half a vote.
  7. **If a municipality is creating a TID with two counties, which county has a representative on the JRB?**  
The county with the greatest value in the TID is the county that is represented on the JRB.
  8. **If a municipality is amending a TID with additional territory that includes a new school district or county, should the school district or the county have a representative on the JRB?**  
The school district or county where the additional territory is located chooses the JRB member. After the territory amendment is completed, any future amendments require a new calculation to determine which school district or county has the majority of the land value and voting representation on the JRB.
  9. **How are the JRB's chairperson and public member determined?**  
The JRB members, by majority vote, choose the chairperson and public member. If the public member resigns, the JRB must choose a new public member by majority vote. If the representative acting as chairperson is replaced by their taxing jurisdiction, the JRB members must elect a new chairperson by majority vote.
  10. **After the JRB adopts the resolution, how soon does the Wisconsin Department of Revenue (DOR) need to be notified?**  
Under state law (66.1105(5)(cm), Wis. Stats.), the municipal clerk must give DOR written notice within 60 days of adopting any amendment resolution. Although state law does not require this same notice for a creation resolution, municipalities should also notify DOR within 60 days.
  11. **How often must the JRB meet after the TID is created?**

At a minimum, the JRB must meet annually to review the TID's annual report, performance and status. The JRB must also meet to consider any amendments to the TID.

**12. Does the JRB need to vote to select a chairperson at each year's meeting?**

No. Once the chairperson is selected, no new vote is required. The chairperson remains the same for the TID's life or until the chairperson is no longer on the board.

**13. How many JRB members need to attend the meeting for it to take place?**

At least one-half of the members must attend a meeting. When one-half or more of the members of a governmental body attend, a meeting is assumed to be for official purposes (sec. 19.82(2), Wis. Stats.).

**14. Are the JRB members required to attend meetings in person?**

At any JRB meeting that requires a vote, the members or their designated substitute must attend in person.

The JRB members can attend the annual report review meeting by phone because a vote is not required; however, there must be a physical location for all JRB meetings so the public can attend. DOR expects a municipal representative to attend in person to meet the needs of any public attendees.

For more information, review the Joint Review Board section of the TIF Manual.

**15. Where can the JRB meetings be held?**

When creating or amending a TID, the municipality should hold the JRB meeting locally so the affected members of the public can easily attend.

When reviewing the TID annual reports, the meeting may be held by one of the taxing jurisdictions (school, county, technical college) to review the reports from multiple municipalities.

**16. Since the JRB for any active TID is already established, does it still need to hold an organizational meeting when amending a TID?**

Yes. State law (sec. 66.1105(4m)(a), Wis. Stats.), requires the JRB to hold its first meeting to review the proposal within 14 days after the public hearing notice is published. The organizational meeting provides the public an opportunity to express their views about the amendment.

**17. When a municipality has a standing JRB but is creating a new TID, should it reappoint a public member and chairperson for the new TID?**

Yes. The taxing jurisdiction may or may not appoint the same representatives for the newly created TID. DOR considers it a best practice to appoint a public member and chairperson for the new TID. They may be the same public member and chairperson as previous TIDs.

**FOR MORE INFORMATION PLEASE CONTACT:**

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

## Related Links

- [Allocation Amendments](#)
- [Annexations](#)
- [Audits and Annual Report](#)
- [Base Value Redetermination](#)
- [Creation](#)
- [Developer's Agreement](#)
- [Extensions](#)
- [General](#)
- [Joint Review Board \(JRB\)](#)
- [Municipal Expenditures and Debt](#)
- [Municipal-Owned Property](#)
- [Overlaps](#)
- [Parcels](#)
- [Project Costs](#)
- [Project Plan](#)
- [Public Notices](#)
- [Tax Increments](#)
- [Terminations](#)
- [Territory Amendments](#)
- [Town TIDs created under sec. 60.23, Wis. Stats.](#)
- [Value Limit](#)
- [What to Consider before Creating a TID](#)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal](#)  
[Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Tax Incremental Finance (TIF) - Municipal Expenditures and Debt

1. What is an expenditure?
2. What is the expenditure period?
3. What date is used to measure the start of the expenditure period?
4. Can "new" project costs be incurred after the expenditure period?
5. What is considered an existing project?
6. Can payments be made after the expenditure period?
7. Are there any restrictions on the length of maturity for TID debt?
8. Can a municipality transfer money from another fund into a TID fund and repay itself later?
9. If a municipality incurs expenses before it creates a Tax Incremental District (TID), can these expenses be recovered?
10. What expenses can be considered "planning" expenses?
11. If a municipality purchased land before it creates a TID and sells the land to the Community Development Authority (CDA) after the TIF is approved, can the land be considered an expense?
12. Can a municipality buy and improve land with TIF funds and place revenue from the improved land's sale into the general fund?
13. Can a municipality use TIF funds to reduce special assessments to property owners after the improvements are installed?

---

### 1. **What is an expenditure?**

The term "expenditure" is found within the definition of "project costs" under state law (sec. 66.1105(2)(f)1., Wis. Stats.). "Expenditure" is not explicitly defined; however, the Wisconsin Department of Revenue (DOR) considers an expenditure any eligible project cost at the point it is incurred. It does not include repayment of debt for an eligible project cost.

### 2. **What is the expenditure period?**

It is the maximum time period a TID can incur expenses related to the project plan. Generally, it is five years shorter than the maximum life. A municipality cannot take on any new projects



after the end of the expenditure period. An extension does not change the expenditure period.

**Example:** A mixed-use TID has a maximum life of 20 years. Because the maximum life is 20 years, the expenditure period is 15 years.

**3. What date is used to measure the start of the expenditure period?**

The date the local legislative body adopts the creation resolution.

**4. Can "new" project costs be incurred after the expenditure period?**

No. Existing projects may be finished but no additional improvements can be started during the last five years of the TID's maximum life.

**5. What is considered an existing project?**

1. Project must be documented in the JRB approved project plan, *and*
2. Either the physical project is started, or one of the following must be in place:
  - Established financing
  - Signed contract
  - Signed developer's agreement

**6. Can payments be made after the expenditure period?**

Yes. Payments for project cost debt service, repayment of advances or other liabilities and approved allocations to other TIDs are allowed under state law (sec. 66.1105(6)(c), Wis. Stats.).

**7. Are there any restrictions on the length of maturity for TID debt?**

No. The same restrictions for other municipal debt apply to TID debt and would likely not mature beyond the TID's maximum life.

**8. Can a municipality transfer money from another fund into a TID fund and repay itself later?**

Yes. It can also charge a reasonable interest cost for advances to a TID fund if made after the TID is created.

**9. If a municipality incurs expenses before it creates a Tax Incremental District (TID), can these expenses be recovered?**

If a municipality incurs expenses before it creates a TID, the municipality can only recover expenses directly related to planning the district. The municipality cannot incur other expenses until after the municipality adopts the creation resolution approving the project plan. (sec. 66.1105(6)(am)3, Wis. Stats.)

**10. What expenses can be considered "planning" expenses?**

State law does not define planning expenses; however, the consulting, legal, engineering, architectural or administrative costs required to develop and approve the project plan may qualify. The municipality should consult its attorney for assistance to determine if a specific cost is considered a planning expense.

**11. If a municipality purchased land before it creates a TID and sells the land to the Community Development Authority (CDA) after the TIF is approved, can the land be considered an expense?**

No. This purchase is not considered a TIF project expense. Before the TID is approved only planning costs can be recovered. When the municipality sells the land, the proceeds are considered TIF revenue and used to offset project costs.

If a municipality purchases land within one year before the TID creation, when setting the TID base value the land must be valued as if the purchase did not occur. (sec. 66.1105(5)(e), Wis. Stats.)

**12. Can a municipality buy and improve land with TIF funds and place revenue from the improved land's sale into the general fund?**

No. A municipality cannot make a profit with TIF. It must use revenue from the sale of property purchased and improved with TIF funds to offset all other project costs.

**13. Can a municipality use TIF funds to reduce special assessments to property owners after the improvements are installed?**

No. Reducing special assessments is not an eligible expense, under state law (sec. 66.1105(2)(f), Wis. Stats.). If the municipality applied a special assessment for a particular project, it should not use TIF funds to pay for the same project. A project paid for with a special assessment is a non-project cost for the TID.

## FOR MORE INFORMATION PLEASE CONTACT:

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

## Related Links

- [Allocation Amendment](#)
- [Annexations](#)
- [Audits and Annual Report](#)
- [Base Value Redetermination](#)
- [Creation](#)
- [Developer's Agreement](#)
- [Extensions](#)
- [General](#)
- [Joint Review Board \(JRB\)](#)

- [Municipal Expenditures and Debt](#)
- [Municipal-Owned Property](#)
- [Overlaps](#)
- [Parcels](#)
- [Project Costs](#)
- [Project Plan](#)
- [Public Notices](#)
- [Tax Increments](#)
- [Terminations](#)
- [Territory Amendments](#)
- [Town TIDs created under sec. 60.23, Wis. Stats.](#)
- [Value Limit](#)
- [What to Consider before Creating a TID](#)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Tax Incremental Finance (TIF) - Municipal-Owned Property

1. Is municipal-owned property included in the Tax Incremental District (TID) base value?
2. Which TID form do we use to enter the municipal-owned property?
3. Should municipal-owned property be valued according to its exempt classification or at its value before it was purchased by the municipality?
4. In a mixed use TID, is municipal-owned exempt property (park/cemetery) included when determining the 35 percent newly-platted residential limitation in a mixed-use TID?
5. Can a municipality purchase property and then create a TID for that property?

**1. Is municipal-owned property included in the Tax Incremental District (TID) base value?**

Since October 1, 2015, municipal-owned property is excluded from the base value, unless the purchase date is within one year of the municipality's TID creation resolution. In that case the property's assessed value is included in the base value.

**2. Which TID form do we use to enter the municipal-owned property?**

Use [Form PE-619](#) to enter the TID's municipal-owned parcel numbers and purchase date for each. Enter a value when the purchase date was within one year before the municipality's adopted TID creation resolution date. Email this completed form to Wisconsin Department of Revenue with the other forms in the [Base Value Workbook](#).

**3. Should municipal-owned property be valued according to its exempt classification or at its value before it was purchased by the municipality?**

The municipal purchase date determines which municipal-owned property value to use in the TID base value. Compare the purchase date to the date of the TID creation resolution:

- **More than a year** — if the property was purchased *more than a year* before the municipality's TID creation resolution, the property should be valued at "zero" in the TID base value
- **Within one year** — if the property was purchased *within one year* before the municipality's TID creation resolution, use the assessed value prior to the purchase in the TID base value

**4. In a mixed use TID, is municipal-owned exempt property (park/cemetery) included when determining the 35 percent newly-platted residential limitation in a mixed-use TID?**

No. Parks/cemeteries are not taxable. Do not include this exempt acreage when justifying the calculation of the 35 percent by area.

Under state law ([sec.66.1105\(2\)\(h\), Wis. Stats.](#)), "real property" includes all **taxable real** and personal property defined in secs. [70.03](#) and [70.04](#), Wis. Stats. When calculating the percentage of newly-platted residential, do not include parks and cemeteries because these parcels are not taxable.

**5. Can a municipality purchase property and then create a TID for that property?**

Yes. However, under state law ([sec. 66.1105\(5\)\(e\), Wis. Stats.](#)), any property the municipality purchases within one year before the TID's creation must be treated as if the sale did not occur, unless the municipality can prove it acquired the property for a reason other than creating the TID.

**FOR MORE INFORMATION PLEASE CONTACT:**

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

## Related Links

- [Allocation Amendments](#)
- [Annexations](#)
- [Audits and Annual Report](#)
- [Base Value Redetermination](#)
- [Creation](#)
- [Developer's Agreement](#)
- [Extensions](#)
- [General](#)
- [Joint Review Board \(JRB\)](#)
- [Municipal Expenditures and Debt](#)

- [Municipal-Owned Property](#)
- [Overlaps](#)
- [Parcels](#)
- [Project Costs](#)
- [Project Plan](#)
- [Public Notices](#)
- [Tax Increments](#)
- [Terminations](#)
- [Territory Amendment](#)
- [Town TIDs created under sec. 60.23, Wis. Stats.](#)
- [Value Limit](#)
- [What to Consider before Creating a TID](#)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Tax Incremental Finance (TIF) - Overlaps

1. What is an overlap?
  2. Which TID is affected by value changes in the overlapped area?
  3. Will the frozen overlap value of an overlapped TID be deleted if the overlapping TID is terminated?
  4. Does the Wisconsin Department of Revenue (DOR) use the parcel overlap value in determining the 12 percent value limit?
  5. Are the parcels in the overlapped area coded to both the new and old TID number on the assessment/tax roll?
  6. Can a distressed or severely distressed TID be overlapped by a newly created TID?
- 

### 1. **What is an overlap?**

An overlap is when the boundary of one Tax Incremental District (TID) covers one or more existing TID's boundaries. For more information, review state law ([sec. 66.1105\(10\), Wis. Stats.](#)).

### 2. **Which TID is affected by value changes in the overlapped area?**

The newest TID is affected by value changes in the overlapped parcels. The value of the overlapped parcels is frozen in the older TID the year the overlap occurs.

### 3. **Will the frozen overlap value of an overlapped TID be deleted if the overlapping TID is terminated?**

No. Once a frozen overlap value exists with an overlapped TID, the frozen overlap value is included in the current year TID value until the overlapped TID terminates.

### 4. **Does the Wisconsin Department of Revenue (DOR) use the parcel overlap value in determining the 12 percent value limit?**

No. Under state law ([sec. 66.1105\(10\)\(c\), Wis. Stats.](#)), DOR excludes this value when determining compliance with the 12 percent limit.

### 5. **Are the parcels in the overlapped area coded to both the new and old TID number on the assessment/tax roll?**

No. On the assessment/tax roll, the overlapped (older) TID number is removed from the parcel and the overlapping (newer) TID number is added to the parcel. A parcel may only have one TID number on the assessment/tax roll.

## 6. Can a distressed or severely distressed TID be overlapped by a newly created TID?

No. A newly created TID or an active TID that is adding parcels may not overlap a distressed or severely distressed TID.

### FOR MORE INFORMATION PLEASE CONTACT:

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

### Related Links

- [Allocation Amendments](#)
- [Annexations](#)
- [Audits and Annual Report](#)
- [Base Value Redetermination](#)
- [Creation](#)
- [Developer's Agreement](#)
- [Extensions](#)
- [General](#)
- [Joint Review Board \(JRB\)](#)
- [Municipal Expenditures and Debt](#)
- [Municipal-Owned Property](#)
- [Overlaps](#)
- [Parcels](#)
- [Project Costs](#)
- [Project Plan](#)
- [Public Notices](#)
- [Tax Increments](#)
- [Terminations](#)
- [Territory Amendment](#)



S

- Town TIDs created under sec. 60.23, Wis. Stats.
- Value Limit
- What to Consider before Creating a TID

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Tax Incremental Finance (TIF) - Parcels, Overlaps and Annexations

### Parcels

1. Can parcels be added to the Tax Incremental District (TID) after the hearing notices are published?
2. How detailed must a boundary description be?
3. Who is responsible for valuing and classifying the land and buildings in a TID?
4. A TID must contain contiguous properties, however, can there be parcels omitted from the center of the TID?
5. Can a municipality combine two parcels, if one is in the TID and the other isn't?
6. Can a parcel (exempt or non-exempt) be partially in a TID and not in the TID?
7. If property owned by a utility company is added to a TID, will it be exempt?
8. How should it be indicated that wetlands have been excluded from the TID?
9. What is a newly platted residential development?
10. Can newly platted residential property be included in a TID created after 9/30/95?
11. Is a road/highway included in determining the calculations for 35% residential use in mixed-use TIDs?
12. Can a TID's boundaries be set based on something that will happen in the future?
13. For mixed-use TIDs, does the land need to be zoned correctly before the adoption of the creation resolution?
14. Are projects within a TID required to follow local zoning?

### Overlaps

1. What is an overlap?
2. Will a frozen overlap value of a TID be unfrozen if the overlapping TID is terminated?
3. Which TID is affected by value changes in the overlapped area?

## Annexations

1. Can the TID creation process take place before an annexation is completed?
  2. If annexed property is included in a TID and a court later reverses the annexation how is the TID affected?
  3. If a town is annexed (absorbed) by a city prior to the maximum life of a TID created under a cooperative agreement, can the city continue to collect the increments to pay for the town projects?
- 

## Parcels

1. **Can parcels be added to the Tax Incremental District (TID) after the hearing notices are published?**

Yes. Sec. 66.1105(4)(a), Wis. Stats., refers to the **proposed** boundaries of the district for the public hearing and no mention is made to the hearing notice requiring them. The purpose of the public hearing is to receive/give input on the boundaries.

2. **How detailed must a boundary description be?**

The boundary must have enough detail so it corresponds to the map submitted. A metes and bounds description is the standard. The TID Base Year Packet provides specific information.

3. **Who is responsible for valuing and classifying the land and buildings in a TID?**

The local assessor and manufacturing assessor value the improvements and lands based on state statutes and the Wisconsin Property Assessment Manual.

4. **A TID must contain contiguous properties, however, can there be parcels omitted from the center of the TID?**

Omitted parcels causing, what are called "holes in the donut" are acceptable as long as they don't take away from the contiguity of the TID boundaries.

5. **Can a municipality combine two parcels, if one is in the TID and the other isn't?**

Yes, if the municipality does a  territory amendment to add the non-TID parcel.

6. **Can a parcel (exempt or non-exempt) be partially in a TID and not in the TID?**

No. Under state law (sec. 66.1105(2)(k), Wis. Stats.), only whole parcels can be in a TID.

7. **If property owned by a utility company is added to a TID, will it be exempt?**

Yes, as long as it has a tax exempt status. Tax exempt property in a TID does not add to the base value. In addition, tax exempt property does not contribute to the value increment.

8. **How should it be indicated that wetlands have been excluded from the TID?**

Some municipalities describe the boundaries around them, others indicate at the end of the boundary description that all wetlands are excluded.

9. **What is a newly platted residential development?**

An example is a residential development on a previously undeveloped parcel of land that was not divided for residential lots. This would include subdividing a farm field for housing.

TIF law only allows for increment revenue to be spent on newly platted residential development in mixed-use TIDs if one of the following three applies:

- density of the residential housing is at least 3 units per acre,
- residential housing is located in a conservation subdivision, as defined in sec. 66.1027(1)(a), Wis. Stats., or
- residential housing is located in a traditional neighborhood development, as defined in sec. 66.1027(1)(c), Wis. Stats.

The municipality must determine what is newly platted land.

**10. Can newly platted residential property be included in a TID created after 9/30/95?**

Yes, however, no project costs associated with it may be incurred. A mixed-use TID created after 10/1/04 can incur project costs for newly platted residential property, but the property may not exceed 35% by area of the TID.

**11. Is a road/highway included in determining the calculations for 35% residential use in mixed-use TIDs?**

No, only real taxable property is included in the calculation.

**12. Can a TID's boundaries be set based on something that will happen in the future?**

No. Any actions (i.e. split or annexations) must occur before the TID is created and be effective as of January 1st of the assessment year.

**13. For mixed-use TIDs, does the land need to be zoned correctly before the adoption of the creation resolution?**

No, they do not need to have final zoning done before the resolution is adopted. 50% of the land must be suitable (not necessarily zoned) for at least two of the following types: industrial, commercial or residential. There are no restrictions as to the percentage allocation between the types.

**14. Are projects within a TID required to follow local zoning?**

The TIF statutes do not change local municipal zoning rules.

## Overlaps

**1. What is an overlap?**

An overlap is when the boundary of one TID overlaps one or more existing TIDs. Sec. 66.1105(10), Wis. Stats., contains additional information.

**2. Will a frozen overlap value of a TID be unfrozen if the overlapping TID is terminated?**

No, once this value has been frozen it remains at that level as long as the TID exists.

### 3. Which TID is affected by value changes in the overlapped area?

The TID that is "on top"; i.e. the TID that covered the parcel at the later date.

## Annexations

### 1. Can the TID creation process take place before an annexation is completed?

Yes, as long as the annexation ordinance is approved before the creation resolution is adopted by the local governing body. You will need to have two sets of complete forms. One set will be for the annexed property and the other set will include all of the other property.

### 2. If annexed property is included in a TID and a court later reverses the annexation how is the TID affected?

Any annexed property in a TID that is later reversed by a court order would need to be removed from the TID.

### 3. If a town is annexed (absorbed) by a city prior to the maximum life of a TID created under a cooperative agreement, can the city continue to collect the increments to pay for the town projects?

Yes, under sec. 66.1105(16)(c), Wis. Stats, when a town TID is created under a cooperative agreement with a city or village and is absorbed by that city or village, it shall be administered by that city or village as if it had been created by that city or village.

FOR MORE INFORMATION PLEASE CONTACT:

FOR MORE INFORMATION PLEASE CONTACT:

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

July 9, 2014

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Tax Incremental Finance (TIF) - Parcels

1. Can parcels be added to the Tax Incremental District (TID) after the hearing notices are published?
2. How much detail is needed in the boundary description provided to the Wisconsin Department of Revenue (DOR)?
3. How much detail is needed in the TID map provided to DOR?
4. Who is responsible for valuing and classifying a TID's land and buildings?
5. A TID must contain contiguous properties; however, can a municipality omit parcels from the TID's center?
6. When two parcels are diagonal (kitty corner) from each other, is this contiguous?
7. If the TID crosses a highway, river or railroad right-of-way, is this contiguous?
8. What is the difference between a railroad right-of-way and a railroad-owned parcel?
9. Can a parcel (exempt or non-exempt) be partially in a TID?
10. Can a municipality combine two parcels if one parcel is in the TID and the other parcel is out of the TID?
11. If property owned by a utility company is included in a TID, is the property exempt?
12. How should a municipality indicate that wetlands are excluded from the TID?
13. What are "lands proposed for newly platted residential use?"
14. What TID types can include costs for lands proposed for newly platted residential property?
15. Is a road/highway included in the calculation determining the 35 percent residential use in mixed-use TIDs?
16. In a mixed-use TID, is the calculation for housing density based only on the units or is it based on the entire plat, including roads and other public infrastructure?
17. For the 35 percent limit on lands proposed for newly platted residential use, is an assisted living building considered a residential use?
18. Can a TID's boundaries be set based on something that will happen in the future?
19. Must projects within a TID follow local zoning?

20. For mixed-use TIDs, does the land need to be zoned correctly before the adopting the creation resolution?
21. In an industrial TID, do the parcels need to be zoned industrial?
- 

**1. Can parcels be added to the Tax Incremental District (TID) after the hearing notices are published?**

Yes. The purpose of the public hearing is to receive/give input on the **proposed** boundaries of the district. A municipality may add or remove parcels based on the hearing. The hearing notice does not have to mention the proposed boundaries; however, including a general description of the area is helpful.

**2. How much detail is needed in the boundary description provided to the Wisconsin Department of Revenue (DOR)?**

A metes and bounds description corresponding to the outer TID boundary is required. The boundary description must match the provided map. See [TID Checklist](#), Boundary and Map section.

**3. How much detail is needed in the TID map provided to DOR?**

Map must be legible and:

- o Show the outer boundary of the TID
- o Show each parcel boundary
- o Label each parcel by tax number or designate a map identification number
- o Label all areas that may not have a parcel number (ex: streets, rights-of-way, wetlands, or bodies of water)
- o Label the municipality or county boundaries if within the map view
- o Indicate the municipality name and TID number
- o Show the boundaries of the overlapped TID, when overlapping exists

Note:

- o Each numbered parcel on the map must be listed on the [Base Value Workbook](#)
- o Provide additional enlarged areas of the map, where boundaries or parcel numbers are too small to see clearly even when magnified

**4. Who is responsible for valuing and classifying a TID's land and buildings?**

The local assessor and DOR manufacturing assessor are responsible for valuing the improvements and land based on state law and the Wisconsin Property Assessment Manual.

**5. A TID must contain contiguous properties; however, can a municipality omit parcels from the TID's center?**

Yes. A municipality may omit parcels, as long as the TID boundaries remain contiguous.

**6. When two parcels are diagonal (kitty corner) from each other, is this contiguous?**

Yes. Two parcels that are diagonal to each other are considered contiguous and can be included in the same TID. They may or may not have a road between them.

**7. If the TID crosses a highway, river or railroad right-of-way, is this contiguous?**

Yes. Contiguity is maintained when the highway, river or railroad right-of-way is continuously bounded on either side or both sides by parcels in the TID.

**8. What is the difference between a railroad right-of-way and a railroad-owned parcel?**

Property with a separate parcel number, owned by a railroad can be included in the TID and must be contiguous with other TID parcels. Right-of-way gives the railroad permission to use the property. Right-of-way alone does not make a TID contiguous unless it is continuously bounded on either side or both sides by parcels in the TID.

9. **Can a parcel (exempt or non-exempt) be partially in a TID?**

No. Under state law (sec. 66.1105(2)(k), Wis. Stats.), only whole parcels can be in a TID.

10. **Can a municipality combine two parcels if one parcel is in the TID and the other parcel is out of the TID?**

To do this, a municipality must complete one of the following amendments:

- **Territory addition amendment** — to add the value of the parcel that is out of the TID to the TID base value
- **Territory subtraction amendment** — to remove the existing parcel from the TID base value, before it combines with the parcel that is out of the TID

11. **If property owned by a utility company is included in a TID, is the property exempt?**

Location of a property in a TID does not determine taxability. Generally, utility property is not subject to local taxation and pays a state tax. Contact DOR's Manufacturing and Utility Bureau for more information. Tax exempt property in a TID does not add to the base value, and does not contribute to the value increment.

12. **How should a municipality indicate that wetlands are excluded from the TID?**

The municipality may describe the boundaries around the wetland or state at the end of the boundary description that all wetlands are excluded.

13. **What are "lands proposed for newly platted residential use?"**

State law does not define the phrase "lands proposed for newly platted residential use." "Platting" refers to the mapping and dividing of land into parcels for planning purposes. The word "residential" commonly means relating to a place where people live. When reviewing a project plan, DOR considers the current use, or zoning, and the future use, or zoning, as indicators of whether an area consists of "lands proposed for newly platted residential use."

An example of lands proposed for newly platted residential use would be when residential lots are platted on an undeveloped parcel of land, such as subdividing a farm field for housing.

14. **What TID types can include costs for lands proposed for newly platted residential property?**

Only TIDs declared as mixed-use type can incur project costs for lands proposed for newly platted residential property, and the property may not exceed 35 percent by area of the TID.

Under state law (sec. 66.1105(2)(f)3 Wis. Stats.), a municipality may only spend increment revenue on newly platted residential development in mixed-use TIDs if **one** of the following applies:

- Density of the residential housing is at least three units per acre;
- Residential housing is located in a conservation subdivision, as defined in sec. 66.1027(1)(a), Wis. Stats.; or
- Residential housing is located in a traditional neighborhood development, as defined in sec. 66.1027(1)(c), Wis. Stats.



15. **Is a road/highway included in the calculation determining the 35 percent residential use in mixed-use TIDs?**

No. Only taxable land is included in the calculation.

16. **In a mixed-use TID, is the calculation for housing density based only on the units or is it based on the entire plat, including roads and other public infrastructure?**

The calculation for housing density for a mixed-use TID is based on at least three units per acre. Under state law (sec. 66.1105(2)(h), Wis. Stats.), a mixed use TID includes all **taxable real** and personal property defined in secs. 70.03 and 70.04, Wis. Stats. Roads/public infrastructure are not taxable, therefore those acres should not be included when calculating the three units per acre.

17. **For the 35 percent limit on lands proposed for newly platted residential use, is an assisted living building considered a residential use?**

Yes, an assisted living building is considered residential use because the building is used for living purposes. The property would still need to be newly platted as part of the TID project plan. This answer assumes that current or future zoning permits the assisted living building.

18. **Can a TID's boundaries be set based on something that will happen in the future?**

No. The boundaries are determined based on the parcels when the TID is created. Territory amendments are possible to address parcel splits or annexations.

19. **Must projects within a TID follow local zoning?**

Yes. The TIF statutes do not change municipal zoning rules.

20. **For mixed-use TIDs, does the land need to be zoned correctly before adopting the creation resolution?**

No. The municipality does not need to complete zoning before it adopts the creation resolution. At least 50 percent of the land must be **suitable** (not necessarily zoned) for at least two of the following types: industrial, commercial or residential. There are no restrictions on the percentage between the types.

21. **In an industrial TID, do the parcels need to be zoned industrial?**

To qualify as an industrial TID, at least 50 percent (by area) must be zoned industrial. Under state law (sec. 66.1105(4)(gm)5 Wis Stats.), the parcels that are zoned industrial when the TID is created must remain zoned industrial for the life of the TID.

## FOR MORE INFORMATION PLEASE CONTACT:

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

## Related Links

- [Allocation Amendments](#)
- [Annexations](#)
- [Audits and Annual Report](#)
- [Base Value Redetermination](#)
- [Creation](#)
- [Developer's Agreement](#)
- [Extensions](#)
- [General](#)
- [Joint Review Board \(JRB\)](#)
- [Municipal Expenditures and Debt](#)
- [Municipal-Owned Property](#)
- [Overlaps](#)
- [Parcels](#)
- [Project Costs](#)
- [Project Plan](#)
- [Public Notices](#)
- [Tax Increments](#)
- [Terminations](#)
- [Territory Amendment](#)
- [Town TIDs created under sec. 60.23, Wis. Stats.](#)
- [Value Limit](#)
- [What to Consider before Creating a TID](#)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Tax Incremental Finance (TIF) - Project Costs

1. What are eligible project costs?
2. Do eligible costs include capitalized interest, other costs of issuing debt, and refinancing temporary debt for the Tax Incremental District (TID)?
3. Who determines if project costs are eligible?
4. Can a municipality reduce the costs of one project in a plan and use that amount for another project not in the plan?
5. Can a municipality add projects without adding territory?
6. For mixed-use TIDs, are there restrictions on the project costs' percentage?
7. What are non-project costs?
8. Can a municipality include projects within a half-mile radius of the TID?

### 1. **What are eligible project costs?**

Eligible project costs are those costs related directly to establishing and improving the Tax Incremental District (TID), including:

- o Capital development
- o Financing
- o Professional services (ex: consulting, accounting, legal services)
- o Organizational and administrative activities
- o Annual fees
- o Relocation

#### **TID project cost examples:**

- o Creation of TID maps or architectural drawings
- o Utility or street construction directly associated with the TID
- o Removal or containment of lead contamination
- o Demolition or building repairs
- o Developer incentive (if municipality signs an agreement with the developer)

Under state law (sec. 66.1105(2)(f)1.k), improvements outside the TID may be eligible costs, but only to the extent that the improvement serves property in the TID (ex: water or sewage lines, treatment plants, and water towers).

### 2. **Do eligible costs include capitalized interest, other costs of issuing debt, and refinancing temporary debt for the Tax Incremental District (TID)?**

Yes. These are eligible financing costs authorized in sec. 66.1105(2)(f)1.b., Wis. Stats.

### 3. Who determines if project costs are eligible?

It is the municipality's responsibility to determine if a project cost is eligible under state law (sec. 66.1105(2)(f)1 & 2, Wis. Stats.). The municipality should consult its attorney for assistance on whether a specific cost is eligible. The Wisconsin Department of Revenue does not review project costs or determine cost eligibility.

### 4. Can a municipality reduce the costs of one project in a plan and use that amount for another project not in the plan?

No. However, the municipality may shift TIF funds from a project in the plan to a project outside the plan if the municipality completes a project plan amendment to include the additional project.

### 5. Can a municipality add projects without adding territory?

Yes. This is possible if the municipality adopts a project plan amendment to add projects. See Project Plan Amendments.

### 6. For mixed-use TIDs, are there restrictions on the project costs' percentage?

No. For example, a mixed-use TID may contain 90 percent of the project costs for industrial projects and 10 percent for commercial projects.

### 7. What are non-project costs?

Non-project costs are public works projects, which only partly benefit the TID. A municipality may not pay these costs with tax increments.

#### Non-project costs examples include:

- Public improvement made:
  - **Within the TID** — that also benefits property outside the TID. The portion of the total project costs allocated to the properties outside the TID is a non-project cost.
  - **Outside the TID** — that partially benefits property within the TID. The portion of the total project costs allocated to the properties outside the District is a non-project cost.
- Projects started within the TID as part of the project plan implementation that are paid fully or in part by impact fees, grants, special assessments or revenues other than TIF increments

### 8. Can a municipality include projects within a half-mile radius of the TID?

Yes. A municipality may include projects outside the TID but within a half-mile radius if the projects are documented in the approved project plan. Only eligible costs within the half-mile radius can be paid for with TIF funds.

## FOR MORE INFORMATION PLEASE CONTACT:

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

## Related Links

- [Allocation Amendments](#)
- [Annexations](#)
- [Audits and Annual Report](#)
- [Base Value Redetermination](#)
- [Creation](#)
- [Developer's Agreement](#)
- [Extensions](#)
- [General](#)
- [Joint Review Board \(JRB\)](#)
- [Municipal Expenditures and Debt](#)
- [Municipal-Owned Property](#)
- [Overlaps](#)
- [Parcels](#)
- [Project Costs](#)
- [Project Plan](#)
- [Public Notices](#)
- [Tax Increments](#)
- [Terminations](#)
- [Territory Amendments](#)
- [Town TIDs created under sec. 60.23, Wis. Stats.](#)
- [Value Limit](#)
- [What to Consider before Creating a TID](#)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Tax Incremental Finance (TIF) - Project Plan

1. Does a municipality need to complete all projects in the plan?
2. Are there any projects outside the Tax Incremental District (TID) that can be paid with tax increments?
3. If the Planning Commission denies a municipality's proposal to create a new TID, can the local legislative body overrule the Planning Commission and approve the TID?
4. Does a municipality need to amend a project plan if an unanticipated development takes place?
5. How long does it take to amend a project plan?
6. If a municipality amends a project plan, can the municipality incur costs for a newly platted residential development?
7. Does a municipality need to conduct a new economic feasibility study when it amends a project plan?

**1. Does a municipality need to complete all projects in the plan?**

No. The project plan is a capital improvement plan (not an approved budget), therefore a municipality does not have to complete all projects. The municipality decides when and which project to complete. Many municipalities start individual projects as the funds become available (pay-as-you-go).

**2. Are there any projects outside the Tax Incremental District (TID) that can be paid with tax increments?**

Yes. Projects within a half-mile radius of the TID may be paid if they are documented in the project plan and approved by the Joint Review Board.

Also, public improvements outside the TID may be paid with tax increments if the improvement serves property in the TID (ex: water tower, water or sewage lines, treatment plants). These improvements can have a proportionate share of the costs funded by the TID.

For more information, review state law ([sec. 66.1105\(2\)\(f\)1.k., Wis. Stats.](#)).

**3. If the Planning Commission denies a municipality's proposal to create a new TID, can the local legislative body overrule the Planning Commission and approve the TID?**

No. The Planning Commission must adopt a project plan for a proposed TID before the local legislative body can approve the TID.

**4. Does a municipality need to amend a project plan if an unanticipated development takes place?**

No. However, the municipality must amend the project plan if it needs tax increment to support the unexpected development.

**5. How long does it take to amend a project plan?**

It depends on how long it takes the municipality to assemble the information and hold the necessary meetings. Generally, it takes less time than creating a new TID because only one hearing notice is required and there is no required waiting period between the public hearing and the municipal resolution.

See the [Tax Incremental District \(TID\) Checklist](#).

**6. If a municipality amends a project plan, can the municipality incur costs for a newly platted residential development?**

A municipality may only incur costs for a newly platted residential development for a TID declared as a mixed-use type.

See [Parcels question #14](#) for additional information on which development qualifies.

**7. Does a municipality need to conduct a new economic feasibility study when it amends a project plan?**

Yes. If a municipality adds projects, it must update the economic feasibility study in the project plan. See [Guidelines for Project Plans](#).

**FOR MORE INFORMATION PLEASE CONTACT:**

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

## Related Links

- [Allocation Amendments](#)
- [Annexations](#)
- [Audits and Annual Report](#)
- [Base Value Redetermination](#)
- [Creation](#)
- [Developer's Agreement](#)
- [Extensions](#)



- [General](#)
- [Joint Review Board \(JRB\)](#)
- [Municipal Expenditures and Debt](#)
- [Municipal-Owned Property](#)
- [Overlaps](#)
- [Parcels](#)
- [Project Costs](#)
- [Project Plan](#)
- [Public Notices](#)
- [Tax Increments](#)
- [Terminations](#)
- [Territory Amendments](#)
- [Town TIDs created under sec. 60.23, Wis. Stats.](#)
- [Value Limit](#)
- [What to Consider before Creating a TID](#)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Tax Incremental Finance (TIF) - Public Notices

For more information, review the TIF [public notice](#) web page.

1. How many days before the public hearing does a municipality need to publish a Class 1 notice? A Class 2 notice?
2. What must be included in a public notice?
3. Does the public hearing notice need to include a description of the proposed Tax Incremental District's (TID) outer boundary?
4. How and when must a municipality notify owners of blighted or rehabilitation/conservation property of the public hearing?
5. Is notification still required if the municipality owns the property identified as blighted or rehabilitation/conservation?
6. When a proposed TID is being created, do the property owners with adjoining parcels receive notification?
7. When does a municipality need to publish the Joint Review Board's (JRB) Class 1 notice?
8. Can a municipality amend a TID plan without holding a public hearing?
9. If a municipality is amending a TID, is there a 14-day waiting period between the public hearing and the local legislative body approval?
10. If a municipality previously held a public hearing and JRB organizational meeting, but afterwards put a hold on creating a TID until a few years later, does the municipality need to hold another public hearing and JRB organizational meeting?
11. Is the boundary and TID type in the public hearing notice final?
12. Does posting the public hearing or JRB notice at city hall meet TID requirements for notifying the public?

- 
1. **How many days before the public hearing does a municipality need to publish a Class 1 notice? A Class 2 notice?**

**When creating a TID** — the municipality must publish a Class 2 notice in the newspaper for the public hearing. The Class 2 notice must be published once each week for two consecutive weeks with the last notice published at least seven days before the public hearing.

**When amending a TID** — the municipality must publish a Class 1 notice in the newspaper at least seven days before the public hearing.

## 2. **What must be included in a public notice?**

The meeting notice must inform the public of the time, date, place, and subject matter of the meeting. For assistance, see the sample notices on the TIF [Public Notices](#) web page.

## 3. **Does the public hearing notice need to include a description of the proposed Tax Incremental District's (TID) outer boundary?**

No. Under state law, the notices do not have to include a legal description or parcel numbers in the public hearing notice; however, it may be helpful to include a small map or street locations to describe the area in the TID.

## 4. **How and when must a municipality notify owners of blighted or rehabilitation/conservation property of the public hearing?**

Under state law ([sec. 66.1105\(4\)\(c\), Wis. Stats.](#)), a municipality must notify property owners in the proposed TID identified as blighted or in need of rehabilitation/conservation work at least 15 days before the public hearing. When adding parcels to an existing TID, the municipality must notify the owners of **additional** property identified as blighted or in need of rehabilitation/conservation work, 15 days before the public hearing.

The law does not specify how to provide the notification; however, USPS mail is the usual method.

## 5. **Is notification still required if the municipality owns the property identified as blighted or rehabilitation/conservation?**

Yes. State law requires notification to all owners. The municipality should document the notice by creating a letter in the same format it notifies other owners. This letter does not need to be mailed, but must be retained in the municipal TID files.

## 6. **When a proposed TID is being created, do the property owners with adjoining parcels receive notification?**

State law does not require the municipality to notify property owners outside a proposed TID boundary. After the TID is created, any property development within the TID follows the approved project plan. **If** the plan requires changes to zoning, ordinances, or the city's master plan, then the local procedures for making these changes apply.

## 7. **When does a municipality need to publish the Joint Review Board's (JRB) Class 1 notice?**

A municipality must publish a Class 1 notice in a local newspaper at least five days before all JRB meetings. ([sec. 66.1105\(4m\)\(e\), Wis. Stats.](#))

## 8. **Can a municipality amend a TID plan without holding a public hearing?**

No. State law ([sec. 66.1105\(4\)\(h\)1, Wis. Stats.](#)), describes the amendment process and requires a public hearing.

## 9. **If a municipality is amending a TID, is there a 14-day waiting period between the public hearing and the local legislative body approval?**

No. The 14-day waiting period is only required when creating a TID; it does not apply to amending a TID. When amending a TID, the municipality can hold the public hearing and adopt a resolution approving the amendment on the same day.

**10. If a municipality previously held a public hearing and JRB organizational meeting, but afterwards put a hold on creating a TID until a few years later, does the municipality need to hold another public hearing and JRB organizational meeting?**

Under state law, there is no time limit between the public hearing/JRB's organizational meeting and adoption of the creation resolution. There is only the 14-day waiting period before adopting a resolution.

While not required, a municipality may start the process over. This promotes transparency and allows for updates to the project plan. The previous project plan, expenses and goals may no longer apply.

**11. Is the boundary and TID type in the public hearing notice final?**

No. The public hearing may result in possible changes to the boundary, TID type or project plan. The municipal resolution determines the TID's final details.

**12. Does posting the public hearing or JRB notice at city hall meet TID requirements for notifying the public?**

No. State law requires publishing the notice in a local newspaper.

**FOR MORE INFORMATION PLEASE CONTACT:**

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

## Related Links

- [Allocation Amendments](#)
- [Annexations](#)
- [Audits and Annual Report](#)
- [Base Value Redetermination](#)
- [Creation](#)
- [Developer's Agreement](#)
- [Extensions](#)
- [General](#)
- [Joint Review Board \(JRB\)](#)

- [Municipal Expenditures and Debt](#)
- [Municipal-Owned Property](#)
- [Overlaps](#)
- [Parcels](#)
- [Project Costs](#)
- [Project Plan](#)
- [Public Notices](#)
- [Tax Increments](#)
- [Terminations](#)
- [Territory Amendments](#)
- [Town TIDs created under sec. 60.23, Wis. Stats.](#)
- [Value Limit](#)
- [What to Consider before Creating a TID](#)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Tax Incremental Finance (TIF) - Tax Increments

1. Who certifies the value increment annually?
2. When does the municipality receive its first tax increment on a new creation?
3. Does residential development in a TID produce value increment?
4. If personal property is located within a TID, is the personal property value included in the TID base value?
5. If a municipality received enough increment to pay the debt incurred for the district, can the excess increment be used for more projects?
6. If a TID terminates after April 15, is an increment still added to the tax levies in December?
7. Should a municipality collect the entire final tax increment in the TID's last year if it is not all needed?
8. Can a municipality choose not to levy the increment on the tax roll?
9. How is the tax increment calculated using the tax rate?
10. How does the Wisconsin Department of Revenue (DOR) notify a municipality regarding its increment?

---

### 1. **Who certifies the value increment annually?**

The Wisconsin Department of Revenue (DOR) certifies the annual value increment by August 15 each year. The value increment is the difference between the Tax Incremental District's (TID's) base value and the TID's current value. The current value is based on the municipal assessor's TID Assessment Report, due the second Monday in June, and the manufacturing assessments, if applicable.

Each year, a municipality must pay a \$150 certification administrative fee for each active TID. If the fee is not paid, DOR will not certify the municipality's increment for that year. This payment is due by April 15 in My Tax Account.

*2017 Act 15 – Effective January 1, 2018, the TID certification administrative fee deadline changed from May 15 to April 15.*

**2. When does the municipality receive its first tax increment on a new creation?**

The date the municipality adopts the creation resolution determines when it will receive its first increment. The [TID Creation Timeframes](#) table explains the timing of the first tax increment.

**3. Does residential development in a TID produce value increment?**

Yes. All taxable property value that increases a TID's value becomes part of the increment.

**4. If personal property is located within a TID, is the personal property value included in the TID base value?**

Yes. The TID base value includes taxable real estate and personal property located in the TID's boundaries in the creation amendment year. The current year TID value includes the same real estate and personal property as valued each year by the assessor. The current year TID value minus the TID base value is the TID increment value.

**5. If a municipality received enough increment to pay the debt incurred for the district, can the excess increment be used for more projects?**

Yes. A municipality may use excess increment for more projects if the expenditure period is not expired; however, only projects in the approved plan may be paid with TIF funds. If the project is not in the approved plan, the municipality must complete a project plan amendment and email the required documents to DOR.

**6. If a TID terminates after April 15, is an increment still added to the tax levies in December?**

Yes. If the municipality terminates a TID after April 15, DOR will certify a value increment. The tax increment for that year must be levied and collected. See the [TID Termination Timeframes](#) table for more information.

*2017 Act 15 – Effective January 1, 2018, the TID termination deadline changed from May 15 to April 15.*

**7. Should a municipality collect the entire final tax increment in the TID's last year if it is not all needed?**

Yes. A municipality must collect the entire final tax increment to maintain equal taxation. State law ([sec 66.1105\(6\)\(c\), Wis. Stats.](#)), requires the municipality to return any surplus to the TID's overlying taxing jurisdictions.

**8. Can a municipality choose not to levy the increment on the tax roll?**

No. Wisconsin's constitution has a uniformity clause, which requires uniform taxation of property. By not levying the increment, the taxpayers in that municipality would be taxed at a different rate (for school, technical college, or county) than the other taxpayers in those same districts.

**9. How is the tax increment calculated using the tax rate?**

Step a) A municipality determines the tax rate per \$1,000 of property value.

**Example:** In the example below, the tax rate is \$23.73. This amount is then apportioned to the taxing jurisdictions.

Jurisdiction	Tax Rate	Percent of Total Rate
County	3.81	16.05%
Municipality	9.52	40.12%
School District	10.36	43.66%
Technical College	0.04	0.17%
Total	\$23.73	100%

Step b) The tax rate is multiplied by the value increment DOR certifies to determine the actual dollars available to pay eligible project costs.

**Example:** The example shows a new TID with a 2018 creation year. Changes to the increment value or tax rate result in a different tax increment.

Year Assessed	Year Available	Increment Value	Tax Rate Percent	Tax Increment
2018	2019	0	.02373	0
2019	2020	1,500,000	.02373	35,595
2020	2021	1,500,000	.02401	36,015
2021	2022	1,800,000	.02401	43,218

Every municipality with a TID must complete the Tax Increment Worksheet ([Form PC-202](#)) each December to calculate the actual tax increment based on the municipality's levy amount. See the detailed example in the [TIF Manual, How TIF Works](#).

#### 10. How does the Wisconsin Department of Revenue (DOR) notify a municipality regarding its increment?

Each year (on August 15 and September 1), DOR posts TIF reports to the web.

##### Posted Report Links:

- [Apportionment of County Levy](#) (August 15)
- [TIF Value Limitation](#) (August 15)
- [Statement of Changes](#) (August 15)
- [Certification Report](#) (September 1)

#### FOR MORE INFORMATION PLEASE CONTACT:

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)



## Related Links

- [Allocation Amendments](#)
- [Annexations](#)
- [Audits and Annual Report](#)
- [Base Value Redetermination](#)
- [Creation](#)
- [Developer's Agreement](#)
- [Extensions](#)
- [General](#)
- [Joint Review Board \(JRB\)](#)
- [Municipal Expenditures and Debt](#)
- [Municipal-Owned Property](#)
- [Overlaps](#)
- [Parcels](#)
- [Project Costs](#)
- [Project Plan](#)
- [Public Notices](#)
- [Tax Increments](#)
- [Terminations](#)
- [Territory Amendments](#)
- [Town TIDs created under sec. 60.23, Wis. Stats.](#)
- [Value Limit](#)
- [What to Consider before Creating a TID](#)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved



State of Wisconsin  
Department of Revenue

## Tax Incremental Finance (TIF) - Terminations

1. When does a municipality terminate a Tax Incremental District (TID)?
2. What should the municipality provide to the Wisconsin Department of Revenue (DOR) when a TID terminates?
3. What is the last year a municipality receives an increment for a terminated TID?
4. If a municipality adopts a TID termination resolution, does the municipality need to pay DOR a certification administrative fee?
5. Can a municipality terminate an existing TID and then create another TID in the same year?
6. When a municipality terminates a TID, what happens if there are still debts?
7. How does the municipality divide excess funds among the overlying taxing jurisdictions?
8. What if a municipality terminated a TID and has some outstanding expenses to pay before disbursing any extra funds to the other overlying tax jurisdictions?
9. If a municipality adopts a TID termination resolution and notified DOR, can it rescind the termination resolution so it can adopt an affordable housing resolution?

### 1. **When does a municipality terminate a Tax Incremental District (TID)?**

The municipality must adopt a termination resolution when one of the following occurs:

- o All project costs have been recovered
- o TID reaches its maximum life
- o Municipality decides to end the TID for any other reason

### 2. **What should the municipality provide to the Wisconsin Department of Revenue (DOR) when a TID terminates?**

#### a. **Within 60 days of adopting the termination resolution, email [tif@wisconsin.gov](mailto:tif@wisconsin.gov):**

- [TID Termination Resolution](#)
- Final TID Accounting Agreement [\(Form PE-223\)](#).

#### b. **Within six months of adopting the termination resolution:**

- Provide a list of the TID parcels to the appropriate Real Property Lister. Verify the TID number is removed from the correct tax/assessment roll year.
- Complete the Final Audit. Save a copy in the Municipal TID records.
- Electronically file the Final Accounting Report [\(Form PE-110\)](#) with DOR

### 3. **What is the last year a municipality receives an increment for a terminated TID?**

The date the municipality adopts the termination resolution determines the last year it receives an increment for that TID. For more details see the [TID Termination Timeframes](#) table.

Effective January 1, 2018, the TID termination deadline changed from May 15 to April 15. See [2017 Act 15](#).

### 4. **If a municipality adopts a TID termination resolution, does the municipality need to pay DOR a certification administrative fee?**

The answer depends on the date the local legislative body adopts the termination resolution:

- **On or before April 15** — if the local legislative body adopts the termination resolution on or before April 15, the municipality does not pay the certification administrative fee that year
- **After April 15** — if the local legislative body adopts the termination resolution after April 15, the municipality must pay the certification administrative fee that year

### 5. **Can a municipality terminate an existing TID and then create another TID in the same year?**

Yes. If the municipality is over the 12 percent value limit, the local legislative body must adopt the termination resolution **before** adopting the creation resolution for another TID. The municipality must remain below the 12 percent value limit after terminating a TID, to create another TID.

If the municipality is under the 12 percent value limit, the local legislative body can adopt a creation resolution for a new TID if the municipality remains below the 12 percent value limit. The termination resolution for an existing TID can occur at any time in the same year.

### 6. **When a municipality terminates a TID, what happens if there are still debts?**

The municipality is responsible for any remaining debt.

### 7. **How does the municipality divide excess funds among the overlying taxing jurisdictions?**

According to state law ([sec. 66.1105\(6\)\(c\), Wis. Stats.](#)), excess funds are paid to the taxing entities based on the entity's portion of the total tax rate. DOR recommends basing the distribution on the most recent tax levy proportions without the tax increment. Column A of the Tax Increment Worksheet (PC-202) may be used for this calculation. Contact [lgs@wisconsin.gov](mailto:lgs@wisconsin.gov) for further assistance.

### 8. **What if a municipality terminated a TID and has some outstanding expenses to pay before disbursing any extra funds to the other overlying tax jurisdictions?**

It is the municipality's responsibility to determine proper administration in this situation. For example, a municipality may set up a temporary escrow account to cover the final payment. This allows the municipality to complete its final audit.

### 9. **If a municipality adopts a TID termination resolution and notified DOR, can it rescind the termination resolution so it can adopt an affordable housing resolution?**

The answer depends on whether the termination deadline has passed and the TID's remaining

maximum life. Municipalities must certify a TID as active or inactive by April 15 under state law ([sec. 66.1105\(6\)\(ae\)](#), and [60.85\(6\)\(am\)](#), Wis. Stats.). Both the termination and rescission must be in the same year based on this deadline. See the [TID Termination Timeframes](#) table.

**Rescinding a termination resolution is possible when all items below apply:**

- TID did not reach its maximum life (or extended life) date
- Municipality paid the certification administrative fee for the year to keep the TID active. If the fee is paid, DOR considers the TID active.
- April 15 deadline has not passed; the TID number is still coded on the current year assessment/tax roll parcels

**Rescinding a termination resolution is not possible if any of the items below apply:**

- TID's maximum life (or extended life) date has passed
- Certification administrative fee deadline has passed and fee was not paid. Since the fee was not paid, DOR considers this TID no longer active.
- April 15 deadline has passed; the TID number is removed from the current year assessment/tax roll parcels

**FOR MORE INFORMATION PLEASE CONTACT:**

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

## Related Links

- [Allocation Amendment](#)
- [Annexations](#)
- [Audits and Annual Report](#)
- [Base Value Redetermination](#)
- [Creation](#)
- [Developer's Agreement](#)
- [Extensions](#)
- [General](#)
- [Joint Review Board \(JRB\)](#)
- [Municipal Expenditures and Debt](#)

- [Municipal-Owned Property](#)
- [Overlaps](#)
- [Parcels](#)
- [Project Costs](#)
- [Project Plan](#)
- [Public Notices](#)
- [Tax Increments](#)
- [Terminations](#)
- [Territory Amendments](#)
- [Town TIDs created under sec. 60.23, Wis. Stats.](#)
- [Value Limit](#)
- [What to Consider before Creating a TID](#)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Tax Incremental Finance (TIF) - Territory Amendments

1. How many times can a municipality amend a project plan to change boundaries?
2. How does a subtraction amendment differ from an addition amendment?
3. Does all property in a boundary amendment have to be in the same area?
4. If a municipality adds territory to a TID, does the total area of the TID (original parcels and added parcels) have to meet the 50 percent minimum property type based on its original TID type?
5. What should the map and the metes and bounds show?
6. Can a municipality discuss multiple amendments (to update projects, add/subtract territory, allocate to another TID) at the same public hearing?
7. Does the TID's base value of existing parcels change when territory is added?
8. Does adding territory affect the TID expenditure period?
9. Does a municipality need to notify owners of blighted property prior to an amendment hearing?
10. Can a municipality amend the boundaries of a distressed or severely distressed TID?
11. If the municipality adds territory to an existing TID, does the TID include the new territory's personal property and personal property value in the base?

---

1. **How many times can a municipality amend a project plan to change boundaries?**

A municipality can change Tax Incremental District (TID) boundaries up to four times during the TID's life. If a municipality completes an addition and subtraction in the same year, it counts as one of the four territory amendments. Each amendment may add and/or subtract parcels, if all parcels within the TID boundaries remain contiguous.

2. **How does a subtraction amendment differ from an addition amendment?**

**Subtraction amendment** — decreases the number of parcels in the TID. The value of the removed parcels (at the time they were added to the TID) is subtracted from the base value.

**Addition amendment** — increases the number of parcels in the TID. The value of the additional parcels is added to the existing base value.

3. **Does all property in a boundary amendment have to be in the same area?**

No. As long as added or subtracted property is contiguous to the original TID, all the property does not have to be in the same area.

**4. If a municipality adds territory to a TID, does the total area of the TID (original parcels and added parcels) have to meet the 50 percent minimum property type based on its original TID type?**

Yes. After a TID is created and declared a specific type, it must remain that type throughout its life. If a municipality adds parcels, 50 percent of the property must meet the TID's original type. If a municipality subtracts parcels, 50 percent of the remaining property must meet the TID's original type.

**5. What should the map and the metes and bounds show?**

**Map** – must show an outline of the complete TID and identify the added or subtracted parcels. The new boundary outline must show that the entire TID area remains contiguous. Review [Parcels Common Question #3](#) for more information on maps.

**Metes and bounds** – must be revised to describe the updated TID outer boundary of the full TID, including the necessary revisions to account for parcel changes made in the amendment.

**6. Can a municipality discuss multiple amendments (to update projects, add/subtract territory, allocate to another TID) at the same public hearing?**

Yes. However, the municipality must describe each action in a separate statement in the public hearing notice. Also, separate resolutions are recommended.

See the [Tax Incremental District \(TID\) Checklist](#).

**7. Does the TID's base value of existing parcels change when territory is added?**

No. The base value of the existing parcels does not change; however, when territory is added the the new parcels' value is added to the TID's existing base value.

**Example:** TID #2 was created in 2012 with a base value of \$150,000. This value does not change when territory is added. In 2017, the municipality adds 10 parcels valued (as of January 1, 2017) at \$45,000. The \$150,000 base value plus the \$45,000 for the additional parcels equals \$195,000. In 2018, the TID's new base value is \$195,000.

**8. Does adding territory affect the TID expenditure period?**

No. Adding territory does not change the TID expenditure period. All project costs (original and additional costs) must be incurred within five years before the TID's maximum life.

**9. Does a municipality need to notify owners of blighted property prior to an amendment hearing?**

Yes. When adding parcels to a blighted or rehabilitation/conservation TID, the municipality must notify the owners of parcels being added and identified as blighted or rehabilitation/conservation 15 days before the public hearing.

**10. Can a municipality amend the boundaries of a distressed or severely distressed TID?**

A municipality may complete a boundary amendment to subtract territory; however, a municipality may not add territory to a TID that is declared distressed or severely distressed.



**11. If the municipality adds territory to an existing TID, does the TID include the new territory's personal property and personal property value in the base?**

Yes. When amending a TID, include any taxable personal property within the new territory. If taxable personal property is located in a TID, the taxable personal property value becomes part of the TID's new base value.

**FOR MORE INFORMATION PLEASE CONTACT:**

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

## Related Links

- [Allocation Amendment](#)
- [Annexations](#)
- [Audits and Annual Report](#)
- [Base Value Redetermination](#)
- [Creation](#)
- [Developer's Agreement](#)
- [Extensions](#)
- [General](#)
- [Joint Review Board \(JRB\)](#)
- [Municipal Expenditures and Debt](#)
- [Municipal-Owned Property](#)
- [Overlaps](#)
- [Parcels](#)
- [Project Costs](#)
- [Project Plan](#)
- [Public Notices](#)
- [Tax Increments](#)
- [Terminations](#)

- [Territory Amendments](#)
- [Town TIDs created under sec. 60.23, Wis. Stats.](#)
- [Value Limit](#)
- [What to Consider before Creating a TID](#)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Tax Incremental Finance (TIF) - Value Limit

1. What is the Equalized Value limit?
2. What role does releasing Equalized Values on August 15 have in determining the 12 percent limit?
3. If a Tax Incremental District (TID) is in more than one county, is the limit calculation separated by county?
4. In calculating the 12 percent limit for creating a TID or adding parcels to an existing TID, does the municipality include the increment for a terminated district?
5. Are overlapped parcel values included in the 12 percent limit calculation?
6. Can a municipality create a new TID with a zero base value if the municipality's existing TIDs already exceed the 12 percent limit?
7. If a municipality is creating multiple TIDs in the same year, and all the TIDs are under 12 percent individually but collectively exceed the limit, can the TIDs be created?
8. Does the 12 percent limit apply to amendments (adding/subtracting parcels), or does it only apply when a municipality is creating a new Tax Incremental District (TID)?
9. When a municipality amends an existing TID to add and subtract parcels, how does the 12 percent limit apply?
10. Can a municipality amend a project plan to add projects when the municipality is over the 12 percent limit?
11. When a municipality amends a TID using simultaneous creation and subtraction, how does the 12 percent limit apply?
12. Does the 12 percent value limit apply to Town TIDs created under state law (sec. 60.85, Wis. Stats.)?
13. Does the 12 percent value limit apply to Environmental Remediation (ER) TIDs created under state law (sec. 66.1105, Wis. Stats.)?

---

### 1. **What is the Equalized Value limit?**

The Equalized Value limit is the maximum property value a municipality can have within Tax Incremental Districts (TIDs). It is calculated by adding the Equalized Value of the new TID's taxable property as of January 1 (of the creation or amendment year) and the value increment

of all existing TIDs (for that municipality). This value cannot exceed 12 percent of the municipality's total Equalized Value.

See state law (sec. 66.1105(4)(gm)4.c., Wis. Stats.).

**2. What role does releasing Equalized Values on August 15 have in determining the 12 percent limit?**

The Wisconsin Department of Revenue (DOR) updates municipal Equalized Values annually on August 15. The TID creation (or amendment) date determines which values to use. If the local legislative body resolution is adopted:

- **Before August 15** — use the previous year's Equalized Value
- **On or after August 15** — use the new Equalized Value

**3. If a Tax Incremental District (TID) is in more than one county, is the limit calculation separated by county?**

No. The entire TID is considered for the value limit calculation. TID values from both counties are combined when calculating the 12 percent limit.

**4. In calculating the 12 percent limit for creating a TID or adding parcels to an existing TID, does the municipality include the increment for a terminated district?**

No. The municipality does not include the terminated TID's value increment when calculating the 12 percent limit, as long as the termination resolution was adopted before the creation or territory resolution.

**5. Are overlapped parcel values included in the 12 percent limit calculation?**

No. Under state law (sec. 66.1105(10)(c), Wis. Stats.), the value of overlapped parcels are not included in the 12 percent limit calculation.

**6. Can a municipality create a new TID with a zero base value if the municipality's existing TIDs already exceed the 12 percent limit?**

No. Under state law (sec. 66.1105(4)(gm)4.c., Wis. Stats.), a new TID or boundary addition cannot be approved if the municipality already exceeds 12 percent.

**7. If a municipality is creating multiple TIDs in the same year, and all the TIDs are under 12 percent individually but collectively exceed the limit, can the TIDs be created?**

Yes. Each submission stands alone. As long as each TID (created/amended) in the same year meets the 12 percent limit individually, the TIDs can be created/amended. See state law (sec. 66.1105(4)(gm)4.c., Wis. Stats.).

**8. Does the 12 percent limit apply to amendments (adding/subtracting parcels), or does it only apply when a municipality is creating a new Tax Incremental District (TID)?**

The 12 percent value limit applies to new TID creations (except designated Environmental Remediation (ER) TIDs) and TID amendments adding parcels. The value limit calculation is part of the required findings in the municipal resolution. The 12 percent value limitation does not apply when a municipality is subtracting parcels from a TID.

**9. When a municipality amends an existing TID to add and subtract parcels, how does the 12 percent limit apply?**

If a municipality is completing amendments at the same time, the value of the added and the subtracted parcel values are combined. The resulting value is used in the value limit calculation. Subtracted parcels use the value from the year they were added to the TID.

**Example 1:** A municipality adds one parcel with a value of \$100,000 and subtracts one parcel that had a value of \$50,000 when added to the TID. The combined value is an addition of \$50,000. The \$50,000 total is used in the value limit calculation.

**Example 2:** A municipality adds one parcel with a value of \$50,000 and subtracts one parcel that had a value of \$100,000 when added to the TID. Since the combined value is a subtraction of \$50,000, the amendment is not required to meet the 12 percent value limitation.

**10. Can a municipality amend a project plan to add projects when the municipality is over the 12 percent limit?**

Yes. The 12 percent value limit only applies when a TID is created or parcels are added.

**11. When a municipality amends a TID using simultaneous creation and subtraction, how does the 12 percent limit apply?**

Under state law (sec. 66.1105(17), Wis. Stats.), a municipality may complete a simultaneous creation and subtraction amendment without including the 12 percent finding in the resolution. The municipality must submit both the creation and subtraction amendment together and include a fair market value appraisal for each. The appraisal must show that the property value being removed in the subtraction amendment equals or exceeds the amount needed for the proposed TID to comply with the 12 percent limit.

A municipality may only complete a simultaneous creation and subtraction if no other TID was created using this option.

**12. Does the 12 percent value limit apply to Town TIDs created under state law (sec. 60.85, Wis. Stats.)?**

No. Under state law (sec. 60.85(3)(h)5.d., Wis. Stats.), the limits are different. A town can only create a TID if it meets the 5 percent or 7 percent limit:

**5 percent limit** — the district's value plus the *value increment* of all existing districts within the town cannot exceed 5 percent of the town's total Equalized Value.

**7 percent limit** — the district's value plus the *Equalized Value* of all existing districts within the town cannot exceed 7 percent of the town's total Equalized Value.

**13. Does the 12 percent value limit apply to Environmental Remediation (ER) TIDs created under state law (sec. 66.1105, Wis. Stats.)?**

Yes. However, the municipality can designate one ER TID created under sec. 66.1105, Wis. Stats., as excluded from the 12 percent value limit.

The municipality cannot change this designation to another ER TID. After the designated ER TID terminates, the municipality may designate another ER TID created under sec. 66.1105, Wis. Stats., as excluded from the value limit.

**FOR MORE INFORMATION PLEASE CONTACT:**

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

## Related Links

- [Allocation Amendments](#)
- [Annexations](#)
- [Audits and Annual Report](#)
- [Base Value Redetermination](#)
- [Creation](#)
- [Developer's Agreement](#)
- [Extensions](#)
- [General](#)
- [Joint Review Board \(JRB\)](#)
- [Municipal Expenditures and Debt](#)
- [Municipal-Owned Property](#)
- [Overlaps](#)
- [Parcels](#)
- [Project Costs](#)
- [Project Plan](#)
- [Public Notices](#)
- [Tax Increments](#)
- [Terminations](#)
- [Territory Amendment](#)
- [Town TIDs created under sec. 60.23, Wis. Stats.](#)
- [Value Limit](#)
- [What to Consider before Creating a TID](#)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Tax Incremental Finance (TIF) - What to Consider Before Creating a Tax Incremental District (TID)

Municipal officials should review the following questions before creating a TID. Discuss these questions with your overlying taxing jurisdictions, consultant, attorney, financial officer, and developer to determine whether creating a TID is right for your community.

1. Would the expected development occur without the use of TIF? Would the development occur if the project was scaled back or the timeframe pushed out? Did similar projects proceed without the use of TIF? (This is the "**But for**" test.)
2. How does the development in the TID fit into the overall economic picture of your municipality? Is the development consistent with an existing comprehensive land-use plan? Will the potential businesses benefit the community in the long term?
3. How does this TID benefit the property taxpayers? Is the total expenditure for eligible project costs feasible? Will the municipality be able to fund the costs before receiving the first increment?
4. Who (Clerk, Treasurer, Economic Development Coordinator) will take responsibility for the municipality's annual filing requirements **after** the TID is created and when it terminates?
5. How are the municipality, school, county, and technical school districts impacted by the TID? Consider items, such as: increased population, traffic impact, fire and police protection, emergency medical services, water, sewer, administrative services, increased student population, demand for training or housing.
6. What are the risks to the municipality if it creates a TID?
7. How many and what kind of jobs will this development create?
8. Does the developer need a public subsidy? If so, how is the benefit analyzed? Is there a written developer's agreement? Was the public informed of the developer's subsidy (cash grant) in the required notice?
9. What written assurances does the municipality have that the development and/or redevelopment will occur as anticipated? Will the developer guarantee receipt of the projected increment?
10. If there is an economic downturn, how will this affect repayment of the project costs? Is the municipality in the position to take on these costs?



## FOR MORE INFORMATION PLEASE CONTACT:

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

### Related Links

- [Allocation Amendments](#)
- [Annexations](#)
- [Audits and Annual Report](#)
- [Base Value Redetermination](#)
- [Creation](#)
- [Developer's Agreement](#)
- [Extensions](#)
- [General](#)
- [Joint Review Board \(JRB\)](#)
- [Municipal Expenditures and Debt](#)
- [Municipal-Owned Property](#)
- [Overlaps](#)
- [Parcels](#)
- [Project Costs](#)
- [Project Plan](#)
- [Public Notices](#)
- [Tax Increments](#)
- [Terminations](#)
- [Territory Amendments](#)
- [Town TIDs created under sec. 60.23, Wis. Stats.](#)
- [Value Limit](#)

- [What to Consider before Creating a TID](#)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Town Tax Incremental Districts (TIDs) created under sec. 60.23, Wis. Stats.

1. Are the procedures (ex: notices, public hearings, resolutions) for creating a town TID under state law (sec. 60.23, Wis. Stats.), different from those for a city or village?
2. What additional requirements must a town meet compared to a city or village when creating a TID under sec. 60.23 Wis. Stats.?
3. State law (sec. 60.23(32)(f)2., Wis. Stats.) requires the town to select option (a), (b) or (c). What impact do these three options have on the project plan?
4. Is debt service included in the timeframe for Option (b) or Option (c)?
5. Does a town have to choose option (a), (b) or (c) each time it amends a TID, or do the options only apply when creating a TID?
6. What limitation percentage affects a town?
7. Can a town TID still be created under sec. 60.85, Wis. Stats.?

- 
1. **Are the procedures (ex: notices, public hearings, resolutions) for creating a town TID under state law (sec. 60.23, Wis. Stats.), different from those for a city or village?**

No. The procedures are the same since the town chose to exercise all powers of a city, under sec. 66.1105, Wis. Stats. See the [TID Checklist](#).

2. **What additional requirements must a town meet compared to a city or village when creating a TID under sec. 60.23 Wis. Stats.?**

There are three additional requirements:

- a. Prior year Equalized Value — must be at least \$500,000,000
- b. Prior year population — must be at least 3,500 based on the Wisconsin Department of Administration's most recent Annual Population Estimates
- c. Sewer service — is or will be provided before use or operation of any improvements

Note: The project plan should show that the town meets the requirements.

3. **State law (sec. 60.23(32)(f)2., Wis. Stats.) requires the town to select option (a), (b) or (c). What impact do these three options have on the project plan?**

**Option (a) — (sec. 60.23(32)(f)2.a.)**

- o At least 51 percent of the public infrastructure improvement value must be financed by a private developer or entity
- o Development agreement is required to receive cash grants which will solely repay the developer or entity for public infrastructure costs

**Option (b) — (sec. 60.23(32)(f)2.b.)**

- o Town expects all project costs to be paid within 90 percent of the TID's remaining life

**Option (c) — (sec 60.23(32)(f)2.c.)**

- o Expenditures may be made only within the first half of the TID's remaining life
- o Joint Review Board can approve additional expenditures; however, the vote must be unanimous and the expenditures cannot exceed the original expenditure period

**4. Is debt service included in the timeframe for Option (b) or Option (c)?**

**Option (b)** — the creation project plan must demonstrate the TID will have sufficient revenue to pay off debt and all project costs within 90 percent of the TID's maximum life. After all project costs are paid, the TID terminates.

**Option (c)** — the municipality may only take on project costs within the first half of the TID's remaining life. Debt payments may continue through the TID's maximum life.

**5. Does a town have to choose option (a), (b) or (c) each time it amends a TID, or do the options only apply when creating a TID?**

A town must select an option (a, b, or c) when creating the TID, and document the selection in the project plan. If the town completes an amendment, it must reconfirm the TID's original creation option or select a different option.

**6. What limitation percentage affects a town?**

**5 or 7 percent** — if the TID is created under sec. 60.85, Wis. Stats., the 5 percent or 7 percent limitation is used.

**12 percent** — if the TID is created under sec. 60.23, Wis. Stats., the 12 percent limitation is used because the town chose to exercise all powers of a city under sec. 66.1105, Wis. Stats.

See the [Value Limit Common Questions](#) for more information.

**7. Can a town TID still be created under sec. 60.85, Wis. Stats.?**

Yes. This state law remains in effect. See the [Town Creation page](#).

**FOR MORE INFORMATION PLEASE CONTACT:**

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

## Related Links

- [Allocation Amendments](#)
- [Annexations](#)
- [Audits and Annual Report](#)
- [Base Value Redetermination](#)
- [Creation](#)
- [Developer's Agreement](#)
- [Extensions](#)
- [General](#)
- [Joint Review Board \(JRB\)](#)
- [Municipal Expenditures and Debt](#)
- [Municipal-Owned Property](#)
- [Overlaps](#)
- [Parcels](#)
- [Project Costs](#)
- [Project Plan](#)
- [Public Notices](#)
- [Tax Increments](#)
- [Terminations](#)
- [Territory Amendments](#)
- [Town TIDs created under sec. 60.23, Wis. Stats.](#)
- [Value Limit](#)
- [What to Consider before Creating a TID](#)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

**NOTICE OF JOINT REVIEW BOARD MEETING  
REGARDING THE PROPOSED PROJECT PLAN AND BOUNDARY  
FOR TAX INCREMENTAL DISTRICT (TID) NO. 1  
IN THE CITY OF BADGER, WISCONSIN**

NOTICE IS HEREBY GIVEN, that the City of Badger will hold a Joint Review Board (JRB) meeting on April 20, 2015 at 6:00 p.m. at the Badger City Hall, located at 123 Main Street. The purpose of this meeting is for the JRB to consider approval of the resolution adopted by the Badger Common Council on April 13, 2017 for purposes of considering the proposed Project Plan for TID No. 1. The meeting is open to the public.

[Optional: can list agenda items]

Persons desiring information on the proposed District and Project Plan may contact the City Clerk at (123) 444-5678. A copy of the proposed Project Plan is available for review in the Clerk's Office located at the Badger City Hall, 123 Main Street and will be provided upon request.

Dated this 15<sup>th</sup> day of April, 2017

John A. Doe  
Clerk

Publication Dates: April 15, 2017

## Tax Incremental District (TID) – Extension Types

	Standard	Technical College	Affordable Housing
<b>Purpose</b>	<ul style="list-style-type: none"> <li>Allows additional time to pay incurred project costs</li> <li>Extension does not change the expenditure period</li> </ul>	<ul style="list-style-type: none"> <li>Allows additional time to pay incurred project costs for TIDs affected by 2013 Act 145</li> <li>Extension does not change the expenditure period</li> </ul>	Allows use of a final increment for affordable housing: <ul style="list-style-type: none"> <li>At least 75% of the final increment must benefit affordable housing in the municipality; remaining portion must be used to improve housing in the municipality</li> <li>Resolution must specify how the municipality will improve housing stock</li> </ul>
<b>Number of additional years allowed</b>	<b>4 years</b> <i>(municipal resolution adopted 10/1/95 - 9/30/04)</i> <ul style="list-style-type: none"> <li>Blight</li> <li>Rehabilitation/Conservation</li> </ul> <b>3 years</b> <i>(municipal resolution adopted after 10/1/04)</i> <ul style="list-style-type: none"> <li>Blight</li> <li>Rehabilitation/Conservation</li> <li>Industrial</li> <li>Mixed-use</li> </ul> <i>(municipal resolution adopted after 11/29/17)</i> <ul style="list-style-type: none"> <li>Environmental Remediation</li> </ul>	<b>3 years</b>	<b>1 year</b>
<b>Availability</b>	TIDs listed above created under 66.1105, Wis. Stats.	Any TID created under 66.1105, Wis. Stats. with a municipal resolution – before 10/1/14	Any TID created under 66.1105, Wis. Stats.
<b>Exclusions</b>	<ul style="list-style-type: none"> <li>TID with municipal resolution adopted before 10/1/95</li> <li>Industrial TID with municipal resolution adopted 10/1/95 - 9/30/04</li> <li>Town TID created under 60.85, Wis. Stats.</li> <li>Environmental Remediation TID created under 66.1106 Wis. Stats. on or before 11/29/17</li> <li>Any <b>donor</b> Industrial or Mixed-use TID with municipal resolution adopted after 10/1/04</li> </ul>	<ul style="list-style-type: none"> <li>TID with municipal resolution adopted after 9/30/14 under 66.1105, Wis. Stats.</li> <li>Town TID created under 60.85, Wis. Stats.</li> <li>Environmental Remediation TID</li> </ul>	<ul style="list-style-type: none"> <li>Town TID created under 60.85, Wis. Stats.</li> <li>Environmental Remediation TID with municipal resolution adopted on or before 11/29/17 under 66.1106, Wis. Stats.</li> </ul>
<b>Required resolutions*</b>	Joint Review Board	Joint Review Board	Municipal
<b>Information for resolution approval</b>	<ul style="list-style-type: none"> <li>Documents show the TID cannot repay project costs within its maximum life</li> <li>If an independent audit is provided, the JRB must approve the extension</li> </ul>	<ul style="list-style-type: none"> <li>Documents show the TID increments were negatively impacted by 2013 Act 145</li> <li>If an independent audit is provided, the JRB must approve the extension</li> </ul>	Documents show the TID has paid all its project costs
<b>Law reference</b>	<a href="#">66.1105(7)(am)1, 2, 3</a>	<a href="#">66.1105(7)(am)4</a>	<a href="#">66.1105(6)(g)</a>

\*Email the Wisconsin Department of Revenue a scanned copy of the adopted resolution to [tif@wisconsin.gov](mailto:tif@wisconsin.gov).

## Tax Incremental District (TID) Checklist

<b>Email the required documents as attachments to: <a href="mailto:tif@wisconsin.gov">tif@wisconsin.gov</a></b> (Note: Do not send the Wisconsin Department of Revenue your checklist; it is for your use only)		Creations			Amendments			
		City/Village and Town (sec. 60.23)	Town (sec. 60.85)	Environmental Remediation (sec. 66.1105)	Territory Addition	Territory Subtraction	Project Plan or Allocation	Base Value Redetermination
<b>Legal Documents – scan all documents together and use name: LegalDocs.pdf</b>								
<input type="checkbox"/>	<b>City/Village Legal Requirements Form</b> – ( <a href="#">PE-605</a> , <a href="#">PE-605T</a> , or <a href="#">PE-605A</a> )	X	X	X	X	X	X	X
<input type="checkbox"/>	<b>Proof you sent a <a href="#">public hearing notice</a> to the other taxing entities before you published it</b> – include copies of cover letters sent with the notices <ul style="list-style-type: none"> <li>• Must be sent by first class mail to administrator of all local government entities and school districts with authority to levy taxes on TID property</li> <li>• Public notice must be published <u>twice for creations</u> and <u>once for amendments</u></li> <li>• Public notice must state:                             <ul style="list-style-type: none"> <li>○ Proposed project plan will be "provided upon request"</li> <li>○ If applicable, "cash grants will be paid to property owners, lessees or developers as part of a development agreement"</li> <li>○ For an allocation amendment, the donor TID # and recipient TID #</li> </ul> </li> <li>• Cash grants are not eligible project costs for town TIDs (<a href="#">sec. 60.85(1)(h)2.d., Wis. Stats.</a>)</li> </ul>	X	X	X	X	X	X	X
<input type="checkbox"/>	<b>Proof of publication for Joint Review Board (JRB) meeting notice</b> – publish one notice at least <b>5 days</b> before any JRB meeting. The first meeting must be within 14 days after the public hearing notice. Provide a copy of affidavit verifying newspaper publication date and a copy of the <a href="#">meeting notice</a> .	X		X	X	X	X	X
<input type="checkbox"/>	<b>Copy of notice to property owners in the TID</b> – send a notice at least <b>15 days</b> before the public hearing. Provide a copy of the letter with hearing notice or recipient list with hearing notice (include parcel number on letter or recipient list). <ul style="list-style-type: none"> <li>• <b>TID created under <a href="#">sec. 66.1105, Wis. Stats.</a></b> – if the TID is created as Blighted or in need of Rehabilitation/Conservation, send a notice to those property owners whose property was identified as such</li> <li>• <b>TID created under <a href="#">sec. 60.85, Wis. Stats. (Towns)</a></b> – send a copy of the notice to <b>all</b> property owners in the TID</li> </ul>	X	X		X			
<input type="checkbox"/>	<b>Proof of publication for public hearing notice</b> <ul style="list-style-type: none"> <li>• <b>Creation</b> – publish two consecutive notices, one per week, with the second notice at least <b>7 days</b> before the public hearing. Provide a copy of the affidavit verifying newspaper publication dates and readable copies of the actual <a href="#">public hearing notices</a>.</li> <li>• <b>Amendments</b> – publish one notice at least <b>7 days</b> before the public hearing. Provide a copy of the affidavit verifying the newspaper publication date and a readable copy of the actual <a href="#">public hearing notice</a>.</li> </ul>	X	X	X	X	X	X	X
<input type="checkbox"/>	<b>Copy of Planning Commission Resolution or minutes approving TID creation/amendment</b>	X	X	X	X	X	X	X



## Tax Incremental District (TID) Checklist

<b>Email the required documents as attachments to: <a href="mailto:tif@wisconsin.gov">tif@wisconsin.gov</a></b> <i>(Note: Do not send the Wisconsin Department of Revenue your checklist; it is for your use only)</i>		Creations			Amendments		
		City/Village and Town (sec. 60.23)	Town (sec. 60.85)	Environmental Remediation (sec. 66.1105)	Territory Addition	Territory Subtraction	Project Plan or Allocation
<b>Legal Documents – scan all documents together and use name: LegalDocs.pdf</b>							
<input type="checkbox"/>	<p><b>Copy of Municipal Creation Resolution (approving TID boundary and project plan)</b> – must wait <b>14 days</b> after the public hearing to adopt the resolution (creation only). See the <a href="#">Resolution Checklist</a> (PE-222) for all resolution requirements.</p> <ul style="list-style-type: none"> <li>• <b>Territory Amendments</b> – must contain the same findings as the creation resolution</li> <li>• <b>Municipal TIDs under <a href="#">sec. 66.1105, Wis. Stats.</a></b> <ul style="list-style-type: none"> <li>○ Resolutions to add territory must include findings showing the municipality does not exceed the 12 percent TID limit</li> <li>○ Environmental Remediation (ER) TID designated as excluded from the 12 percent limit – include a statement in the resolution (only one ER TID can be designated as excluded)</li> </ul> </li> <li>• <b>Town TIDs under <a href="#">sec. 60.85, Wis. Stats.</a></b> <ul style="list-style-type: none"> <li>○ Must wait at least <b>30 days</b> after the public hearing to adopt the resolution</li> <li>○ <b>Resolutions that create or amend district boundaries must include one of these findings:</b> <ul style="list-style-type: none"> <li>▪ Equalized Value (of the district's taxable property and all existing districts) – does not exceed 7 percent of the total Equalized Value of the town's taxable property</li> <li>▪ Equalized Value (of the district's taxable property) plus the value increment of all existing districts – does not exceed 5 percent of the total Equalized Value of the town's taxable property</li> </ul> </li> </ul> </li> </ul>	X	X	X	X	X	X
<input type="checkbox"/>	<p><b>Copy of JRB Resolution</b> – must confirm the proposal meets <b>three criteria</b> (<a href="#">sec. 66.1105(4m)(c), Wis. Stats.</a>):</p> <ol style="list-style-type: none"> <li>1. Development reviewed by the JRB would not occur without the TID creation or amendment</li> <li>2. Economic benefits are sufficient to compensate for the cost</li> <li>3. Benefits outweigh the anticipated tax increments to be paid by property owners in the district</li> </ol> <ul style="list-style-type: none"> <li>• TIDs created under <a href="#">sec. 60.23(32)</a> or <a href="#">66.1105</a>, Wis. Stats. – JRB approval must occur within <b>45 days</b> after receiving the municipal resolution</li> <li>• Town TIDs created under <a href="#">sec. 60.85, Wis. Stats.</a> – JRB approval must occur <b>10-45 days</b> after receiving the municipal resolution</li> <li>• JRB must submit its decision to the municipality no later than <b>7 days</b> after adopting the JRB resolution</li> <li>• <b>For Base Value Redeterminations</b> – resolution confirms a 10 percent decline for <b>2 consecutive years</b></li> <li>• <b>DOR email notification</b> – within <b>60 days</b> of approval</li> </ul>	X	X	X	X	X	X
<input type="checkbox"/>	<p><b>Retail Percentage</b> – in the municipal resolution or project plan, include the estimated percentage of territory in the TID that will be devoted to retail business or confirm the percentage is below 35 percent (<a href="#">sec. 66.1105(5)(b), Wis. Stats.</a>)</p>	X		X	X	X	

## Tax Incremental District (TID) Checklist

<b>Email the required documents as attachments to: <a href="mailto:tif@wisconsin.gov">tif@wisconsin.gov</a></b> <i>(Note: Do not send the Wisconsin Department of Revenue your checklist; it is for your use only)</i>		Creations			Amendments			
		City/Village and Town (sec. 60.23)	Town (sec. 60.85)	Environmental Remediation (sec. 66.1105)	Territory Addition	Territory Subtraction	Project Plan or Allocation	Base Value Redetermination
<b>Boundary and Map – scan the parcel map and legal description and use name: Bounds-Map.pdf</b>								
<input type="checkbox"/>	<b>Boundary Description of the TID</b> – provide the district boundary description as adopted in the creation or territory amendment resolution. It must be a "metes and bounds" type description describing the district's outer boundaries. It must include more than a list of lots and blocks. For a territory amendment, provide the full outer TID boundary description, updated with the added parcels and without the subtracted parcels.	X	X	X	X	X		
<input type="checkbox"/>	<b>Map of the TID with outer boundaries clearly marked and parcels numbered</b> – submit a TID map with all parcel numbers. It must clearly show boundaries, identify streets, and be large enough to read parcel numbers and parcel boundaries. DOR can print 11 in. x 17 inch copies of PDF files; if the map displays best on a larger scale, provide two hard copies. <ul style="list-style-type: none"> <li>• Use the same numbers on the map as on the TID parcel list. If parcel numbers are too large for the area on the map, use a numbering system to designate the parcel.</li> <li>• Label any areas that do not have a parcel number (streets, alleys, rights-of-way, wetlands, or bodies of water)</li> <li>• County real property lister may be able to assist with the mapping</li> <li>• For amendments, the map must show how the new area is added or subtracted from the original TID</li> <li>• For any <b>overlapping</b> TIDs, include a map showing the parcels being overlapped and the overlapped TID boundaries</li> <li>• When approving costs within a half-mile radius of the TID, include a map of this area</li> </ul>	X	X	X	X	X		
<input type="checkbox"/>	<b>County Real Property Lister notification</b> – notify the county real property lister of a TID creation or amendment. Include a list of parcels, map and legal description with the notification.	X	X	X	X	X		
<b>Project Plan – save the project plan and use name: ProjectPlan.pdf</b>								
<input type="checkbox"/>	<b>Project Plan</b> – provide a copy of the project plan. It must contain the items found in the <a href="#">Guidelines for Project Plans</a> (PE-215). <ul style="list-style-type: none"> <li>• <b>For amendments</b> – if some of the items did not change from the original report, indicate this in the new project plan</li> <li>• <b>For <a href="#">Base Value Redeterminations</a></b> – develop a <b>new</b> project plan showing:               <ul style="list-style-type: none"> <li>○ Value is at least 10 percent below the base value for <b>2 consecutive years</b> – use the <a href="#">TID Base Redetermination Worksheet</a></li> <li>○ Financial analysis</li> <li>○ Statement on expenditure option selected (<a href="#">sec. 66.1105(5)(i), Wis. Stats. (3, 4 or 5)</a>)</li> </ul> </li> <li>• <b>For ER TIDs</b> – indicate the expenditure option selected (<a href="#">sec. 66.1105(20m)(b)2, Wis. Stats. (a or b)</a>)</li> <li>• <b>For Town TIDs</b> – created under <a href="#">sec. 60.23(32), Wis. Stats.</a>, include statements addressing:               <ul style="list-style-type: none"> <li>○ <b>Population</b> for prior year (must be at least 3,500)</li> <li>○ <b>Equalized Value</b> for prior year (must be at least \$500,000,000)</li> <li>○ <b>Sewer service</b> that serves or will serve the TID</li> <li>○ <b>Expenditure</b> option selected (<a href="#">sec. 60.23(32)(f)2., Wis. Stats (a, b, or c)</a>)</li> </ul> </li> </ul>	X	X	X	X	X	X	X
<input type="checkbox"/>	<b>DNR Certification</b> – provide a dated copy of the certified site investigation report from the DNR			X				

## Tax Incremental District (TID) Checklist

<b>Email the required documents as attachments to: <a href="mailto:tif@wisconsin.gov">tif@wisconsin.gov</a></b> <i>(Note: Do not send the Wisconsin Department of Revenue your checklist; it is for your use only)</i>		Creations			Amendments		
		City/Village and Town (sec. 60.23)	Town (sec. 60.85)	Environmental Remediation (sec. 66.1105)	Territory Addition	Territory Subtraction	Project Plan or Allocation
<b>Equalized Value Excel Forms – save the Excel Workbook and use name: Forms.pdf</b>							
<input type="checkbox"/>	<b>Creation or Territory Addition Amendment</b> – use the <a href="#">Base Value Workbook</a> (Excel) <ul style="list-style-type: none"> <li>• Enter information in the Excel workbook and save as a PDF when complete. Follow the instructions in the workbook. The workbook has tabs for each form listed below:               <ul style="list-style-type: none"> <li>○ PE-606 – Equalized Value Determination Request</li> <li>○ PE-608 – TID Parcel List - Locally Assessable Property</li> <li>○ PE-601A – TID - Local Personal Property</li> <li>○ PE-619 – TID Parcel List - Municipal-Owned Property</li> <li>○ PE-608M – TID Parcel List - Manufacturing Real Property</li> <li>○ PE-608MP – TID - Manufacturing Personal Property</li> <li>○ PE-615A – TID Assessment Summary. Only include information for the locally assessed parcels added to the TID. Do not include municipal-owned or manufacturing parcels.</li> <li>○ Clerk Signature – clerk must complete and sign (print hard copy, sign, and scan)</li> <li>○ Assessor Signature – assessor must complete and sign (print hard copy, sign, and scan)</li> <li>○ If the TID does not have property for a specific form, enter "None" on the form</li> </ul> </li> <li>• For a territory addition amendment only include information for the added parcels</li> </ul>	X	X	X	X		
<input type="checkbox"/>	<b>Subtraction Territory Amendment</b> – use the <a href="#">Territory Subtraction Workbook</a> <ul style="list-style-type: none"> <li>• Use the Excel workbook and keep the Subtraction Parcel List in the Excel format. Follow the instructions in the workbook. The workbook has tabs for each form listed below:               <ul style="list-style-type: none"> <li>○ PE-606 – Equalized Value Determination Request</li> <li>○ Subtraction Parcel List – (email to DOR as an Excel file)</li> <li>○ Clerk Signature – clerk must complete and sign (print hard copy, sign, and scan)</li> <li>○ Assessor Signature – assessor must complete and sign (print hard copy, sign, and scan)</li> </ul> </li> <li>• For a territory subtraction amendment, only include information for the subtracted parcels</li> </ul>				X		
<input type="checkbox"/>	<b>Special Circumstances</b> <ul style="list-style-type: none"> <li>• <b>Annexation</b> – report annexed parcels and/or personal property using a separate <a href="#">Base Value Workbook</a> <ul style="list-style-type: none"> <li>○ Use the value of the parcels as they existed in the town as of January 1 of the year the TID was created or amended</li> <li>○ Signature pages – both the town clerk and town assessor must complete and sign the forms</li> <li>○ If the TID has no property for a specific form, enter "None" on the form</li> </ul> </li> <li>• <b>Multiple County TIDs</b> – when TID parcels are located in more than one county:               <ul style="list-style-type: none"> <li>○ Submit a <a href="#">Base Value Workbook</a> for each county</li> <li>○ If the TID has no property for a specific form, enter "None" on the form</li> </ul> </li> </ul>	X	X	X	X	X	
<input type="checkbox"/>	<b>Assessor Input</b> – DOR recommends involving both the local and manufacturing assessors when developing the TID to confirm the assessed values	X	X	X	X	X	

## Tax Incremental District (TID) Checklist

<input type="checkbox"/>	<p><b>Copies of Appraisals</b> – if a TID is created at the same time as an amendment to subtract territory from an existing district without adopting a resolution containing the 12 percent limit under <a href="#">sec. 66.1105(17), Wis. Stats.</a>, the municipality must provide DOR with two appraisals from certified appraisers, under <a href="#">sec. 458.01(7), Wis. Stats.</a></p> <ul style="list-style-type: none"> <li><b>Appraisals must contain the current fair market value of the taxable property</b> – for the new district and the territory being subtracted from the existing district</li> <li><b>Both appraisals must show</b> – the value of the taxable property subtracted from an existing district equals or exceeds the amount necessary to meet the 12 percent limit when the new district is created</li> </ul>	<b>X</b>		<b>X</b>		<b>X</b>			
--------------------------	---	----------	--	----------	--	----------	--	--	--

TIF Fees				Creations			Amendments																							
				City/Village and Town (sec. 60.23)	Town (sec. 60.85)	Environmental Remediation (sec. 66.1105)	Territory Addition	Territory Subtraction	Project Plan or Allocation	Base Value Redetermination																				
<input type="checkbox"/>	<p><b>Tax Incremental Financing Remittance Fee</b> – pay all fees electronically through <a href="#">My Tax Account</a></p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <thead> <tr> <th style="font-size: small;">Type</th> <th style="font-size: small;">Fee</th> <th style="font-size: small;">Type</th> <th style="font-size: small;">Fee</th> </tr> </thead> <tbody> <tr> <td style="font-size: small;">New TID (creation)</td> <td style="font-size: small;">\$1,000</td> <td style="font-size: small;">Project Plan Amendment</td> <td style="font-size: small;">\$0</td> </tr> <tr> <td style="font-size: small;">Territory Amendment (add or subtract)</td> <td style="font-size: small;">\$1,000</td> <td style="font-size: small;">Allocation Amendment</td> <td style="font-size: small;">\$0</td> </tr> <tr> <td style="font-size: small;">Territory Amendment (add and subtract)</td> <td style="font-size: small;">\$2,000</td> <td style="font-size: small;">Administrative fee (per active TID per year)</td> <td style="font-size: small;">\$150</td> </tr> <tr> <td style="font-size: small;">Base Value Redetermination Amendment</td> <td style="font-size: small;">\$1,000</td> <td></td> <td></td> </tr> </tbody> </table>			Type	Fee	Type	Fee	New TID (creation)	\$1,000	Project Plan Amendment	\$0	Territory Amendment (add or subtract)	\$1,000	Allocation Amendment	\$0	Territory Amendment (add and subtract)	\$2,000	Administrative fee (per active TID per year)	\$150	Base Value Redetermination Amendment	\$1,000			<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>
Type	Fee	Type	Fee																											
New TID (creation)	\$1,000	Project Plan Amendment	\$0																											
Territory Amendment (add or subtract)	\$1,000	Allocation Amendment	\$0																											
Territory Amendment (add and subtract)	\$2,000	Administrative fee (per active TID per year)	\$150																											
Base Value Redetermination Amendment	\$1,000																													

TIF Timeframes	Municipal Resolution Adopted
<b>2019 TID Documents</b>	
<ul style="list-style-type: none"> <li><b>Due on or before October 31, 2019</b> – Municipal Creation (including towns under secs. <a href="#">66.1105</a> and <a href="#">60.23(32)</a>, Wis. Stats.), Territory Amendment, or Base Value Redetermination</li> </ul>	<b>October 1, 2018 - September 30, 2019</b>
<ul style="list-style-type: none"> <li><b>Due on or before December 31, 2019</b> – Town Creation (under <a href="#">sec. 60.85, Wis. Stats.</a>)</li> </ul>	<b>October 1, 2018 - September 30, 2019</b>
<ul style="list-style-type: none"> <li><b>Due on or before December 31, 2019</b> – Project Plan Amendment or Allocation Amendment</li> </ul>	<b>January 1, 2019 - December 31, 2019</b>
<b>2020 TID Documents</b>	
<ul style="list-style-type: none"> <li><b>Due on or before October 31, 2020</b> – Municipal Creation (including towns under secs. <a href="#">66.1105</a> and <a href="#">60.23(32)</a>, Wis. Stats.), Territory Amendment, or Base Value Redetermination</li> </ul>	<b>October 1, 2019 - September 30, 2020</b>
<ul style="list-style-type: none"> <li><b>Due on or before December 31, 2020</b> – Town Creation (under <a href="#">sec. 60.85, Wis. Stats.</a>)</li> </ul>	<b>October 1, 2019 - September 30, 2020</b>
<ul style="list-style-type: none"> <li><b>Due on or before December 31, 2020</b> – Project Plan Amendment or Allocation Amendment</li> </ul>	<b>January 1, 2020 - December 31, 2020</b>

## Tax Incremental District (TID) Criteria Matrix

	Existing TIDs	Blighted or Rehabilitation/ Conservation TIDs		Industrial or Mixed-Use TIDs		Environmental Remediation (ER) TIDs	Town TIDs	Environmental Remediation (ER) TIDs
<b>Creation resolution date</b>	Before 10/1/95	10/1/95 – 9/30/04	After 9/30/04	10/1/95 – 9/30/04	After 9/30/04	After 11/29/17	After 9/30/04	10/15/97 – 11/29/17
<b>Expenditure period</b>	22 years (6)(am)1.			18 years (6)(am)1.	15 years (6)(am)1.	22 years (6)(am)1.	5 years (6)(b)1.	15 years (2)(b)
<b>Maximum life before extensions</b>	27 years (6)(a)2.	27 years (6)(a)4.	27 years (6)(a)8.	23 years (6)(a)4m.	20 years (6)(a)7.	27 years (6)(a)8.	16 years (6)(a)2.	23 years (1)(i)
<b>Standard extension allowed</b>	No	+4 years (7)(am)1.	+3 years (7)(am)3.	No	+3 years (7)(am) 2., unless it is a donor	+3 years (7)(am) 3.	No	No
<b>\$1,000 DOR fee for each creation, territory, or redetermination amendment</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>Creation, territory or redetermination application due to DOR</b>	n/a	October 31	October 31	October 31	October 31	October 31	December 31	December 31
<b>Termination notice to DOR</b>	Email notice within 60 days of adopted termination resolution (8)(a)						Email notice within 10 days of termination resolution (10)(a)	Email notice within 10 days of termination resolution (12)(a)
<b>Final accounting to DOR after termination</b>	Electronically file (e-file) TID Final Accounting Report ( <a href="#">Form PE-110</a> ) by final accounting submission date (8)(c)						February 15 of year after termination (10)(c)	No later than 180 days (10)(d) after termination
<b>Overlaps allowed</b>	Yes (10)	Yes (10)	Yes (10)	Yes (10)	Yes (10)	Yes (10)	Yes (12)	No
<b>Annexation restrictions</b>	Just prior to creation or amendment	Just prior to creation or amendment	Yes (4)(gm)1.	Just prior to creation or amendment	Yes (4)(gm)1.	Yes (4)(gm)1.	Yes (17)	Yes (13)
<b>Base value redetermination allowed</b>	Yes (5)(h)	Yes (5)(h)	Yes (5)(h)	Yes (5)(h)	Yes (5)(h)	Yes (5)(h)	No	No
<b>Limitation restrictions</b>	12% - denial (4)(gm)4.c.						5% & 7% (3)(h)5.d – Denial (5)(g)	None
<b>Territory amendments allowed and notice to DOR</b>	Up to four (4) times by subtracting or adding territory (or both at the same time) (4)(h)2. Email notice within 60 days of adopted amendment resolution (5)(cm)						Once during first 5 years with 2 years of expenditures (3)(j)2.	No
<b>TID allocation amendments</b>	See <a href="#">Allocation Fact Sheet</a>							
<b>TID extension types</b>	See <a href="#">TID Extension Types</a>							
<b>Statute reference</b>	Sec. 66.1105 and sec. 60.23					Sec. 66.1105	Sec. 60.85	Sec. 66.1106

# Tax Incremental District (TID) Dates and Requirements

Follow this schedule during the TID's life		
Due Dates	Links – System/Form/Web	Details
April 15	<a href="#">My Tax Account</a> (MTA) – system used to pay TID fees	<ul style="list-style-type: none"> <li>• A \$150 administrative certification fee per TID is billed to the municipality through MTA in the TIF account</li> <li>• Bill is posted in MTA by March 15 for all municipalities with active TIDs</li> </ul>
2nd Monday in June	<a href="#">Municipal Assessment Report</a> (MAR) – online form	<ul style="list-style-type: none"> <li>• Assessor must report the assessed value for all real and personal property in each TID (by school and special district) as a part of the MAR</li> <li>• Assessor must electronically file (e-file) the report with DOR by the second Monday in June</li> </ul>
July 1	<a href="#">PE-300</a> (TID Annual Report) – online form	<ul style="list-style-type: none"> <li>• Form PE-300 is available in mid-February</li> <li>• E-file one report per TID with DOR by July 1</li> <li>• E-file the TID Annual Report starting the year after the TID is certified (ex: for a TID created in 2018, e-file the first TID Annual Report for 2019 data in 2020)</li> <li>• Joint Review Board (JRB) must meet to review this report</li> </ul>
October 31	<a href="#">TID Creation</a> web page <a href="#">TID ER Creation</a> web page <a href="#">TID Territory Addition</a> web page <a href="#">TID Territory Subtraction</a> web page <a href="#">TID Redetermination</a> web page	<ul style="list-style-type: none"> <li>• Use these webpages to access forms, publications and information for TID creations, territory amendments and base value redeterminations</li> <li>• Municipal resolution must be adopted on or before September 30</li> </ul>
December 31	<a href="#">TID Allocation or Project Plan Amendment</a> web page	<ul style="list-style-type: none"> <li>• Use this webpage to access forms, publications and information for TID allocation and/or project plan amendments</li> <li>• Municipal resolution must be adopted on or before December 31</li> </ul>
Open December 1, due no later than the 3rd Monday in December	<a href="#">PC-202</a> (Tax Increment Worksheet) – online form	<ul style="list-style-type: none"> <li>• Complete this form before calculating the tax rates</li> <li>• This form calculates the amount added to a taxation district's levy, including the tax increment</li> <li>• If the municipality does not include the tax increment amounts when calculating property taxes, the municipal levy is reduced unnecessarily</li> <li>• Questions, contact <a href="#">DOR Local Government Services</a></li> </ul>

## General TID Information for Municipalities

### TID records to maintain in the municipal office include:

- Creation – project plan, legal documents, value forms, bounds and map, certification letter
- Territory Amendment – project plan, legal documents, value forms, bounds and map, recertification letter
- Redetermination Amendment – project plan, legal documents, decrement form, redetermination value letter
- Project Plan and/or Allocation Amendment – project plan, legal documents, approval letter
- Extension – resolution, approval letter
- Annual Reports
- Audit Reports – completed by a Certified Public Accountant after 30 percent of project expenditures are made, after the end of the expenditure period and after termination
- Termination – resolution, Final Accounting Agreement ([Form PE-223](#)), Final Audit, Final Accounting Report ([Form PE-110](#))

### Municipality must notify DOR at [tif@wisconsin.gov](mailto:tif@wisconsin.gov), within 60 days after:

- Adopting a JRB resolution for a TID creation or amendment (territory, redetermination, project plan, allocation)
- Adopting a municipal resolution for a TID termination

### Popular TIF Program Links

- [TIF Information](#) – online services, TIF law, TID forms/information and common questions
- [TIF Manual](#) – describes the TIF statutes, rules and processes
- [TID Criteria Matrix](#) – explains the limitations for each TID type
- [TID Creation Timeframes](#) – explains by creation year, the first year the municipality is responsible for paying the administrative fee, filing the annual report, adding the TID number to tax roll parcels, when Equalized Values are first established, and when increment is received
- [TID Termination Timeframes](#) – explains by termination year, when the TID number is removed from the tax roll, when no more increment is collected, when the filing of the forms and fees ends, and when the last Equalized Values are established
- [TID Extension Types](#) – explains the three types of extensions available: standard, technical college and affordable housing
- [Allocation Amendment Fact Sheet - TID](#) – explains the three types of allocations allowed

### TID Published Reports and DOR Subscription Sign-up

- [Tax Incremental Financing Reports](#)
- [Subscribe to E-filing News](#)

### TIF Program Contacts

- Kristin Filipiak, (608) 266-5708, [kristin.filipiak@wisconsin.gov](mailto:kristin.filipiak@wisconsin.gov)
- Stacy Leitner, (608) 261-5335, [stacyl.leitner@wisconsin.gov](mailto:stacyl.leitner@wisconsin.gov)
- TIF general mailbox, [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

State of Wisconsin  
Department of Revenue

## Tax Incremental Finance (TIF) Public Notices

### Posting notices


When creating or amending a Tax Incremental District (TID), the municipality is required to publish notices about the public hearing and Joint Review Board (JRB) meetings.

Notice needed for:

- **JRB meetings** - publish one notice at least five days before **any** JRB meeting (sec. 66.1105(4m)(e), Wis. Stats.)  
**Excluded:**
  - Town TIDs created under sec. 60.85, Wis. Stats.
  - Environmental Remediation TIDs created under sec. 66.1106, Wis. Stats.
- **TID Creation** – publish two consecutive notices, one per week, with the second notice at least seven days before the public hearing
- **TID Amendments** – publish one notice at least seven days before the public hearing


The minimum number of days does not include the day the notice is published but does include the day of the meeting.

For more information, review:

- Chapter 985, Wis. Stats. - Publication of Legal Notices
-  TID Application Checklist
- Common Questions - Public Notices and TID Creation questions (8) and (12).

### Open meeting law

Public hearings must comply with the open meetings law. For more information, review:

-  Wisconsin Department of Justice
- University of Wisconsin-Extension Local Government Center

### Sample notices

For your reference, the Wisconsin Department of Revenue (DOR) developed the sample notices below:

Samples



- [Combined Public Hearing Notice and first JRB meeting](#)
- [Second JRB Meeting](#)
- [JRB meeting - TID Annual Report](#)

#### Sample notice instructions:

- Use each sample as a guide
- Modify each notice to address your municipality's specific situation
- Samples contain some words in red, which indicate the **minimal** updates needed with specific municipality and TID information
- Samples are not meant to be legal advice for any municipality or individual
- A municipality should consult with its legal counsel on specific questions about notices or complying with the open meetings law

#### FOR QUESTIONS OR COMMENTS CONTACT:

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved


State of Wisconsin  
Department of Revenue


## Municipal Tax Incremental Finance (TIF) Audits and Annual Report

When a municipality creates a Tax Incremental District (TID), state law requires the following annual report and audits.

<p><a href="#">TID Annual Report (PE-300)</a></p>	<ul style="list-style-type: none"> <li>• State law requires municipalities with active TIDs to electronically submit an annual report for each TID by July 1 to the Wisconsin Department of Revenue</li> <li>• Reported items include: general information, beginning fiscal balance, revenues, expenditures, future costs, future revenue, and ending fiscal balance</li> <li>• A standing Joint Review Board must meet by July 1 (or when the report is available) to review each TID's annual report, performance, and status</li> <li>• Municipality must submit the annual report to each overlying tax jurisdiction by July 1</li> </ul> <p>State law:</p> <ul style="list-style-type: none"> <li>• <a href="#">60.85(8)(c), Wis. Stats.</a></li> <li>• <a href="#">66.1105(6m)(c), Wis. Stats.</a></li> <li>• <a href="#">66.1106(10), Wis. Stats.</a></li> </ul>
<p>Certified Public Accountant (CPA) Audits</p>	<p><b>For Town and Municipal TIDs</b>, CPA audits are required at least <b>three</b> times during the TID's life, no later than 12 months after:</p> <ul style="list-style-type: none"> <li>• 30 percent of project expenditures</li> <li>• End of expenditure period</li> <li>• Termination of the district</li> </ul> <p><b>For Environmental Remediation TIDs created before November 2017</b>, a CPA audit is required at least <b>once</b> during the TID's life, no later than 12 months after:</p> <ul style="list-style-type: none"> <li>• Termination of the district</li> </ul> <p>The CPA must determine if all financial transactions comply with the state law.</p> <p>State law:</p> <ul style="list-style-type: none"> <li>• <a href="#">60.85(8)(b), Wis. Stats.</a></li> <li>• <a href="#">66.1105(6m)(b), Wis. Stats.</a></li> <li>• <a href="#">66.1106(10)(c), Wis. Stats.</a></li> </ul>

**Publications/Information**

 [TIF Manual](#) - TIF reference guide

 [Annual Report Form Instructions](#) - general TID Annual Report information

**FOR QUESTIONS OR COMMENTS CONTACT:**

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Municipal Tax Incremental Finance (TIF) Termination

### A municipality must terminate/dissolve a TID when one of the following occurs:

- Municipality receives total tax increments equal to the total of all project costs as described in the most recent approved project plan
- TID reaches its maximum life. The maximum life varies and is determined by the TID type and municipal resolution date. See the [TID Criteria Matrix table](#) for more details.
- Municipality chooses to dissolve the district early

### When a municipality adopts a resolution to terminate/dissolve a TID, the municipality must:

1. Notify the Wisconsin Department of Revenue (DOR) within 60 days after adopting the termination resolution by emailing:
  - Completed Final Accounting for Terminated TID Agreement (Form PE-223)
  - Copy of the adopted termination resolution
2. Provide the appropriate Property Lister with a list of the parcels where the TID number needs to be removed from the appropriate tax/assessment roll
3. Comply with the submission date established on Form PE-223 by:
  - Completing the TID Final Audit and saving a copy in the Municipal TID records
  - Electronically filing (e-filing) the TID Final Accounting Report (Form PE-110) with DOR

<b>Forms</b>	
<a href="#">TID Termination Resolution Sample</a>	Fill-in resolution. Email adopted resolution to DOR within 60 days.
<a href="#">Final Accounting for Terminated TID Agreement (Form PE-223)</a>	Form confirms termination dates and establishes the date to e-file the TID Final Accounting Report. Email the completed agreement to DOR.
<a href="#">TID Final Accounting Report (Form PE-110)</a>	Form documenting total expenditures and revenues for the TID. E-file the form.

Select "Attach Documents" to email your TID documents

<b>Publications/Information</b>	
<a href="#">TID Termination Timeframe</a>	Important dates for the termination process
<a href="#">TIF Manual</a> – TIF reference guide	TIF reference guide

**FOR QUESTIONS OR COMMENTS CONTACT:**

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Tax Incremental Finance (TIF) Base Value Redetermination (sec. 66.1105, Wis. Stats.)

A municipality may request a base value redetermination for a Tax Incremental District (TID) in a decrement situation, under state law ([sec. 66.1105\(2\)\(aj\), Wis. Stats.](#)). For more information on base value redetermination, visit our [Base Value Redetermination Common Questions](#).

### Qualifications

- TID's current year value is at least 10 percent below the TID's base value for two consecutive years (decrement) (see [TID Statement of Changes Report](#))

The date of the municipality's redetermination resolution determines the two consecutive years (ex: if the resolution date is May 21, 2018, the 2016 and 2017 values must be 10 percent below the TID's current base value).

- TID must be created under state law ([sec. 66.1105, Wis. Stats.](#)).

### Note

- Only one base value redetermination is allowed during the TID's life
- Distressed or severely distressed could qualify for a base value redetermination

### Examples of a 10 percent decrement situation

#### Example 1: TID created with a base value = \$49,621,600

Year	Equalized Value	Calculation Change	Decline
2016	44,595,000	$44,595,000 - 49,621,600 = -5,026,200 / 49,621,600 =$	10.13%
2017	44,595,000	$44,595,000 - 49,621,600 = -5,026,200 / 49,621,600 =$	10.13%

Value decreased by 10 percent and was 10 percent lower for two consecutive years  
TID qualifies for a redetermination — new base value is \$44,595,000

#### Example 2: TID created with a base value = \$8,113,400

Year	Equalized Value	Calculation Change	Decline
2016	6,513,800	$6,513,800 - 8,113,400 = -1,599,600 / 8,113,400 =$	19.72%
2017	6,852,600	$6,852,600 - 8,113,400 = -1,260,800 / 8,113,400 =$	15.54%

**Example 2: TID created with a base value = \$8,113,400**

Year	Equalized Value	Calculation Change	Decline
Value decreased by 10 percent for two consecutive years and met the requirement, even though the TID value increased from 2016 to 2017 TID qualifies for a redetermination — new base value is \$6,852,600			



**Example 3: TID created with a base value = \$56,813,200**

Year	Equalized Value	Calculation Change	Decline
2016	53,843,100	$53,843,100 - 56,813,200 = -2,970,100 / 56,813,200 =$	5.23%
2017	49,582,600	$49,582,600 - 56,813,200 = -7,230,600 / 56,813,200 =$	12.73%
TID does not qualify for a redetermination 2018 TID value must maintain the 10 percent decline to qualify for the two consecutive years requirement			

## Due date/process





- If the municipal resolution is adopted by September 30, use the "Attach Documents" button below to email the required forms and supporting documents to Wisconsin Department of Revenue ( DOR) by **October 31**
- DOR redetermines base values after January 1 of the year following submission
- **TIF Fee** — after your municipality notifies DOR that it amended a TID, DOR posts a bill in My Tax Account

### Forms

 <a href="#">PE-605B</a>	TID Base Value Redetermination - legal requirements
 <a href="#">Decrement Worksheet</a>	TID Base Redetermination Worksheet

Select "Attach Documents" to email your TID documents

### Publications/Information

 <a href="#">TID Checklist</a> - required forms to complete and documents to provide
 <a href="#">Resolution Checklist</a> - required resolution information
 <a href="#">Guidelines for Project Plans</a> - required project plan information
<a href="#">TIF Public Notices</a> - information on public notices
 <a href="#">TIF Manual</a> - TIF reference guide

## FOR QUESTIONS OR COMMENTS CONTACT:

MS 6-97  
WISCONSIN DEPARTMENT OF REVENUE  
Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved



State of Wisconsin  
Department of Revenue

## Town Tax Incremental Finance (TIF) (sec. 60.85, Wis. Stats.) Amendment

Under state law ([sec. 60.85, Wis. Stats.](#)), towns have limited authority when creating a Tax Incremental District (TID). Municipalities may amend the district in **two** ways - by amending the project plan or adding territory.


### Project Plan Amendment

Under a Project Plan Amendment, a municipality may add project costs not included in the original plan. This does not affect the period, base value or the TID's maximum life.

### Due date/process





- Use the "Attach Documents" button below to email the required form and supporting documents to the Wisconsin Department of Revenue (DOR) **by December 31**
- DOR certifies project plan amendments upon receipt of the municipality's form and supporting documents

#### Forms

 <a href="#">PE-605A</a>	Project Plan and Allocation Amendment - legal requirements
---	--

Select "Attach Documents" to email your TID documents

#### Publications/Information



 <a href="#">TID Checklist</a>	- required forms to complete and documents to provide
 <a href="#">Resolution Checklist</a>	- required resolution information
 <a href="#">Guidelines for Project Plans</a>	- required project plan information
<a href="#">TIF Public Notices</a>	- information on public notices
 <a href="#">TIF Manual</a>	- TIF reference guide

# Territory Amendment





A municipality may **add** territory only **once** during the TID's first **five** years. The value of the new parcels is added to the original base.

## Due date/process

- If the municipal resolution is adopted by September 30, use the "Attach Documents" button below to email DOR the required forms and supporting documents **by December 31**
- A municipality **amends a TID** by including additional parcels' equalized values in the existing base value
- DOR certifies the amended base value after January 1 of the year following the amendment
- **TIF Fee** – after your municipality notifies DOR that it amended a TID, DOR posts a bill in My Tax Account

Forms	
 <a href="#">PE-605T</a>	TID Territory Amendment - legal requirements
 <a href="#">Base Value Workbook</a>	This Excel workbook contains all the necessary forms to document the property and taxing jurisdictions affected by the TID. For best results, open the workbook, save it to your computer and then complete the forms.

Select "Attach Documents" to email your TID documents

Publications/Information
 <a href="#">TID Checklist</a> - required forms to complete and documents to provide
 <a href="#">Resolution Checklist</a> – identifies required resolution information
 <a href="#">Guidelines for Project Plans</a> – required project plan information
<a href="#">TIF Public Notices</a> – information on public notices
 <a href="#">TIF Manual</a> – TIF reference guide

## FOR QUESTIONS OR COMMENTS CONTACT:

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved



State of Wisconsin  
Department of Revenue

## Tax Incremental Finance (TIF) Distressed/Severely Distressed TID

An active Tax Incremental District (TID) can no longer be designated as distressed or severely distressed in specific cases. This provision sunset on September 30, 2015.

### Distressed vs. severely distressed

- Distressed - allows the municipality to extend a TID 10 years past the original termination date
- Severely distressed - allows a municipality to extend a TID up to 40 years from the creation date
- **Distressed/severely distressed TIDs:**
  1. Created before October 1, 2008
  2. Cannot be amended after October 1, 2009
  3. Have projected TID increments that show the TID will not be able to pay project costs and debt within the normal life of the TID
  4. Use any increment that exceeds the TID's annual expenditures to retire the TID debt or establish a reserve fund that can only be used to retire the debt of the distressed or severely distressed TID
  5. **Note: Severely Distressed TIDs only** - must have an increment in any year that has declined at least 25% from the highest value increment

### **Distressed/severely distressed TIDs *may not*:**

- Make any additional expenditures after the original expenditure period ends
- Amend the project plan to add any new costs, any new territory or become a donor TID
- Become part of a TID with overlapping boundaries
- Spend any funds outside its boundaries

## Contact Information

### FOR QUESTIONS OR COMMENTS CONTACT:

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

November 25, 2015

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue


## Municipal Tax Incremental Finance (TIF) (sec. 66.1105, Wis. Stats.) Project Plan and/or Allocation Amendments

Under a Project Plan Amendment, a municipality may add projects not included in the original plan. This does not affect the expenditure period, base value or Tax Incremental District's (TID) maximum life.





A municipality may amend the project plan for an active TID an unlimited number of times. For an Allocation Amendment, review the Allocation Fact Sheet listed below.

### Due date/process

- Use the "Attach Documents" button below to email the required form and supporting documents to the Wisconsin Department of Revenue (DOR) **by December 31**
- DOR certifies project plan and/or Allocation Amendments upon receipt of the municipality's form and supporting documents

<b>Forms</b>	
 <a href="#">PE-605A</a>	Project Plan and/or Allocation Amendment - legal requirements

Select "Attach Documents" to email your TID documents

<b>Publications/Information</b>	
 <a href="#">TID Checklist</a>	- required forms to complete and documents to provide
 <a href="#">Resolution Checklist</a>	- identifies required resolution information
 <a href="#">Guidelines for Project Plans</a>	- required project plan information
<a href="#">TIF Public Notices</a> - information on public notices	
 <a href="#">Allocation Fact Sheet</a>	- donor to recipient transfers allowed by TID type

### FOR QUESTIONS OR COMMENTS CONTACT:

MS 6-97  
 WISCONSIN DEPARTMENT OF REVENUE  
 Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Municipal Tax Incremental Finance (TIF) (sec. 66.1105(17), Wis. Stats.) Simultaneous Creation and Subtraction

In specific situations, a municipality may simultaneously create a new Tax Incremental District (TID) and subtract parcels from an existing TID even if the municipality is currently over the 12 percent limit. The municipal resolution does not need to state the TID meets the 12 percent limit.

To create a TID and subtract parcels from an existing TID, email the required TID documents and two appraisals from certified appraisers to the Wisconsin Department of Revenue (DOR). Appraisers are certified by the Wisconsin Department of Safety and Professional Services.

Appraisals must show the taxable property's current fair market value:

1. In the new TID
2. Being subtracted from the existing TID

*To ensure the 12 percent limit is met when the TID is created, both appraisals must show that the subtracted property value equals or exceeds the new TID's value.*

### Requirements/limits

- New TID and the existing TID subtracting parcels must be in the same municipality
- Only one TID in a municipality can be created under state law (sec. 66.1105(17), Wis. Stats.)

### Due date/process

- If the municipal creation and amendment resolution are adopted by September 30, email DOR the required forms and supporting documents by **October 31**
- DOR certifies base value after January 1 of the year following the creation and subtraction amendment
- **TIF Fee** – after your municipality notifies DOR that it simultaneously created a TID and amended a TID, DOR posts a bill in My Tax Account

### Additional TIF information

For more information, review:

- TIF Municipal Creation
- Municipal TIF Territory Subtraction Amendment

**FOR QUESTIONS OR COMMENTS CONTACT:**



MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal](#)  
[Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

# Municipal Tax Incremental Finance (TIF) (Sec. 66.1105, Wis. Stats.) Territory Subtraction Amendment (subtracting parcels)

A municipality may amend boundaries of an active Tax Incremental District (TID) up to four times, by **subtracting** whole parcels currently within the TID boundaries.



To amend an active TID, email the completed territory amendment forms and required documents to the Wisconsin Department of Revenue (DOR).

### Note on subtraction forms


- List the subtracted parcels' values at the time they were added to the TID. If parcels were added in multiple years, submit separate Territory Subtraction Workbooks (in Excel format).
- If numerous parcels are subtracted, it may be easier to list the remaining parcels instead of the subtracted ones. Contact DOR to discuss whether it is best to list the subtracted parcels or the remaining parcels

### Due date/process


- If the municipal resolution is adopted by September 30, use the "Attach Documents" button below to email the required forms and supporting documents to DOR **by October 31**
- The municipality **amends a TID** by subtracting the parcels' original values from the base value
- DOR certifies the amended base value after January 1 of the year following the amendment
- **TIF Fee** – your municipality notifies DOR that it amended a TID, DOR posts a bill in My Tax Account


Forms	
 <a href="#">PE-605T</a>	TID Territory Amendment - legal requirements
 <a href="#">Territory Subtraction Workbook</a>	This Excel workbook contains all the necessary forms to document the property subtracted from the TID. For best results, open the workbook, save it to your computer and then complete the forms.

Select "Attach Documents" to email your TID documents


Publications/Information
 <a href="#">TID Checklist</a> - required forms to complete and documents to provide

**Publications/Information**

 [Resolution Checklist](#) – required resolution information

 [Guidelines for Project Plans](#) – required project plan information

[TIF Public Notices](#) – information on public notices

 [TIF Manual](#) – TIF reference guide

**FOR QUESTIONS OR COMMENTS CONTACT:**

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue



## Municipal Tax Incremental Finance (TIF) (sec. 66.1105, Wis. Stats.) Territory Amendment (adding parcels)

A municipality may amend the boundaries of an active Tax Incremental District (TID) up to four times, by **adding** whole parcels that are contiguous to the existing boundaries.





To amend an active TID, email the completed territory amendment forms and required documents to the Wisconsin Department of Revenue (DOR).

### Due date/process

- If the municipal resolution is adopted by September 30, use the "Attach Documents" button below to email the forms and supporting documents to DOR by **October 31**
- A municipality **amends a TID** by including additional parcels' Equalized Values in the existing base value
- DOR certifies the amended base value after January 1 of the year following the amendment
- **TIF Fee** – after your municipality notifies DOR that it amended a TID, DOR posts a bill in My Tax Account

Form	Name/Description
 <a href="#">PE-605T</a>	TID Territory Amendment - legal requirements
 <a href="#">Base Value Workbook</a>	This Excel workbook contains all the necessary forms to document the property and taxing jurisdictions affected by the TID. For best results, open the workbook, save it to your computer and then complete the forms.

Select "Attach Documents" to email your TID documents

Publications/Information
 <a href="#">TID Checklist</a> - required forms to complete and documents to provide
 <a href="#">Resolution Checklist</a> - required resolution information
 <a href="#">Guidelines for Project Plans</a> - required project plan information
<a href="#">TIF Public Notices</a> - information on public notices
 <a href="#">TIF Manual</a> - TIF reference guide

**FOR QUESTIONS OR COMMENTS CONTACT:**

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Summary of Eligible Project Districts for a Town Tax Incremental District (TID)

### North American Industry Classification System

U.S. Census Bureau  
Revised 2012

Per state law (sec. 60.85(2)(b), Wis. Stats.) Town TIDs include the following industry classes under the four eligible project categories:

1. Agricultural
2. Manufacturing
3. Forestry
4. Tourism

Under sec. 60.85(3)(h)4., Wis. Stats., the town board must state in the creation resolution which district type it is creating. Each project type contains one (or more) NAICS subsector code (sec. 60.85(1), Wis. Stats. "Definitions") specifying the sort of industry allowed for that type.

#### **Agricultural Projects**

Under sec. 60.85(1)(a), Wis. Stats., include activities with the following five classifications:

1. 111 — Crop production
2. 112 — Animal production
3. 1151 — Support activities for agriculture
4. 1152 — Support activities for animal production
5. 493120 — Refrigerated farm product warehousing and storage

#### **Manufacturing Project**

Under sec. 60.85(1)(e), Wis. Stats., include industries with the following four classifications:

1. 31161 — Animal slaughtering and processing
2. 321 — Wood product manufacturing
3. 322 — Paper manufacturing

4. 325193 — Ethyl alcohol manufacturing

### Forestry Projects

Under sec. 60.85(1)(c), Wis. Stats., include industries with the following two classifications:

1. 113 — Forestry and logging
2. 115310 — Support activities for forestry

### Tourism Projects

Under sec. 60.85(1)(p), Wis. Stats., include industries with the following five classifications:

1. 721214 — Recreational and vacation camps
2. 721211 — RV parks and campgrounds
3. 711212 — Racetracks
4. 44529 — Dairy product stores
5. 713910 — Golf courses

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue



## Town Tax Incremental Finance (TIF) (sec. 60.85, Wis. Stats.) Creation

To create a Tax Incremental District (TID), email the completed forms and required documents to the Wisconsin Department of Revenue (DOR). DOR uses this information to establish the district's base value and to verify the municipality followed state law.





The law allows towns to use TIF for specific agricultural, forest, manufacturing and tourism activities. For more information on eligible projects, review the [Summary of Eligible Project Districts for a Town TID](#).

### Due date/process

- If the municipal resolution is adopted by September 30, use the "Attach Documents" button below to email the required forms and supporting documents to DOR **by December 31**
- DOR certifies base values after January 1 of the year following creation
- **TIF Fee** - after your municipality notifies DOR it created a TID, DOR posts a bill in [My Tax Account](#)

<b>Forms</b>	
 <a href="#">PE-605</a>	TID Creation - legal requirements
 <a href="#">Base Value Workbook</a>	This Excel workbook contains all the necessary forms to document the property and taxing jurisdictions affected by the TID. For best results, open the workbook, save it to your computer and then complete the forms.

Select "Attach Documents" to email your TID documents

<b>Publications/Information</b>	
 <a href="#">TID Checklist</a>	- required forms to complete and documents to provide
 <a href="#">TID Creation Timeframe</a>	- provides timeframe for fees, increment, and values
 <a href="#">Resolution Checklist</a>	- identifies required resolution information
 <a href="#">Guidelines for Project Plans</a>	- required project plan information
<a href="#">TIF Public Notices</a>	- information on public notices

**FOR QUESTIONS OR COMMENTS CONTACT:**



MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal](#)  
[Training](#)



Copyright © State of Wisconsin All Rights Reserved

## State of Wisconsin

### Department of Revenue

# Tax Incremental Finance (TIF) Environmental Remediation (ER) (sec. 66.1105, Wis. Stats.) Creation

To create an ER Tax Incremental District (TID), submit the completed forms and required documents to the Wisconsin Department of Revenue (DOR). We use this information to confirm the parcels in the TID and to verify the municipality followed state law.

ER TIDs created by a municipal resolution:

- On or after November 29, 2017 – must follow [sec. 66.1105, Wis. Stats.](#)
- Before November 29, 2017 – must follow [sec. 66.1106, Wis. Stats.](#)

An ER TID requires the municipality to obtain a site certification report from the Wisconsin Department of Natural Resources (DNR) and email it to DOR. To obtain this certified report, a municipality must provide DNR with the following:

- Description of the environmental pollution in the proposed district
- Proposed remedial action plan
- Cost estimates for expected project costs
- Schedule for remediation (design, implementation, construction)

For more information, visit the DNR [Remediation and Redevelopment Program website](#).



## Requirements/Limits

- Maximum life is 27 years with the possibility of a 3-year standard extension
- Project plan must specify either:
  - All project costs will be paid within 90 percent of the TIDs remaining life
  - Expenditures will only be made in the first half of the TID life; **exception** – expenditures for significant environmental pollution not identified in the certified site investigation report may continue for 22 years (five years before the maximum life)
- May only allocate excess funds to other ER TIDs created under sec. 66.1105 or 66.1106, Wis. Stats.
- A municipality may designate only one ER TID created under sec. 66.1105, Wis. Stats., as excluded from the 12 percent value limit. Once the excluded TID is designated, it cannot be changed.
- When an ER TID is created under sec 66.1105, Wis. Stats., DOR sets the base value at \$1
- If the ER TID is amended to add territory, the full value of the additional parcels as of January 1 of the amendment year is added to the existing \$1 base value







## Due date/process

- If the municipal resolution is adopted by September 30, all the TID documents are due to DOR by **October 31**

- DOR certifies base values after January 1 of the year following creation
- **Tax Incremental Financing Remittance Fee** - after notifying DOR that your municipality created a TID, a bill is posted in [My Tax Account](#)

<b>Forms</b>	
 <a href="#">PE-605</a>	TID Creation - <i>Legal Requirements</i>
 <a href="#">Base Value Workbook</a>	This Excel workbook contains all of the necessary forms to document the property and taxing jurisdictions affected by the TID. For best results, open the workbook, save it to your computer and then complete the forms.

Select "Attach Documents" to email your TID documents

<b>Publications/Information</b>	
 <a href="#">TID Checklist</a>	- required forms to complete and documents to provide
 <a href="#">TID Creation Timeline</a>	- shows relevant dates from creation year through first increment
 <a href="#">TID Creation Timeframe</a>	- provides timeframes for fees, increment, and values
 <a href="#">Resolution Checklist</a>	- required resolution information
<a href="#">TIF Public Notices</a> - information on public notices	
 <a href="#">Guidelines for Project Plans</a>	- required project plan information
 <a href="#">TIF Manual</a>	- TIF reference guide

<b>Law References</b>	
<a href="#">66.1105(20m)</a> - ER Tax Increment law for ER TIDs created <b>after</b> November 29, 2017	
<a href="#">66.1106</a> - ER Tax Increment Law for ER TIDs created <b>on or before</b> November 29, 2017	

## FOR QUESTIONS OR COMMENTS CONTACT:

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Multijurisdictional Tax Incremental Finance (TIF) Creation

To create a Tax Incremental District (TID), email completed forms and required documents to the Wisconsin Department of Revenue (DOR). DOR uses this information to establish the district's base value and to verify the municipality followed state law.



**For a multijurisdictional TID, provide all the required regular TID information, *plus* the following:**

1. Document identifying the TID type when the lead municipality emails the 60-day notice to DOR
2. Copy of the Intergovernmental Cooperation Agreement with the provisions outlined in state law (sec. 66.1105(18)(b), Wis. Stats.), including the following:
  - a. Description of how all the participating cities will exercise their authorized powers and meet requirements
  - b. Description of how the jurisdictions will make determinations relating to TID debt, expending TID funds, and distributing tax increments allocated by DOR
  - c. Document showing which city is authorized to act on behalf of all the participating cities on some or all TID related matters
  - d. Binding dispute resolution procedure the cities will use to resolve (in a timely fashion) any disputes between the participating cities related to the agreement or to the district.
  - e. Description of the proposed Joint Review Board (JRB) membership
  - f. Description of each city's planning commission responsibilities, membership authority, and the operating procedures it will follow
  - g. Description of the responsibilities of each city's clerk, treasurer, assessor, and any other officer or official to carry out the legal requirements of the TID
  - h. Agreement on which city will be the lead city for completing any documents or tasks required by TIF law or DOR
  - i. Agreement for participating cities stating they will provide the TID forms and supporting documents as one complete request to DOR
  - j. Statement that the entire TID will terminate at one time and that the lead city will submit all necessary notices and reports to DOR
  - k. Description of procedures the participating cities will follow to determine:
    - Whether the TID's life can be extended
    - How the project plan or boundaries of the TID can be amended
  - l. Description of how any annexation costs incurred by a participating city will be shared among all of the participating cities
3. Required forms for each participating municipality
4. Any additional resolutions required for municipalities exceeding the 12 percent value limit







### Due date/process

- If the municipal resolution is adopted by September 30, use the "Attach Documents" button below to email the required forms and supporting documents to DOR **by October 31**
- DOR certifies base values after January 1 of the year following creation

- **TIF Fee** - after your municipality notifies DOR that it created a TID, DOR posts a bill in [My Tax Account](#)

<b>Forms</b>	
 <a href="#">PE-605</a>	TID Creation - Legal Requirements
 <a href="#">Base Value Workbook</a>	This Excel workbook contains all of the necessary forms to document the property and taxing jurisdictions affected by the TID. For best results, open the workbook, save it to your computer and then complete the forms.

Select "Attach Documents" to email your TID documents

<b>Publications/Information</b>	
 <a href="#">TID Checklist</a>	- required forms to complete and documents to provide
 <a href="#">TID Creation Timeframe</a>	- provides timeframes for fees, increment, and values
 <a href="#">TID Creation Timeline</a>	- shows relevant dates from creation year through first increment
 <a href="#">Resolution Checklist</a>	- required resolution information
 <a href="#">Guidelines for Project Plans</a>	- required project plan information
<a href="#">TIF Public Notices</a> - information on public notices	
 <a href="#">TIF Manual</a>	- TIF reference guide

## FOR QUESTIONS OR COMMENTS CONTACT:

MS 6-97  
 WISCONSIN DEPARTMENT OF REVENUE  
 Office of Technical and Assessment Services  
 PO Box 8971  
 Madison, WI 53708-8971  
 Phone: (608) 261-5335 or (608) 266-5708  
 Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved

State of Wisconsin  
Department of Revenue

## Tax Incremental Finance (TIF) (sec. 66.1105 and sec. 60.23, Wis. Stats.) Municipal Creation



To create a Tax Incremental District (TID), email the completed forms and required documents to the Wisconsin Department of Revenue (DOR). DOR uses this information to establish the district's base value and to verify the municipality followed state law.

To create a Town TID under state law (sec. 60.23(32), Wis. Stats.), the town must meet additional requirements:



- In the year before the town adopts a resolution, the following criteria must be met:
  - Equalized Value must be at least \$500 Million. Review the most recent Statement of Changes in Equalized Values Report.
  - Population must be at least 3,500 – use the most recent annual population estimates
- Sewer service is or will be provided before use or operation of any improvements

### Due date/process


- If the municipal resolution is adopted by September 30, use the "Attach Documents" button below to email the required forms and supporting documents to DOR by **by October 31**
- DOR certifies base values after January 1 of the year following the creation
- **TIF Fee** – after your municipality notifies DOR that it created a TID, DOR posts a bill in My Tax Account

<b>Forms</b>	
 <a href="#">PE-605</a>	TID Creation - Legal Requirements
 <a href="#">Base Value Workbook</a>	This Excel workbook contains all of the necessary forms to document the property and taxing jurisdictions affected by the TID. For best results, open the workbook, save it to your computer and then complete the forms.


Select "Attach Documents" to email your TID documents


<b>Publications/Information</b>	
 <a href="#">TID Checklist</a>	– required forms to complete and documents to provide
 <a href="#">TID Creation Timeframe</a>	– provides timeframe for fees, increment, and values

**Publications/Information**

 [TID Creation Timeline](#) – shows relevant dates from creation year through first increment

[TIF Public Notices](#) – information on public notices

 [Resolution Checklist](#) – required resolution information

 [Guidelines for Project Plans](#) – required project plan information

 [TIF Manual](#) – TIF reference guide

**FOR QUESTIONS OR COMMENTS CONTACT:**

MS 6-97

WISCONSIN DEPARTMENT OF REVENUE

Office of Technical and Assessment Services

PO Box 8971

Madison, WI 53708-8971

Phone: (608) 261-5335 or (608) 266-5708

Email additional questions to [tif@wisconsin.gov](mailto:tif@wisconsin.gov)

[About Us](#) [Contact Us](#) [Employment](#) [Media Room](#) [Plain Language](#) [Privacy](#) [Legal Training](#)



Copyright © State of Wisconsin All Rights Reserved