



State of Wisconsin  
2021 - 2022 LEGISLATURE

LRB-3597/1  
EKL:cjs

## 2021 ASSEMBLY BILL 377

June 7, 2021 - Introduced by Representative SPIROS, cosponsored by Senator PETROWSKI. Referred to Committee on Ways and Means.

\*\*\*AUTHORS SUBJECT TO CHANGE\*\*\*

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

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### *Analysis by the Legislative Reference Bureau*

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

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

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

