

Annual TIF Reporting Requirements

Wis. Stat. §66.1105(6m)(c) requires that any political subdivision with a tax incremental district (TID) file an annual report with all overlapping taxing jurisdictions and the Wisconsin Department of Revenue (DOR). Additionally, a meeting of the Joint Review Board must be convened to review the annual report and to review the performance and status of each of the political subdivision's TIDs.

Required Report

Political subdivisions must file their annual report (DOR Form PE-300) electronically through the DOR's website not later than July 1 annually. A separate report must be filed for each active TID.

The PE-300 form contains mandatory field entries and consists largely of the information found on the Statement of Revenues, Expenditures and Changes in Fund Balance in a typical audited financial statement. Municipalities must also report their estimated future revenues and future costs. In addition to filing the online form, a copy of the submitted report must also be transmitted by the political subdivision to each overlapping taxing entity.

The reporting requirement applies to all types of political subdivisions and to all types of TIDs, to include environmental TIDs, industry-specific Town TIDs created under Wis. Stat. § 60.23 and Town TIDs created under Wis. Stat. § 60.85.

Estimated and Amended Reports

If a governmental unit is not prepared to file its annual report by the July 1st deadline, an estimated report may be filed. There is a penalty for a late filing beginning 60 days after the report is past due. The penalty is \$100 per district per day, with a maximum penalty of \$6,000 per District. Amendments to filed reports can be made up until November 1.

Joint Review Board Meeting Requirement

The Joint Review Board must meet each year to review the annual report and the performance and status of each district governed by the Board. A single meeting can be held for purposes of reviewing all active TIDs within the political subdivision if all are overlapped by the same taxing jurisdictions. A Class 1 notice of the meeting must be published at least five days before the meeting.

While the law requires that the meeting be held on July 1, or when the annual report becomes available, DOR has issued guidance indicating that there is no specific requirement as to how soon the Joint Review Board meeting must occur following availability of the annual report. As such, meetings should be scheduled based on the availability of Joint Review Board representatives noting that county and technical college district representatives will be asked to attend multiple meetings throughout their jurisdictions in the same general timeframe. While each local government's requirements may vary as to the permissibility of phone participation in meetings, neither statute or DOR rules require Joint Review Board members to participate in person which makes teleconference an option that can be considered to facilitate maximum attendance.

As the purpose of the meeting is to review the annual report, no action by the Joint Review Board is required other than to convene the meeting. As a best practice, Ehlers recommends that the Joint Review Board be asked to approve a resolution acknowledging filing of the annual report and compliance with the annual meeting requirement.

To make the annual meeting a more useful exercise, Ehlers recommends preparation of updated forward looking cash flow projections for your TIDs and provision of other supplemental information that helps to more fully explain the current position of each TID. While the PE-300 form is the only required information to be reported each year, it does not address the future performance of the district or identify its projected year of closure. Since a TID is a partnership with the other taxing jurisdictions, this information is helpful to alert taxing jurisdictions to a potential TID closure or explain remaining initiatives to be accomplished within the TID.

How Can Ehlers Help?

Ehlers has developed a scope of services for governmental units that may require or prefer assistance in complying with some or all these requirements. Contact an Ehlers' Municipal Advisor to discuss these services so that you can determine what assistance you may need.