

MINNESOTA • REVENUE

February 28, 2011

PROPERTY TAX Ramsey TIF

	Yes	No
DOR Administrative Cost/Savings		X

Department of Revenue

Analysis of S.F. 0178 (Jungbauer) / H.F. 0317 (Abeler) as introduced.

Effective for taxes payable 2012 and thereafter.

The bill modifies a tax increment financing district (TIF) established for the city of Ramsey last year for the North Star Transit Station. The boundary description is modified. Cost of land acquisition and cost of public improvements are permitted as uses of tax increments. The four year limit for activity to begin after certification does not apply. A listing of prior planned improvements is not required. Effective day upon local approval.

The proposed changes to the general TIF provisions may have an impact on the local tax base and tax rate in the future and may result in a small increase in property tax refunds paid by the state.

PROPERTY TAX BENCHMARKS (Minn. Stat. § 270C.991)

Transparency, Understandability, Simplicity & Accountability Neutral

Efficiency & Compliance Neutral

Equity (Vertical & Horizontal) Neutral

Stability & Predictability Neutral

Competitiveness for Businesses Neutral

Responsiveness to Economic Conditions Neutral

The bill is scored on a three point scale (decrease, neutral, increase) for each principle in comparison to current law.

Source: Minnesota Department of Revenue
Property Tax Division - Research Unit
http://www.taxes.state.mn.us/taxes/legal_policy

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