

MINNESOTA • REVENUE

February 28, 2011

PROPERTY TAX

Cohasset TIF

	Yes	No
DOR Administrative Cost/Savings		X

Department of Revenue

Analysis of S.F. 0487 (Saxhaug) / H.F. 726 (McElfattrick) as introduced.

Effective for taxes payable 2012 and thereafter.

The bill allows the authority operating tax increment financing (TIF) districts 2-1 and 3-1 in the city of Cohasset to transfer increments from districts in an amount equal to repay advances made by the city from its general fund to the districts. Effective 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
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Efficiency & Compliance	Neutral
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Equity (Vertical & Horizontal)	Neutral
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Stability & Predictability	Neutral
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Competitiveness for Businesses	Neutral
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Responsiveness to Economic Conditions	Neutral
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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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