

MINNESOTA • REVENUE

February 25, 2013

PROPERTY TAX TIF Temporary Authority Extension

	Yes	No
DOR Administrative Cost/Savings		X

Department of Revenue
Analysis of H.F. 0706 (Nelson) / S.F. 0669 (Rest) as introduced

EXPLANATION OF THE BILL

The bill extends the deadline for construction stimulus economic development tax increment financing (TIF) districts 1.5 years. In addition, qualified border retail facilities no longer qualify as economic development districts. A provision for housing districts is also stricken. Effective day following final enactment, and is applicable to all TIF districts.

REVENUE ANALYSIS DETAIL

The proposed modifications 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 change in property tax refunds paid by the state.

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

<i>Transparency, Understandability, Simplicity & Accountability</i>	Neutral
<i>Efficiency & Compliance</i>	Neutral
<i>Equity (Vertical & Horizontal)</i>	Neutral
<i>Stability & Predictability</i>	Neutral
<i>Competitiveness for Businesses</i>	Neutral
<i>Responsiveness to Economic Conditions</i>	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
[www.revenue.state.mn.us/research_stats/
pages/revenue-analyses.aspx](http://www.revenue.state.mn.us/research_stats/pages/revenue-analyses.aspx)

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