

MINNESOTA • REVENUE

February 15, 2013

PROPERTY TAX Canby TIF

	Yes	No
DOR Administrative Cost/Savings		X

Department of Revenue

Analysis of S.F. 0202 (Dahms) / H.F. 0314 (Swedzinski) as introduced

EXPLANATION OF THE BILL

The bill allows the city of Canby to create a tax increment financing (TIF) district consisting of all lots, blocks, and public rights of way in the city's Clapp Addition. The original tax capacity equals zero and original local tax rate provisions do not apply. The duration of the district is 20 years after receipt of the first increment. In addition, increments may be used for payment of principal and interest on bonds for TIF district 1-21. The provisions are subject to local approval.

REVENUE ANALYSIS DETAIL

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 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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