

MINNESOTA • REVENUE

March 26, 2013

PROPERTY TAX

TIF Extension to Stimulate Construction

| | Yes | No |
|---------------------------------|-----|----|
| DOR Administrative Cost/Savings | | x |

Department of Revenue

Analysis of H.F. 0608 (Lohmer) / S.F. 1331 (Housley) as introduced

EXPLANATION OF THE BILL

The bill extends the deadline for construction stimulus economic development tax increment financing (TIF) districts 2 years. 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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