

MINNESOTA • REVENUE

PROPERTY TAX

North St. Paul TIF parcels deemed occupied authorized

March 24, 2014

	Yes	No
DOR Administrative Cost/Savings		X

Department of Revenue

Analysis of H.F. 3082 (Lillie) / S.F. 2689 (Wiger) as introduced

Property tax section effective for taxes payable 2014 and thereafter.

EXPLANATION OF THE BILL

The bill allows the city of North St. Paul to create a redevelopment tax increment financing (TIF) district. The parcel is specified. Buildings must be demolished by the city or owner after municipal resolution, and must include a development agreement. The request for certification must be filed with the county auditor by December 31, 2017. The current value of the parcel may be accepted as the original net tax capacity.

Effective upon 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

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