

PUBLIC FINANCE
Duluth tax increment financing (TIF)
districts project requirements

March 01, 2019

	Yes	No
DOR Administrative Cost/Savings		X

Department of Revenue
 Analysis of S.F. 0117 (Simonson) / H.F. 0164 (Olson) as introduced

	Fund Impact			
	FY2020	FY2021	FY2022	FY2023
	(000's)			
General Fund	\$0	\$0	\$0	\$0

Effective following local approval.

EXPLANATION OF THE BILL

The proposal would authorize the creation of tax increment financing (TIF) districts in the city of Duluth within a defined area. The proposal also makes a number of exceptions for any districts established under its authority. These include removing limitations on property eligible to be in a redevelopment district, removing restrictions on eligible expenditures for redevelopment districts, extending the four-year rule to seven years, extending the five-year rule to ten years, and removing restrictions for the use of revenues for decertification.

REVENUE ANALYSIS DETAIL

- The proposed changes to this special TIF provision 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.

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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