

PROPERTY TAX
City of Wayzata special tax increment financing rules

March 15, 2021

	Yes	No
DOR Administrative Cost/Savings		X

Department of Revenue
 Analysis of H.F. 1903 (Hertaus) / S.F. 1921 (Osmek) as introduced

	Fund Impact			
	FY2022	FY2023	FY2024	FY2025
	(000's)			
General Fund	\$0	\$0	\$0	\$0

Effective following local approval.

EXPLANATION OF THE BILL

Under current law, pooling rules require that a certain percentage of tax increments must be spent on activities within each tax increment financing (TIF) district.

The proposal would allow the city of Wayzata to use increments generated from TIF District No. 6 for the design and construction of the lakefront pedestrian walkway and community transient lake public access infrastructure related to the Panoway on Wayzata Bay project. All of these expenditures would be considered activities within the district.

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
<https://www.revenue.state.mn.us/revenue-analyses>

hf1903(sf1921)_pt_1/wms