

**PROPERTY TAX
Hopkins TIF Five-Year
Rule Extended**

April 8, 2026

Department of Revenue
Analysis of S.F. 4631 (Latz) / H.F. 4643 (Youakim) as introduced

	Yes	No
DOR Administrative Costs/Savings		X

Fund Impact

	F.Y. 2026	F.Y. 2027	F.Y. 2028	F.Y. 2029
	(000's)			
General Fund	\$0	\$0	\$0	\$0

Effective following local approval.

EXPLANATION OF THE BILL

Under current law, the five-year rule essentially requires development activity for a tax increment financing (TIF) district to be finished within a five-year period after the certification of the district. After this period has expired, increments may only be spent to pay off obligations that were incurred during the five-year period or for permitted expenditures under pooling. The six-year rule requires districts to be decertified when sufficient increment has been received to pay for these obligations.

The proposal would extend the five-year rule to ten years and the six-year rule to 11 years for TIF District 1-6 in the city of Hopkins.

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>

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