



## TIF Administration for Authority Staff

Minnesota Office of the State Auditor  
Jason Nord, TIF Division Director

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This educational resource is not legal advice and should not be relied upon in lieu of legal advice. Applicability of content is subject to change at any time.

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## OVERVIEW

- Laws and Limitations (creation process, laws and limitations)
- What's New? (legislative updates for 2023 and 2024)
- Administration of TIF (compliance and reporting)



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## SECTION ONE

### Laws and Limitations



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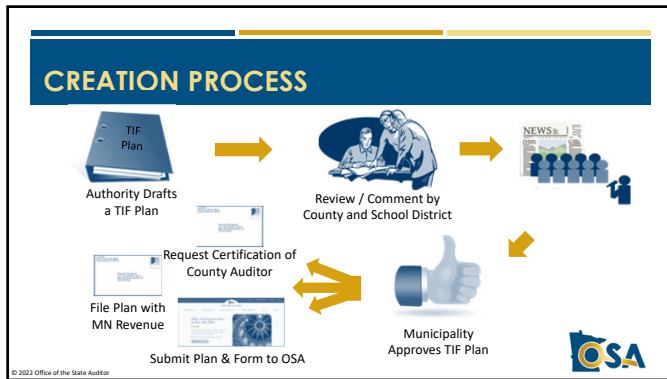
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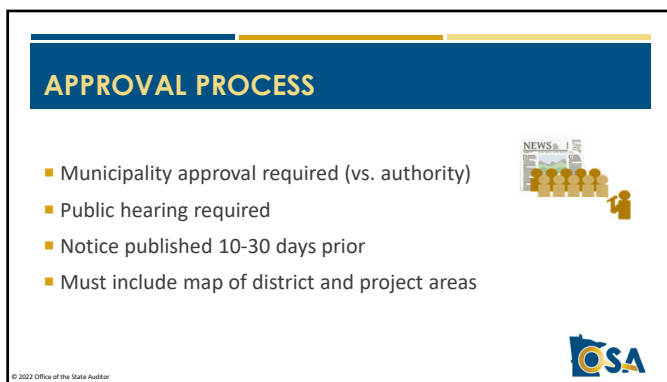
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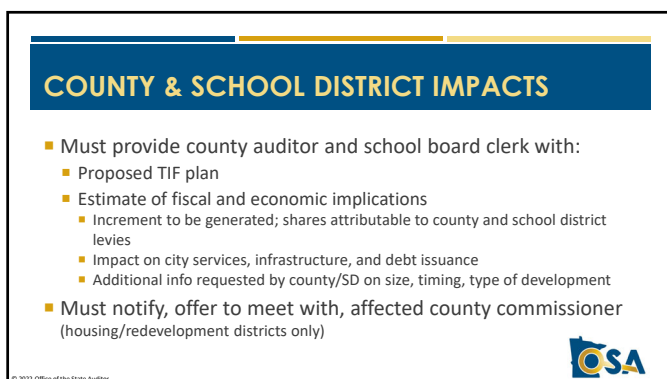
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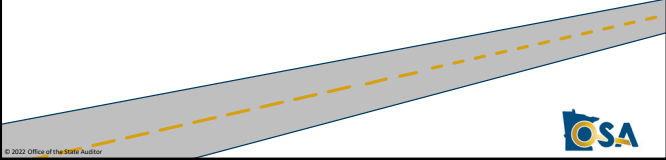
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COUNTY & SCHOOL DISTRICT IMPACTS

- Counties may require inclusion of county road costs in TIF Plan
- Counties may bill authority for TIF administration costs



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IMPORTANT DATES

- Approval Date  
(Election to delay, prior planned improvements, some durations)
- Certification Request Date (CRD)  
(Original NTC and exempt determinations, effective dates for many provisions, parcels not includable, small city and qualified disaster area determinations, and more)
- Certification Date  
(Four-Year Rule, Five-Year Rule, Six-Year Rule, prohibition on enlargements, disclosure and financial reporting requirements, parcel definition, ONTC adjustment provisions)
- Receipt of First Increment  
(Durations)
- Required Decertification Date (RDD)



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TAX INCREMENT

- Tax increment = tax paid on captured value (including credits)\*
- Related revenues are also defined as “increment”\*\*\*
  - Sales or lease proceeds from property purchased with increment
  - Interest / investment earnings on increments
  - Principal and interest received on loans/advances of increment
  - Repayments under agreements
- Must be segregated

\*Excludes excess taxes  
\*\*Certain limits do not include these expanded revenues



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## BONDS

- TIF Act defines “bonds” to include “other obligations”:
  - Refunding bonds
  - Notes (including PAYG notes)
  - Interim certificates
  - Debentures
  - Interfund loans



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## GENERAL RULE

- Tax increment must be used:
  - In accordance with the TIF plan
  - To pay bonds
  - To finance or pay costs pursuant to the underlying development acts
  - To pay administrative expenses



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## DURATION LIMITS

- Maximum statutory duration limits:

Redevelopment	26 years
Housing	26 years
Economic Development	9 years
Renewal & Renovation	16 years
Soils Condition	21 years
- May specify a shorter duration limit in TIF plan
- Early decertification may be required (and is an option)



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## ADMINISTRATIVE EXPENSE LIMIT

- Administrative expenses are limited to 10% of the lesser of:
  - Total estimated TIF expenditures authorized in TIF plan\*
  - Total tax increments paid on captured value\*\*
- Evaluated at district's end
- Must be documented, not just retained

\*Substitute total TIF expenditures for the project for districts prior to 8/1/2001  
 \*\*Net of certain returned increment (a 2023 clarification)



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## EXCESS INCREMENTS

- Increment that exceeds what is needed to pay current costs authorized by the TIF plan (not paid by other sources) must be returned or used to prepay outstanding bonds
- Must be determined annually based on current TIF plan
- Must be returned/used by September 30th



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## POOLING LIMITS

- Pooling = use of increment outside the TIF district but within the project area (includes administrative costs)
- Overall pooling limits\*
  - Redevelopment districts: 25% of tax increment\*\*
  - All other districts: 20% of tax increment\*\*
- Evaluated at district's end

\*Limits differ for districts prior to 7/1/1995  
 \*\*Does not include the expanded revenues defined as increment and is net of certain returned increment



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## POOLING LIMITS

- 10% additional pooling for certain housing ("2d pooling")
  - Must be elected in the TIF plan
  - Activities may be outside the project area
  - Permitted notwithstanding the district type limitations
  - For housing that meets certain federal IRC requirements or for owner-occupied housing meeting income limits
  - If all pooling is for this housing, admin costs may be treated as in-district



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## FIVE-YEAR RULE

- Five-Year Rule adds a timing element to what are considered "in-district" or "out-district" expenditures\*
- Increment use is considered in-district when:
  - Spent within 5 years of certification
  - Used to pay bonds and obligations that financed costs incurred within 5 years of certification
  - Spent for certain housing purposes
- New uses after 5 years are "out-district" (even if located in district)



\*Five-year period is 8 or 10 years for some districts



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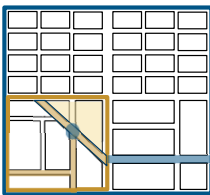
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## FIVE-YEAR RULE



Example:

- Year 1: Acquisition/demo IN-DISTRICT
  - Year 2: Utility/road work IN-DISTRICT
  - Year 2: Utility/road work OUT-DIST/POOLING
  - Year 7: Traffic signal OUT-DIST/POOLING
- Based on timing, not location



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## SIX-YEAR RULE

- Early decertification requirement (changed in 2023)
- Parcel removal requirement (new in 2023)
- ~~Prior annual restriction~~ (eliminated in 2023)



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## SIX-YEAR RULE

- Early decertification is required when:

$$\begin{array}{ccc} \text{In-district percentage} & & \text{Amount sufficient to pay in-} \\ \times & \geq & \text{district costs/obligations} \\ \text{Cumulative increment} & & \text{excluding in-district PAYGs*} \end{array}$$

Decertification is deferred until the end of the term of an in-district PAYG note

\*Includes accrued interest and admin when admin is in-district



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## SIX-YEAR RULE

- Bond and Interfund Loans: Payable from the district's increment
- Pay-As-You-Go (PAYG) Notes: Payable only from increments from specific parcels as the taxes are paid each year
- Example if rule did not provide the exception for PAYG notes:
  - Bond=\$100,000, Loan=\$20,000, PAYG = \$30,000 (\$150,000 total)
  - Year 15: \$150,000 of in-district collected = decertify?
  - Bond and Loan are paid off, but PAYG only \$20,000 paid so far and the available \$10,000 not owed on PAYG so decertification would leave noteholder short



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## SIX-YEAR RULE

- Must remove all parcels that will no longer have their tax increment revenue pledge or subject to a PAYG note or other in-district obligation
- Removal requirement applies to districts with a request for certification date after May 25, 2023.
- For more Six-Year Rule info, see the following videos:
  - The Six-Year Rule (19 minutes)
  - How to Monitor the Six-Year Rule (20 minutes)
  - Statement of Position "The Five-Year Rule and Six-Year Rule"



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## EARLY DECERTIFICATION

Decertifications 2018-2022

District Type (Max Duration)	Decertified Districts	Lasted Full Duration	Decertified Early	
			%	Average Years
Redevelopment (26 years)	169	21%	79%	3
Housing (26 years)	115	23%	77%	
Economic Development (9 years)	146	61%	39%	
Renewal & Renovation (16 years)	8	75%	25%	
Soils Condition (21 years)	2	0%	100%	



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## FOUR-YEAR KNOCKDOWN RULE

- If no activity commences on a parcel after 4 years, it must be knocked down (i.e. no longer produce increment)
- Activity = demolition, rehab, renovation, site prep
  - Includes qualified street improvements (new/relocated/rebuilt)
  - Excludes installation of utility service
- Can recertify parcels if activity subsequently commences (but original value is reset)



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## PROHIBITED USES / PARCELS

- General government use prohibited (cannot use to circumvent levy limits or for government buildings)
- Cannot use for common areas used as a public park, nor for social, recreational, or conference facilities)\*
- Cannot include parcels that recently benefited from various property tax programs that protect land from development\*\* (Green Acres, Open Space, Rural Preserve, Metro Agricultural Preserve)

\*Parking structures and private conference facilities are not prohibited

\*\*Exception made for housing districts and qualified manufacturing/dist. facilities



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## INTERFUND LOANS

- Must be authorized by resolution\*
- Terms must be documented in writing
- Maximum interest rates apply
- Must be properly reported in annual TIF reporting to the OSA

\*Grandfather provisions apply to loans before August 1, 2001



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## DISTRICT TYPE LIMITATIONS

- Redevelopment Districts
  - 90% of increment must be used to correct blight conditions
- Renewal & Renovation Districts
  - 90% of increment must be used to correct blight conditions
- Soils Condition Districts
  - Increment may only be used for acquisition, remediation, and administrative costs



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DISTRICT TYPE LIMITATIONS

- Economic Development Districts
  - Increment may not assist developments if more than 15% of buildings and facilities (by square footage) are for purposes other than:
    - Manufacturing
    - Warehousing, storage, distribution (excluding retail sales)
    - Research and development
    - Telemarketing
    - Tourism facilities
    - Workforce housing projects
  - Small city exception allows assistance of limited commercial facilities, but increment may only pay in-district activities for the facility and administrative costs (no pooling)

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DISTRICT TYPE LIMITATIONS

- Housing Districts
  - Increment must be used solely to finance housing projects
  - Nonresidential uses cannot exceed 20% of square footage
  - Must meet income requirements:
    - Owner-Occupied:** Initial purchaser/occupant (95% are  $\leq$  115% of the  $>$  of area or state median income)
    - Rental:** Ongoing (20% are  $\leq$  50% OR 40% are  $\leq$  60% of area median income)
  - MHFA Challenge Program limits may substitute
- Authorities must be able to document compliance
  - Owner: tax returns, W-2s, paystubs, mortgage loan apps, employer verification
  - Rental: MHFA forms, IRS Form 8703, other verifications

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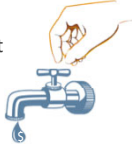
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DECERTIFICATION

- Decertification is the termination of a TIF district
  - County auditor removes all remaining parcels
  - Ends collection of increment
- Reporting must continue until revenue is spent or returned

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DECERTIFICATION

- County auditor must decertify upon...
  - Maximum statutory duration limit
  - Earlier duration limit specified in TIF plan
  - Completion of actions under Six-Year Rule
  - Written request by the authority (receipt or date specified)



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DECERTIFICATION

- Do not confuse expected vs. actual duration limits
- Full payable-year increments for year decertification are distributed\*
- Delinquent taxes paid after decertification are not increment unless:
  - Nonpayment caused obligations to go unpaid or be paid from other sources
  - Sufficient info provided to county auditor

\*Includes January settlements. Partial-year distributions occurred in the past for duration limits based on approval date.



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AND THERE'S MORE...

- There are additional details and topics not covered here
- Legal/professional advice is a good idea when using TIF



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SECTION TWO

What's New?



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LEGISLATIVE UPDATES 2023

- See separate “2023 Changes to the TIF Act” webinar recording on our website for details
- OSA-proposed changes in three areas:
  - Administrative expenses
  - Pooling laws
  - Violation statute
- Other changes and special laws



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LEGISLATIVE UPDATES 2023

- Administrative expenses:
  - Definition expanded to identify what is and is not an admin expense
  - Clarified that the usual and customary maintenance and operating costs of properties purchased with TIF are admin expenses
  - Created an exception from the admin limit for the portion of these costs paid with sales and lease proceeds
  - Clarified admin limit calculation with respect to returned increment



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## LEGISLATIVE UPDATES 2023

- Pooling laws:
  - Corrected the math of the deficit calculation in the pooling for deficits statute
  - Clarifications to the pooling limit calculation for:
    - County admin & road costs
    - Returned increment
  - Five-Year Rule language clarifications



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## LEGISLATIVE UPDATES 2023

- Six-Year Rule:
  - Eliminated the extra annual pooling limit that began in year six
  - Clarified the decertification requirement, using a formula
  - Clarified treatment of PAYG obligations
  - Added a requirement to remove parcels
  - Grandfathered bonds for out-district costs
  - Clarified terms and calculations
  - Specified procedures and timing
  - Addressed availability of increment for 2(d) housing



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## LEGISLATIVE UPDATES 2023

- Violation statute:
  - Deleted an obsolete sentence in the provision for remedying improper receipt of increment
  - Simplified the language relating to withholding of increment for failing to report
  - Corrected/expanded a reference in the provision for remedying improper expenditure of increments



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## LEGISLATIVE UPDATES 2023

- Other changes:
  - Definition of “pay-as-you-go contract and note” added
  - Minor reporting requirement change
  - Small cities parameter change
- Special laws:
  - Bloomington, Chatfield, Duluth, Fridley, Hopkins, Plymouth, Ramsey, Saint Paul, Savage, Shakopee, West Saint Paul, Woodbury



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## LEGISLATIVE UPDATES 2024

- None
- Topics that may be upcoming:
  - Blight criteria?
  - Interfund loans clarifications?
  - Decertified district limitations?
  - Sales and lease proceed clarifications?
  - 2021 Transfer Authority clarification?



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## SECTION THREE

### Administration of TIF



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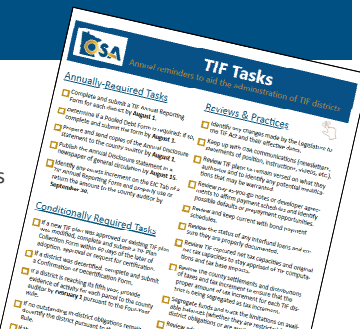
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# CHECKLIST

- Sample checklist included with the webinar materials



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# RECORDS & FUNDS

- Segregate funds (required by law!)
  - Do NOT deposit increment in the General Fund
  - Use separate funds, accounting codes, spreadsheets, files



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# RECORDS & FUNDS

- Document expenditures / loans
  - Administrative expenses
  - Developer expenses for PAYG reimbursements
  - Interfund loans terms in writing



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## RECORDS & FUNDS

- Retain records
  - Creation documents: 10 years after expiration of district
  - Financial records: 10 years (6 years if certain criteria met)



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## TRACK LIMITS

- Administrative expense limit
- Duration limit (statutory and Six-Year Rule)
- Spending within TIF plan estimates



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## TRACK IN-DISTRICT & OUT-DISTRICT ACTIVITY

- Identify/track the in-district and out-district shares of increments
- Understand Five-Year Rule ("in" is "out" after 5 years)
- Understand/monitor Six-Year Rule
  - Decertification requirement
  - Parcel removal requirement
- Monitor overall limit (20% or 25%; +10% for housing?)



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## OTHER ACTIVITIES

- Return (or appropriately use) excess increment by **September 30<sup>th</sup>**
- Send county evidence of parcel activity (by Feb. 1 of 5<sup>th</sup> year) for the Four-Year Rule
- Respond to OSA inquiries



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## REVIEW PLANS AND AGREEMENTS

- Review TIF plans regularly
  - Stay within estimates
  - Identify necessary/possible changes
- Review pay-as-you-go (PAYG) agreements regularly
  - Avoid overpayments
  - Identify possible defaults
  - Identify prepayment opportunities



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## REVIEW PLANS AND AGREEMENTS

- Monitor bond payment schedules
- Review interfund loan terms/opportunities regularly
  - Check interest rate limits
  - Make payments when appropriate



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- Seeking feedback on the overall organization and content by Sept. 20<sup>th</sup>
- Anticipate implementation for 2025 reporting due August 1, 2026
- Access the draft form at: <https://www.osa.state.mn.us/TIFRedesign>

[illegible]

- In SAFES: Plan Collection Form (new or modification), Annual Reporting Form, Pooled Debt Form
- On the website: Certification Request Supplement, Confirmation of Decertified TIF District Form
- Request access by emailing [tif@osa.state.mn.us](mailto:tif@osa.state.mn.us)
- Consultants must complete the SAFES Authorization Form



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 <https://safes.osa.state.mn.us>


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## State Auditor's Form Entry System (SAFES)

Welcome to the State Auditor's Form Entry System (SAFES). If you've received a username and password, it will work for all of your online forms. If you are new to SAFES, you can view a short [SAFES training video](#) to get started.

### Sign In

 username

 password

Login

[Forgot password?](#)

Download the [User Authorization Form](#) to authorize an accountant to submit your forms.

If you have questions about using SAFES, please see [Frequently Asked Questions](#).

If you [have any problems or questions not answered in the FAQ](#), please contact the [accountants division](#) using the following email addresses.

- Government Information Division lobbying, cash, and GAAP forms: [gid@osa.state.mn.us](mailto:gid@osa.state.mn.us)
- Pension Division (pension forms): [pension@osa.state.mn.us](mailto:pension@osa.state.mn.us)
- Tax Incremental Financing Division (TIF forms): [tif@osa.state.mn.us](mailto:tif@osa.state.mn.us)

TIF PLANS AND MODIFICATIONS

TIF Plans must be submitted to OSA within 60 days after the latest of:


The filing of the request for certification of the TIF district;

Approval of the plan by the municipality; or

The adoption of the plan by the authority

Modification needed whether administrative or via full approval process

Attach related TIF Plan and supporting documents (Must be amalgamated into one document)



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SAFES Document List

Contact Info

Submit Documents

Forms

CTAS

User Maintenance

Logout

Note: If pre-populated data is on the reporting form, the reporter is responsible for reviewing the data for accuracy.

Pension Plans: The signed forms presented on the Pension Plan tab below may contain revisions made after they were initially signed.

Only CTAS OR the Local Government Financial Reporting Form is required.

2023

2022

2021

2020

2019

2018

2017

2016

2015

2014

2013

2012

2011

2010

County

City

Town

Special District

School District

Association

Pension Plan

TIF

Law Enforcement

OPEB Trust

Prosecuting Agency

Albany

All Albany Forms

TIF Plan Collection Form - New District

TIF 1-14 North 1 - 94

TIF District Annual Form

TIF Plan Collection Form - Modified District

TIF 15 Mastermark Redevelopment

Download Form

Download Form

Download Form

Download Form

Download Form

Status

Date

Confirmation ID

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Status

Date

Confirmation ID

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SAFES Submit Document

Contact Info

Submit Documents

Forms

CTAS

User Maintenance

Logout

1) Select a document for submission.

The contact information required in the forms is public information; it will be available to anyone on request.

Click the "Browse..." button and select a file on your computer; then click "Next"; below. Note: the maximum allowed file size is 30 MB.

Document

Browse...

2) Identify the document.

3) Upload supporting documents.

☒ I want to receive an email confirmation for this submission

Submit

Cancel

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ANNUAL REPORTING

Annual Forms available early May, and are due August 1

Required to start reporting for year district is certified

Reporting ends after decertification AND all funds expended or returned


Resources:


Annual Report Form Instructions

Training Video Series

Weekly updates, articles, Statements of Position

E-mail [TIF@osa.state.mn.us](mailto:TIF@osa.state.mn.us) or call 651-296-4716





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ANNUAL REPORTING

PROJECT COSTS (OTHER THAN PAYG)

1 Land/building acquisition

2 Site improvements/preparation costs

3 Utilities

4 Other public improvements

5 Construction of affordable housing

6 Small city authorized costs, if not already included above

7 Temp Jobs Stimulus (Minn. Stat. § 469.176, subd. 4a)

8 Temp Transfer Authority (Minn. Stat. § 469.176, subd. 4a)

9 Authority administrative costs

10 County administrative costs

11 Subtract prior years' costs paid with public funds other than tax increment

Prior Years

2021 Amount

Total Through 2021

\$ 0

\$ 2,190,000

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

\$ 304,093

\$ 304,093

12 Total Project Costs (Other than PAYG) Paid or Financed with Tax Increment and/or TIF Bond Proceeds

\$ 2,608,760

\$ 0

\$ 2,608,760

PROJECT COSTS (PAYG)

13 Land/building acquisition

14 Site improvements/preparation costs

15 Utilities

16 Other public improvements

17 Construction of affordable housing

18 Small city authorized costs, if not already included above

19 Temp Jobs Stimulus (Minn. Stat. § 469.176, subd. 4a)

20 Total Documented Project Costs (PAYG) to be Paid with Tax Increment

\$ 0

\$ 798,000

\$ 0

\$ 0

\$ 0

\$ 0

\$ 0

\$ 798,000

21 TOTAL PROJECT COSTS PAID OR TO BE PAID WITH TAX INCREMENT AND/OR TIF BOND PROCEEDS

\$ 3,406,760

Amount of any payments included above for activities and improvements located outside the TIF district and paid for or financed with tax increment including administrative costs

22

Prior Years

2021 Amount

Total Through 2021

\$ 0

\$ 0

\$ 0

23 Portion of line 9 used for usual/costume maintenance and operating costs

\$ 0

\$ 0

\$ 0

24 Portion of line 23 paid with lease proceed tax increments

\$ 0

\$ 0

\$ 0

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ANNUAL REPORTING

Additional Pooling Election

Does the plan contain an election for additional pooling for housing under Minn. Stat. § 469.1763, subd. 2(d)?

20 No

Transfers Under 2021 Temporary Transfer Authority

Are there any transfers to non-TIF district accounts under Minn. Stat. § 469.176, subd. 4a (2021 Temporary Transfer Authority)?

6 No

TRANSFER ACTIVITY

Transfers to another fund or account under Minn. Stat. § 469.176, subd. 4a

7

A Fund/Account Receiving Transfer

B Transfers (per Spending Plans)

C

D

E

F

G

H

2021 Transfers

2022 Transfers

Total

Prior Years

2021

Total thru 2021

Transfers back to TIF (Total)

1

2

3

4

5

6

7

8

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ANNUAL REPORTING TIPS

- Verify pre-filled information
- Do not copy/paste information
- Check Red Message Table
- Use the “Comments” Tab

Tab Name	Red Messages Remaining
Overview	0
District Info	0
Debt	0
Interfund Loans	1
PAYD	0
Project Costs	1
Transfers	0
Res & Exp	0
Balance Sheet	0
EDC	0
ACD	0
Comments	0
Cut and Paste Errors	2
TOTAL COUNT	2



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ANNUAL DISCLOSURE


- Send copy to county auditor by August 1
- Publish by August 15 (In newspaper of general circulation)

4	Current net tax capacity	\$	16,387
5	Original net tax capacity	\$	685
6	Current net tax capacity	\$	16,387
7	Principal and interest payments due in 2022	\$	0
8	Tax increment received in 2021	\$	16,387
9	Tax increment expected in 2022	\$	16,387
10	Monthly and year of first tax increment receipt	\$	6,000
11	Total of required disclosures	\$	1277,000
12	The total increased property taxes to be paid from outside the district	\$	0
13	Fiscal Disposition Option A applies?	\$	0

\* The fiscal disposition property tax law provides that the growth in commercial/industrial property tax values is shared throughout the area. In a tax increment financing district, this value sharing can either result in a decrease in tax increment financing district revenue or a tax increase for other properties in the municipality depending on whether the tax increment financing district contributes its share to the growth. Annual disclosure law requires that the district did not contribute its share to the growth. Annual disclosure law requires that the district did not contribute its share to the growth in commercial/industrial property tax values and represent the resulting increase in taxes on other properties in the City for taxes payable in 2022.

Note: Lines 4-11 must be published even if the amounts are zero. Line 12 and the corresponding section paragraph are only necessary if the municipality is located in the fiscal disposition area and the municipality chose Option A under Item 12A, § 165.17, Stats. See, for the district.

Home | Overview | District Info | Debt | Interfund Loans | PAYD | Project Costs | Transfers | Res & Exp | Balance Sheet | EDC | ACD | Comments | 0



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ANNUAL DISCLOSURE

ANNUAL DISCLOSURE OF TAX INCREMENT DISTRICTS FOR THE YEAR ENDED DECEMBER 31, 2020

TIF District Name:	44th and France B	60th and France B	66 West Development	70th & Cahle Economic Development	72nd and France	Amundson Avenue	Central Lakes 1203	Grandview II	Park Southside 2	West 78th
Current net tax capacity	43,163	122,293	27,160	0	217,508	0	216,556	1,224,348	14,078,819	\$1,818
Original net tax capacity	43,163	57,886	25,025	0	217,508	0	0	39,690	681,608	7,389,563
Capitalized net tax capacity	0	64,299	1,641	0	0	0	0	176,646	532,740	4,786,595
Principal and interest payments due during current year	0	276,792	34,000	0	0	0	0	0	0	784,000
Tax increment received	0	60,119	3,612	7,800	0	0	205,070	189,535	492,259	6,549,815
Tax increment expected	0	10,430	1,078	0	0	0	30,866	137,241	28,182	1,537,000
Month and year of first tax increment receipt	Jul-01	Jul-02	Jul-19	Jun-93	Jul-03	Jul-02	Jun-89	Jul-19	Jul-18	Jul-02
Increased property tax imposed on other properties as a result of fiscal disparities contribution*	N/A	N/A	N/A	0**	N/A	N/A	0**	N/A	N/A	N/A
* The fiscal disposition property tax law provides that the growth in commercial/industrial property tax values is shared throughout the area. In a tax increment financing district, this value sharing can either result in a decrease in tax increment financing district revenue or a tax increase for other properties in the municipality depending on whether the tax increment financing district contributes its share to the growth.										
** Increased property tax imposed on other properties in the municipality as a result of the growth in commercial/industrial property tax values and represent the resulting increase in taxes on other properties in the city for taxes payable in 2022.										

Additional information regarding each district may be obtained from:  
Scott West, City Manager  
4801 West 50th Street,  
Edina, MN 55436  
(952) 927-8861  
scott@edina.gov

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[illegible][illegible]

## DECERTIFICATION FORM

- Due to OSA as soon as possible after decertification
- Authority completes part A, County completes part B
- E-mail completed form to [tif@osa.state.mn.us](mailto:tif@osa.state.mn.us)
- Provide resolution for early decertification

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## STAY INFORMED

- Follow OSA information
  - Weekly updates
  - Articles
  - Statements of position
  - Training videos
  - Webinars
- Watch for legislative changes
  - TIF Act changes
  - Property tax system changes
  - Internal Revenue Code changes



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## CONSIDER IMPLICATIONS

- TIF captures tax base; Early decertification has merits
- Returning unneeded increment has merits
- Consider...
  - Authority's share of returned increment is free of TIF restrictions
  - Tax base benefits are delayed as long as TIF district is active
  - Increments are essentially attributable to county, school, and other taxing district's rates/base



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Office of the State Auditor

TIF Division  
TIF@osa.state.mn.us  
651-296-4716

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