

TIF Division Newsletter



Inside this issue:

Distribution of Delinquent Taxes After Decertification	1
Retention of TIF Records	1
TIF Pooled Debt Form	2

Distribution of Delinquent Taxes After Decertification

Property taxes that are delinquent when a TIF district decertifies but subsequently paid should not be distributed by the county auditor as tax increment, except under one condition.

If the failure to pay such taxes prior to decertification caused the outstanding bonds or contractual obligations pledged to be paid by the district to be paid by sources other than tax increments or to go unpaid, then the county auditor shall pay the delinquent tax increments to the district.

The TIF authority must provide the county auditor with any information necessary to administer the payment, as requested by the county auditor. Proactive communication by the authority is well advised.

Absent these conditions, the county should distribute the delinquent tax receipts as general property taxes, not as tax increment.

Note that this restriction on distribution applies only to taxes that are delinquent, i.e., not paid as of the first business day in January following the date they are due. Tax increments that are merely past due, but not delinquent, may be distributed as usual.

Retention of TIF Records

Minnesota law requires that public records be retained indefinitely, unless they are disposed of with specific permission from the records disposition panel or in accordance with an approved records retention schedule. Most cities use the approved General Record Retention Schedule for Cities.

In general, basic TIF records verifying the creation and governance of a district, including resolutions, agreements and certifications, must be kept for the life of the district plus 10 years. Financial support records, such as invoices, generally must be kept for 10 years after they are created, but the retention period can be reduced to six years under certain criteria.

For additional information regarding the retention of TIF records, please see our [Statement of Position](#) on record retention.

**Office of the State Auditor
Tax Increment Financing
Division**

525 Park Street, Suite 500
Saint Paul, MN 55103

(651) 296-4716

Fax: (651) 297-3689

TIF@osa.state.mn.us

www.auditor.state.mn.us

TIF Videos

TIF Videos are available on the State Auditor’s website

Education Series

[Introduction to TIF](#)

[The History of TIF and Why It Matters](#)

[TIF District Types](#)

[TIF Pooling](#)

[Excess Increments vs. Excess Taxes](#)

Instruction Series

[Completing the Pooled Debt Form](#)

[Completing the TIF Annual Reporting Form](#)

[Completing the TIF Plan Collection Form for New Districts](#)

[Completing the TIF Plan Collection Form for Modified Districts](#)

TIF Pooled Debt Form

In addition to filing an Annual TIF Reporting Form for each district, authorities must also submit a TIF Pooled Debt Form for any outstanding pooled debt. These forms will be made available soon and are due August 1st. Authorities that have new pooled debts should notify our office as soon as possible to enable the new form to be available when the other forms are posted in the State Auditor Form Entry System (SAFES).

A pooled debt is any bond or other financial obligation to which tax increment from two or more TIF districts have been pledged to pay, or are used to pay, debt service payments. In addition, if multiple TIF districts receive proceeds from a single TIF bond this form is required, even if only one district is pledged and making payments. Pooled debt may include general obligation bonds, revenue bonds, external loans, interfund loans, notes, and PAYG contracts. If a pooled debt is refunded, a new Pooled Debt Form should be submitted for the refunding bond.

The following are examples of bonds or other financial obligations that are **NOT** considered “pooled debt” for purposes of the Pooled Debt Form:

- If a single bond issue has been divided into several series and the tax increment from a single TIF district is pledged to a series, then the series is not considered a pooled debt, unless tax increment from more than one TIF district actually is used to pay debt service on that series.
- If a bond or other financial obligation is backed by tax increment from a single TIF district and a non-tax increment revenue source, then it is not considered a pooled debt, unless tax increment from more than one TIF district actually is used to pay debt service on the bond.

If you need a Pooled Debt Report created, or you have any questions concerning pooled bonds, please contact our office.

TIF Division Staff

If you have questions, please contact us:

Jason Nord
Assistant State Auditor/TIF Director
(651) 296-7979
Jason.Nord@osa.state.mn.us

Kurt Mueller
TIF Auditor
(651) 297-3680
Kurt.Mueller@osa.state.mn.us

Lisa McGuire
TIF Auditor
(651) 296-9255
Lisa.McGuire@osa.state.mn.us

Barbara Lerschen
TIF Analyst
(651) 284-4134
Barbara.Lerschen@osa.state.mn.us