

TIF Division Newsletter



2010 TIF Reporting Form Survey Request

Preparers of the new TIF reporting forms now have an opportunity to let us know what worked and what didn't work for them in preparing the 2010 TIF Reporting Forms. Preparers of the forms will soon receive an [e-mail survey](#) form from our office. We encourage preparers to complete the form. We welcome all comments and ask for your suggestions for improvement.

Thirty-four development authorities have not yet completed all of their reporting forms. On October 1st, county auditors are required to withhold all tax increment payments until the required reports have been received. The TIF Division is available to assist authorities having difficulty completing the 2010 TIF Reports. Please direct your questions to the TIF Division at (651) 296-7001 or to TIF@osa.state.mn.us.

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Market Value Homestead Credit Conversion to Value Exclusion

The 2011 Legislature repealed the market value homestead credit (MVHC) and, in its place, enacted a homestead market value exclusion, effective for taxes payable in 2012. A development authority now receives a portion of its tax increment through the state reimbursement to local governments for market value credits granted to individual residential tax payers. The State pays a portion of each qualifying homeowner's tax bill.

Beginning in 2012, the local government receiving a credit instead will receive an exclusion. For authorities receiving tax increment from lower income residential homestead properties, this legislation will exclude a portion of each qualifying home's market value from taxation, reducing the amount of tax increment generated. The Department of Revenue has an excellent summary of the [MVHC conversion to value exclusion](#) on its website. The League of Minnesota Cities has a webinar on the subject at <http://www.lmc.org/page/1/mvhcwebinar-materials.jsp>.

Change in Office of the State Auditor's E-mail Addresses

The e-mail addresses of the Office of the State Auditor changed as of September 1, 2011. Please use the e-mail address shown on this TIF newsletter for our TIF Division staff. If you use the version @state.mn.us instead of @osa.state.mn.us, we may not receive your e-mail.