

# TIF Division Newsletter



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## 2012 TIF District Information from Counties

The [2012 TIF District Information form](#) for property taxes payable 2012 was sent to counties on Tuesday, January 8. We request that the information be returned to our office by Friday, February 22 by way of e-mail, fax, or postal mail. This annual information is necessary for our office to prepare the 2012 TIF reporting forms, and we appreciate the cooperation of counties in providing this information in a timely manner.

## County Reminder Regarding ONTC Adjustments

As noted in the November newsletter, the 2012 Legislature made new provisions for adjusting original net tax capacities (ONTC) for TIF districts in response to the homestead market value exclusion.<sup>1</sup> Please remember to apply these changes prior to preparing tax statements.

## TIF Plan Estimates

All TIF plans must contain an estimate of the cost of the project, including administrative costs and interest expense, which will be paid or financed with tax increments from the district. The estimated costs cannot exceed the estimated tax increment generated by the district.<sup>2</sup>

Authorities must file a copy of all TIF plans and amendments with the commissioner of revenue and the state auditor.<sup>3</sup> After plans are submitted, the OSA reviews the information to ensure compliance with the TIF Act. If any issues or concerns are noted, the TIF authority will be contacted to resolve any discrepancies. It is important to resolve issues as early as possible to prevent future problems with the TIF district.

For more information, see our Statement of Position entitled, [Tax Increment Plan and Reporting Form Changes](#).

*(continued)*

<sup>1</sup> Laws of Minn. 2012, ch. 294, art. 2, sec. 39, amending Minn. Stat § 469.177, subd. 1.

<sup>2</sup> Minn. Stat. § 469.175, subd. 1 (a) (5) (i).

<sup>3</sup> Minn. Stat. § 469.175, subd. 4a.

**Jobs Stimulus Program Expired**

The temporary expanded authority granted by the 2010 Jobs Stimulus Program expired on December 31, 2012.<sup>4</sup> A part of this program allowed authorities to use uncommitted tax increment revenue from existing TIF districts to assist with certain types of private development. Any tax increment revenue that was authorized in a spending plan under this program must have been spent by the expiration date.

For more information, please see our Statement of Position entitled [Jobs Stimulus Program – TIF](#). If you have any questions please e-mail us at [TIF@osa.state.mn.us](mailto:TIF@osa.state.mn.us).

TIF Statements of Position can be accessed by going to our website at:

[www.auditor.state.mn.us](http://www.auditor.state.mn.us)

At the top of the page, choose “For Local Officials” then click “Statements of Position”

<sup>4</sup> Minn. Stat. § 469.176, subd. 4m.

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