

TIF Division Newsletter



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2014 County TIF Training

The Office of the State Auditor (OSA) is pleased to announce that the Tax Increment Financing (TIF) Division will be conducting County TIF Training sessions this summer at four different locations across Minnesota.

The training is targeted to county staff and will focus on the roles and responsibilities of counties in tax increment financing. The training will be provided at no cost and will review the newly-revised and improved OSA County TIF Guide (available soon on the OSA website).

Sessions will be offered at the following dates and locations:

Wednesday, July 16, 2014, in Shakopee

Thursday, July 17, 2014, in Backus

Tuesday, July 22, 2014, in Waite Park

Wednesday, July 23, 2014, in Mankato

Each session will be held from 1:00 pm to 4:30 pm. Registration ends on June 20, 2014. Confirmation e-mails will be sent out shortly thereafter.

Please click [here](#) for more information on the training sessions and to register. If you have any questions, please contact Bob Odell at (651) 296-4716.

Things to Remember When Completing the TIF Annual Reporting Form

The 2013 TIF Annual Reporting Forms and Pooled Debt Reporting Forms are now available. Some important things to remember when completing these forms are:

- The name of any pooled debt that is reported on the annual reporting form should match the name on the corresponding pooled debt report. Each name should be unique from other bonds. If changes to the names are needed, please let us know in the comments section of the debt page.

- If a new pooled debt form is needed, the authority must contact the TIF Division and provide the name and type of the obligation so we can generate the report and make it available in SAFES.
- If there is an interfund loan to/from a non-TIF account/fund, the account/fund must be identified. Providing a description such as "interfund loan" is not sufficient and the fund should be named. If an authority is using a generic description, please provide a more detailed description in the comment section of the interfund loan tab.

There are [detailed instructions](#) for both forms on the OSA website. If you have additional questions, please contact us for further assistance.

Helpful Hints for When Using SAFES

- Update your contact information and then click "Verify." This verification must be done annually. You will not be able to proceed in SAFES if you have not verified your information.
- If you use the "forgot your password" link to obtain a new password, go to the User Maintenance tab and change your password right away to something that you will remember.
- If you copy and paste a temporary password, do not to copy any extra spaces before or after the password.
- You may see multiple years on the screen. Be sure that you are in 2013 in order to download the 2013 TIF Annual Reporting Forms and Pooled Debt Reporting Forms.
- Be sure to select the TIF tab while in the Form Status tab.
- If a TIF form is indicated as "missing," please contact the TIF Division.

For more information on using SAFES, please watch our on-line [SAFES training video](#). If you need assistance with SAFES or TIF in general, please contact us via e-mail at TIF@osa.state.mn.us or call Bob at (651) 296-4716.

The 2013 TIF Annual Reporting Forms are available in SAFES now.

The Forms are due to the OSA on or before **August 1, 2014**.

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2014 TIF Legislation

The 2014 Legislature amended the following provisions of the TIF Act:

- **Five-year rule.** For redevelopment districts certified after April 20, 2009, and before June 30, 2012, the five-year period is extended to eight years after certification of the district.
- **Tax increment, relationship to fiscal disparities.** Economic development districts with a request for certification made after June 30, 2014, are no longer required to use "Option B" to compute tax increment (fiscal disparities contribution made from the growth in the district). These districts will now use "Option A" (fiscal disparities contribution made from outside the district) as the default unless Option B is elected.
- **Pre-1982 Districts, pooling rules.** This section was repealed now that all pre-1982 districts are decertified. Any remaining unexpended tax increments from a district subject to this provision must be distributed as excess increments to the city, county, and school district on or before December 31, 2014.
- **Pooling, Biotech Zones.** Authority for pooling for expenditures in support of a biotechnology and health sciences industry zone was amended to expire after the later of December 31, 2015, or five years from certification for districts certified before January 1, 2016.
- **Compact development districts.** References and provisions relating to compact development districts, for which the authority expired June 30, 2012, were deleted and repealed.
- **Administrative expenses.** Obsolete language relating to administrative expense limits for districts requested after July 31, 1979, and before July 1, 1982, was deleted.
- **Payment to school for referendum levy.** This obsolete provision was repealed because the relevant levies are now spread on referendum market value which does not generate increment.
- **Technical corrections.** The Revisor's bill corrected the qualifying criteria for an adjustment to original net tax capacity due to the homestead market value exclusion.¹ Other miscellaneous references were updated or corrected.

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TIF recorded on-line training videos are now available!

The videos can be found on our website at:

www.auditor.state.mn.us

¹ Amending Minn. Stat. § 469.177, subd. 1d.

In addition, TIF special legislation was enacted for Baxter, Eagan, Edina, Maple Grove, Mound, North St. Paul, Savage, and Shoreview. Previous TIF special legislation was amended for Bloomington, Detroit Lakes, and Saint Paul.

For more information and to read the text of the bills, see 2014 Minn. Laws chapters [150 \(Omnibus Tax Bill\)](#), [275 \(Revisor's Bill\)](#), and [308 \(Supplemental Omnibus Tax Bill\)](#) and the [House Research Bill/Act Summaries](#).

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

www.auditor.state.mn.us

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

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