

TIF Division Newsletter



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2013 Annual TIF Reporting

To date, 98% of development authorities have filed their 2013 Annual TIF Reporting Forms. The forms were due to our office by the statutory deadline of August 1st.¹ The Office of the State Auditor (OSA) greatly appreciates the timely filing of these authorities and urges any authority that has not yet filed to do so promptly.

The TIF Act requires that the OSA send a written notice on the third Tuesday in August to each authority or municipality failing to submit its reports.² Letters were sent on August 19, 2014, to the mayor and council members of each municipality that failed to file one or more of its reports.

If a report is not received by October 1st, the TIF Act requires the OSA to notify the county in which the development authority is located to withhold all tax increment payments until the Annual Reporting Form has been submitted to the OSA. Please avoid having increment withheld by making sure your authority has filed. If you have questions, please contact Bob Odell at (651) 296-4716, or by email at TIF@osa.state.mn.us.

2014 TIF County Training

Thank you to all that attended the 2014 TIF County Training Sessions. The feedback we received indicated that the sessions were beneficial. We also appreciate Blue Earth, Cass, Scott and Stearns counties for being outstanding hosts.

The majority of feedback concerning the frequency of future training sessions indicated that it would be most beneficial to hold them every other year in non-election years. Our intent is to provide one or two session in 2015 and then gauge demand in 2017.

¹ Minn. Stat. § 469.175, subd. 6(b).

² Minn. Stat. § 469.1771, subd. 2a(a).

2014 TIF County Guide

The newly updated and expanded [2014 TIF County Guide](#) is now available on the OSA website. The Guide is a reference for county officials and their staff. It will help users identify and understand county TIF responsibilities. The Guide also includes an extensive checklist for county officials that may be useful when administering TIF.

Certification of a District

After a TIF plan has been adopted, the authority must make a request for certification to the county auditor. The county auditor must certify the original net tax capacity (ONTC) within 30 days of the receipt of the request and sufficient information to identify the parcels in the district.³ Requests for certification made on or before June 30th use the previous assessment year to determine the ONTC, and requests made after June 30th use the current assessment year to determine the ONTC.⁴

Timely certification is important given the numerous provisions of law that are tied to the certification date (e.g., reporting requirements, the four-year rule and the five-year rule).

The certification of the original local tax rate (OLTR) occurs at the time of the initial certification of the ONTC and uses the rate for the payable year applicable to the ONTC.⁵ For districts that request certification after June 30th, the ONTC must still be certified within 30 days even though the rate payable for the current assessment year is not available. (Rates are calculated and payable in the year following the assessment year.) The ONTC certification date is the certification date of the district. The OLTR can be certified when it becomes available.

³ Minn. Stat. § 469.177, subd. 1 (a).

⁴ Minn. Stat. § 469.174, subd. 7.

⁵ Minn. Stat. § 469.177, subd. 1a.

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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