

# TIF Division Newsletter



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## 2018 TIF Training for Development Authorities

Registration closes **June 29th** for TIF Training for Development Authorities offered by the Office of the State Auditor (OSA).

The training will focus on TIF basics, laws and limitations, administration, and reporting. There is no cost to attend the training. Sessions will be offered at the dates and locations below and run from 1:00 p.m. to 4:30 p.m., except the Mankato session, which will be held from 12:30 p.m. to 4:00 p.m.

- **Monday, July 9 in Eagan**
- **Wednesday, July 11 in Waite Park**
- **Wednesday, July 18 in Mankato**
- **Tuesday, July 24 in Bemidji**

[Click here for more information and to register.](#) If you have any questions, please contact Jason Nord at (651) 296-7979 or [TIF@osa.state.mn.us](mailto:TIF@osa.state.mn.us).

## 2018 TIF Legislation

The regular session of the legislature concluded without any changes made to the TIF Act. The Tax Bill, which had contained special legislation for a couple of TIF districts and a technical change to a cross-reference, was vetoed and not enacted.

## “Excess TIF” Is Not Tax Increment

Excess taxes are taxes on captured value when the current tax rate exceeds the original local tax rate certified for a TIF district. Excess taxes are not tax increment, and should not be included on the TIF annual reporting forms. The county auditor distributes excess taxes to the county, municipality, and/or school district based on which rate(s) caused the excess. These distributions might be labeled as “excess TIF” (or a similar term) in distribution information. These amounts are general tax dollars over and above what a jurisdiction levied.

**Office of the State Auditor**  
**Tax Increment Financing**  
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**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](#)

**Timely Payment of TIF Enforcement Deduction**

Counties are required (under Minn. Stat. § 469.177, subd. 11) to deduct a percentage of the tax increment generated each year and to pay the deducted amounts to Minnesota Management and Budget (MMB). The TIF Enforcement Deduction is equal to 0.36% of any increment distributed to an authority or municipality. The deduction funds the TIF oversight activities of the OSA, and the dates and amounts of transfers are to be reported on the County TIF Information Form that is due annually in March.

The OSA recommends that counties pay deduction amounts to MMB at the time of each settlement distribution of tax increment, rather than waiting to make a single payment. This includes any deductions from delinquent taxes.

Waiting to make a single transfer increases the chances that a payment will be missed or delayed. County reporting should show the date of the payment not the date of the settlement, as some counties have mistakenly reported.

In addition, be sure to clearly report deduction amounts to MMB when those payments are made.

**TIF Division Staff**

If you have questions, please contact us:

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