

**PROPERTY TAX
Brooklyn Center Special TIF
Authority Provided**

April 2, 2024

Department of Revenue
Analysis of S.F. 4586 (Pha) / H.F. 5164 (Vang) as introduced

| | Yes | No |
|----------------------------------|-----|----|
| DOR Administrative Costs/Savings | | X |

Fund Impact

| | <u>F.Y. 2024</u> | <u>F.Y. 2025</u> | <u>F.Y. 2026</u> | <u>F.Y. 2027</u> |
|--------------|------------------|------------------|------------------|------------------|
| | (000's) | | | |
| General Fund | \$0 | \$0 | \$0 | \$0 |

Effective following local approval.

EXPLANATION OF THE BILL

The proposal would allow the city of Brooklyn Center or its economic development authority to establish one or more redevelopment tax increment financing (TIF) districts within a defined area. Any districts established under this authority would have special rules that apply, such as excluding it from requirements for establishing a redevelopment district, excluding it from rules on how increment may be spent in a redevelopment district, and allowing increment that is spent in a specified area to be deemed as activities within the district. The authority to establish a TIF district under this authority expires December 31, 2030.

REVENUE ANALYSIS DETAIL

- The proposed changes to this special TIF provision may have an impact on the local tax base and tax rate in the future and may result in a small change in property tax refunds paid by the state.

Source: Minnesota Department of Revenue
Property Tax Division – Research Unit
<https://www.revenue.state.mn.us/revenue-analyses>

sf4586(hf5164) Brooklyn Center TIF_pt_1/wms