

**PROPERTY TAX
Duluth TIF Districts Authorized**

March 7, 2023

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue
Analysis of S.F. 1776 (McEwen) / H.F. 1871 (Olson, L.) as introduced

Fund Impact

	F.Y. 2024	F.Y. 2025	F.Y. 2026	F.Y. 2027
	(000's)			
General Fund	\$0	\$0	\$0	\$0

Effective following local approval.

EXPLANATION OF THE BILL

The proposal would authorize the creation of redevelopment tax increment financing (TIF) districts in the city of Duluth within a defined area. The proposal makes a number of special rules for any districts established under its authority. These include removing requirements for establishing a redevelopment district, removing limitations on property acquired by the district, and including seawalls and pier facings adjacent to the district as eligible expenditures. The proposal would also extend the duration of any TIF district created under this authority from 25 years after the receipt of the first increment to 35 years.

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>

sf1776(hf1871) TIF Duluth_pt_1/wms