

**PROPERTY TAX  
TIF Income Restrictions  
Removed for Non-Metro  
Housing Districts**

March 15, 2023

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue  
Analysis of H.F. 1285 (Lislegard) / S.F. 1953 (Kupec) as introduced

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

Assumed effective date of August 1, 2023.

**EXPLANATION OF THE BILL**

Under current law, a housing project financed with increment from a housing tax increment financing (TIF) district must meet certain income limits.

The proposal would apply the income limits only to housing projects financed by housing districts in the metropolitan area. Any housing projects financed by housing districts outside of the metropolitan area would no longer be subject to the income limits.

**REVENUE ANALYSIS DETAIL**

- The proposed changes to the general TIF provisions would have no impact on the state general fund.

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

hf1285(sf1953) TIF Housing Districts\_pt\_1/wms