

**PROPERTY TAX  
Maple Grove TIF Special  
Rules Authorized**

March 31, 2025

Department of Revenue

Analysis of S.F. 65 (Limmer) / H.F. 160 (Bahner) as introduced

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

**Fund Impact**

|              | <u>F.Y. 2026</u> | <u>F.Y. 2027</u> | <u>F.Y. 2028</u> | <u>F.Y. 2029</u> |
|--------------|------------------|------------------|------------------|------------------|
|              | (000's)          |                  |                  |                  |
| General Fund | \$0              | \$0              | \$0              | \$0              |

Effective following local approval.

**EXPLANATION OF THE BILL**

Under current law, the city of Maple Grove was allowed to establish tax increment financing (TIF) districts within a defined project area that were subject to special rules as established by the legislature in 2014 and revised in 2017. The project area includes rights-of-way for all present and future highway interchanges abutting the project area.

The proposal would modify some of the special rules that apply to these districts: The five-year rule for development activity to commence is extended from eight years to 13 years and the number of years increments from a soil deficiency district may be collected is extended from 20 years to 25 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>

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