

**PROPERTY TAX
Eden Prairie Special TIF
Authority Provided**

March 26, 2024

Department of Revenue

Analysis of S.F. 5109 (Cwodzinski) / H.F. 5046 (Kotyza-Witthuhn) 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 Eden Prairie 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 that would exclude it from requirements for establishing a redevelopment district and exclude it from rules on how increment may be spent in a redevelopment district. The authority to approve a TIF plan and establish a TIF district under this proposal expires December 31, 2031.

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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