

**PROPERTY TAX  
Amending special rules for St. Paul TIF**

April 3, 2023

	<b>Yes</b>	<b>No</b>
<b>DOR Administrative Costs/Savings</b>		<b>X</b>

Department of Revenue  
Analysis of S.F. 3207 (Pappas) as proposed to be amended by SCS3207A-2

	<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 beginning August 1, 2023.

**EXPLANATION OF THE BILL**

A 2008 session law allowed the city of St. Paul or the Housing and Redevelopment Authority of St. Paul to establish a redevelopment tax increment financing (TIF) district in a defined area. Special rules applied to the district created under the authority, including that the district terminates December 31, 2023. The proposal would extend the district through December 31, 2033.

Additionally, a 2008 session law, amended in 2014, allowed the city of St. Paul to use tax increment from this district to pay principal and interest on bonds for the RiverCentre Arena. The proposal would only allow increment to be used for this purpose through taxes payable 2023. For taxes payable 2024 and after, the district would be allowed to use increment to facilitate capital improvements within the city’s RiverCentre complex.

All proposed changes would be effective without local approval.

**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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