

**PROPERTY TAX
Marshall Special TIF
Rules Authorized**

March 25, 2025

Department of Revenue
Analysis of S.F. 2463 (Dahms) 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, there are rules regarding the transfer of unobligated tax increment financing (TIF) increment. The proposal would allow the city of Marshall to spend, loan, or invest transferred increment through December 31, 2027. Only transferred increment collected from TIF District No. 1-1, TIF District No. 1-7, or TIF District No. 2-1 could be used for this purpose. The use of transferred increment would have to be detailed in the city's written spending plan. Any increment not spent, loaned, or invested by December 31, 2027 would be returned to the district.

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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