

SENATE

STATE OF MINNESOTA

EIGHTY-EIGHTH LEGISLATURE

S.F. No. 610

(SENATE AUTHORS: HOFFMAN and Johnson)

DATE	D-PG	OFFICIAL STATUS
02/21/2013	346	Introduction and first reading Referred to Taxes

1.1

A bill for an act

1.2

relating to tax increment financing; extending the four-year rule for certain

1.3

districts; amending Minnesota Statutes 2012, section 469.176, subdivision 6.

1.4

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5

Section 1. Minnesota Statutes 2012, section 469.176, subdivision 6, is amended to read:

1.6

Subd. 6. **Action required.** (a) If, after four years from the date of certification of

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the original net tax capacity of the tax increment financing district pursuant to section

1.8

469.177, no demolition, rehabilitation, or renovation of property or other site preparation,

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including qualified improvement of a street adjacent to a parcel but not installation

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of utility service including sewer or water systems, has been commenced on a parcel

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located within a tax increment financing district by the authority or by the owner of the

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parcel in accordance with the tax increment financing plan, no additional tax increment

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may be taken from that parcel, and the original net tax capacity of that parcel shall be

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excluded from the original net tax capacity of the tax increment financing district. If the

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authority or the owner of the parcel subsequently commences demolition, rehabilitation,

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or renovation or other site preparation on that parcel including qualified improvement of

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a street adjacent to that parcel, in accordance with the tax increment financing plan, the

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authority shall certify to the county auditor that the activity has commenced, and the

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county auditor shall certify the net tax capacity thereof as most recently certified by the

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commissioner of revenue and add it to the original net tax capacity of the tax increment

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financing district. The county auditor must enforce the provisions of this subdivision. The

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authority must submit to the county auditor evidence that the required activity has taken

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place for each parcel in the district. The evidence for a parcel must be submitted by

1.24

February 1 of the fifth year following the year in which the parcel was certified as included

2.1 in the district. For purposes of this subdivision, qualified improvements of a street are
2.2 limited to (1) construction or opening of a new street, (2) relocation of a street, and (3)
2.3 substantial reconstruction or rebuilding of an existing street.

2.4 (b) For districts which were certified on or after January 1, 2005, and before April
2.5 20, 2009, the four-year period under paragraph (a) is ~~increased to six years~~ deemed to end
2.6 on December 31, 2016.

2.7 **EFFECTIVE DATE.** This section is effective the day following final enactment
2.8 and applies to districts certified on or after January 1, 2005, and before April 20, 2009.