Overview

This bill simplifies the tax increment financing (TIF) reporting requirements. It combines the two separate statutes requiring TIF financial reporting to the State Auditor. The exact information that must be reported to the Auditor is clarified and expanded somewhat. The amount of information that must be published in the newspaper is simplified.

1 **Publication requirement.** Clarifies and changes the information that must annually be published in the newspaper by a TIF authority for each TIF district. A TIF authority would be required to publish for each TIF district the following information (whether this is a new or existing requirement is listed in parentheses after each item):

   - Original tax capacity (existing law)
   - Total tax capacity (new)
   - Captured tax capacity (existing law)
   - Month and year of the first increment (new)
   - Required decertification date for the district (new)
   - Principal and interest to be paid on bonds for the year (new)
   - Effect of fiscal disparity option (a) on property taxes (existing law).

This section eliminates the following items required under present law to be published:.

   - Outstanding bonded indebtedness (annual principal and interest payments would be reported instead)
   - Increments paid to other governmental bodies
   - Administrative costs
   - Increments paid for activities located outside of the TIF district

This section also repeals the separate reporting financial reporting requirements. These are
Financial reporting. Expands and clarifies the financial information that must be reported annually by TIF authorities to the State Auditor. These reports would no longer need to be provided to the school district. The following items are added to the statute (although in some cases the State Auditor has required, under her general powers, this information to be reported):

- Captured net tax capacity that is shared with affected taxing districts
- Date of approval of the TIF plan
- Date the authority requested the county to certify the district
- Date the county certified the district
- Month and year of the receipt of the district's first increment
- Break-downs of the separate components of the tax increment: (1) taxes paid, (2) interest or other investment earnings, (3) proceeds from sales of property acquired with increments, and (4) repayments of loans and other advances made with increments
- Revenues of the district, other than tax increments: (1) proceeds of sales of property not acquired with increments, (2) special assessments, (3) grants, and (4) transfers from funds not exclusively associated with the district
- Transfers to funds not exclusively associated with the district
- Payments with increments for activities outside of the district
- Additional details on the components of bond payments, by type of bond, and for pay-as-you-go contracts

Repealer. Repeals a separate and overlapping financial reporting statute. Section 2 incorporates these requirements. (These reports were originally required to be made to the commissioner of revenue.)

Effective date. Effective for reports due in 2001 and later.