

HB 1598 -- Tax Increment Financing

Sponsor: Darrough

Currently, taxes paid on property in a tax increment financing (TIF) redevelopment project are based on the current equalized assessed value of the property. This method of taxation continues until the municipality adopts an ordinance dissolving the special allocation fund for the redevelopment project.

This bill bases the taxes on the value of the property when it was initially assessed. Any tax increase after the initial equalized assessed value cannot be used in a redevelopment project or in any future TIF project.