

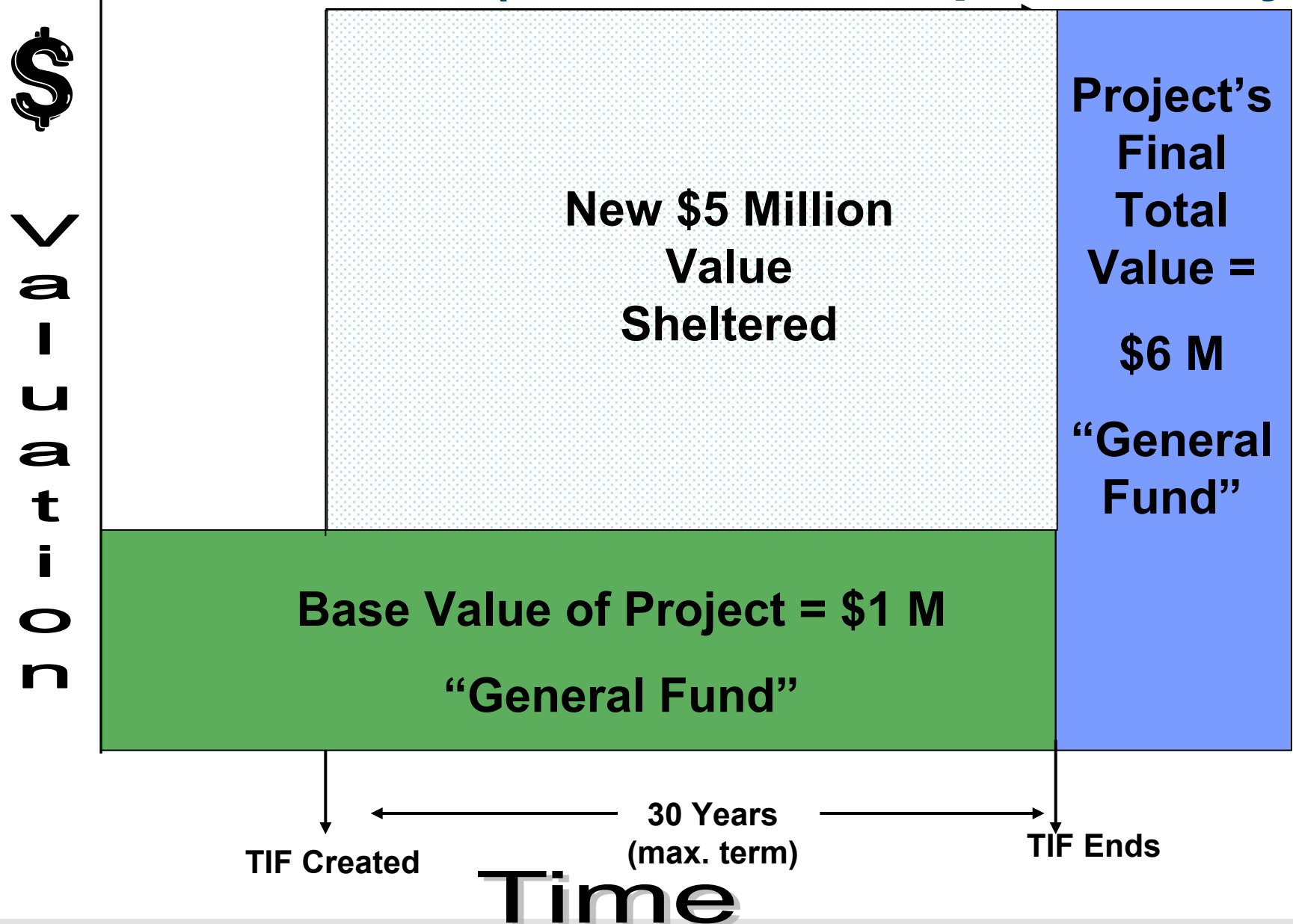
# Village Omnibus Tax Increment Financing District - Public Hearing Handout

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**BERN  
STEIN  
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# How TIFs Work (Illustrative Purposes Only)



# Tax Shift Benefit

- TIFs shelter new assessed value from a municipality's state valuation.
- The “state valuation” = equalized total assessed value in a municipality.
- The state valuation impacts:
  - state education subsidies,
  - county taxes,
  - state revenue sharing subsidies, and
  - local education contributions to the school district

# Lost Revenue in Every New Tax Dollar



**76% Lost Revenue**

**24% Available to Town**

**4% County Tax**

**9% Additional Local Education**

**15% State Revenue Sharing**

**48% State Aid to Education**

# \$300,000 Property Example

- Property located outside TIF (\$5,220 Tax Bill at 17.40 mil rate)
  - \$208 goes to pay additional County Taxes
  - \$470 goes to pay additional local education budget expenditures
  - \$783 goes to pay governmental expenditures that would otherwise have been funded with State Revenue Sharing subsidy
  - \$2,506 goes to pay educational expenditures that would otherwise have been funded with State Aid to Education
  - \$1,253 available to be spent by Town
- Property located inside TIF (\$5,220 Tax Bill at 17.40 mil rate)
  - \$5,220 available to be spent by Town on approved project costs in the TIF Development Program.