



## TAX INCREMENT FINANCING DISTRICTS

### REPORTING REQUIREMENTS

#### STATUTE

##### **Title 24 § 1901. Information reporting**

Every municipality with an active tax increment financing district shall:

(1) On or before December 1 of each year, report to the Vermont economic progress council (VEPC) and the tax department all information described in subsection 5404a(i) of Title 32, in the form prescribed by VEPC.

(2) Report its tax increment financing actual investment, bond or other financing repayments, escrow status, and "related cost" accounting to the Vermont economic progress council according to the municipal audit cycle prescribed in section 1681 of this title.

##### **Title 32 §5404a. Annual Report**

(i) The Vermont economic progress council and the department of taxes shall make an annual report to the senate committee on economic development, housing and general affairs, the senate committee on finance, the house committee on commerce and the house committee on ways and means of the general assembly on or before January 15. The report shall include, in regard to each existing tax increment financing district, the year of approval, the scope of the planned improvements and development, the equalized education grand list value of the district prior to the TIF approval, the original taxable property, the tax increment, and the annual amount of tax increments utilized.

#### **ANNUAL REPORTING REQUIREMENT**

A municipality that has created TIF District and received authorization by the Vermont Economic Progress Council to utilize the incremental state education property tax to pay for TIF debt is required to file an annual report to VEPC and the Vermont Department of Taxes. The report will require updated data and information regarding the criteria that were considered in the TIF District application. The information will be presented in updated spreadsheets comparing projected data and actual data and narratives to explain how the TIF District is being developed compared to the information presented in the application. At a minimum, the reporting will include data and narrative on the measures, targets and indicators below:

### **Measures:**

- Revenues are provided to District from increased property values
- Infrastructure required to encourage new real property development and/or redevelopment is built or improved
- Real property development and/or redevelopment occurs
- Employment opportunities are created
- Property tax base increases above original taxable value
- General economic vitality is improved
- Application dependent location and project criteria are met

### **Targets/Indicators:**

- Original taxable value of each parcel
- Projected and actual annual increase in value of each parcel
- Projected and actual annual amount of incremental property tax revenue
- Projected and actual infrastructure development/improvement
- Projected and actual real property development/redevelopment
- Projected and actual alternative sources of revenue
- Projected and actual related costs
- Base employment opportunities within District and annual changes in employment
- Projected location and project criteria data and actual location and project criteria data

The last targets will vary depending on the particular location and project approval criteria addressed by the applicant. They could consist of:

- Affordable housing units developed
- Brownfield areas remediated and developed
- New business operations developed or expanded
- Transportation enhancements made, traffic flows improved, public transportation added.