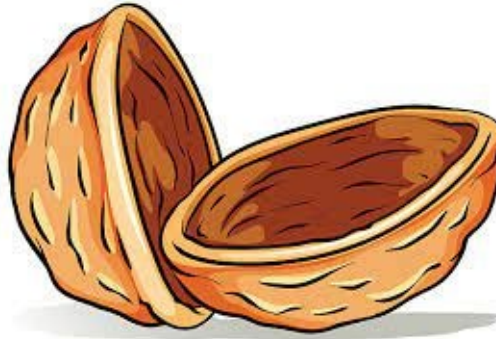


Municipal Tax Increment Financing (MTIF) Overview



What are MTIFs?

MTIFs allow the paid property taxes associated with the increased assessed value of new development in a specifically identified geographical area to be reinvested back into a municipality.

Why create a MTIFs?

- To promote economic development, provide new employment opportunities, to improve and broaden the tax base.
- Allows more revenue to remain in the local economy.

Where are MTIFs?

In an area of a municipality where development/redevelopment is planned.

Who creates MTIFs?

- A municipality
- For an unorganized territory, the county where that unorganized territory is located acts as a municipality that is the county commissioners act as municipality & municipal legislative body.

When are MTIFs created?

Prior to when the value of the new development will be assessed on the April 1st property tax year.

How are MTIFs created?

- A municipality creates/completes a MTIF Development Program application containing required information outlined in TIF Statute MRS 30-A §§5221-5235 & TIF Rule 19-100.
- A municipality holds a 10-day noticed public hearing.
- The municipal legislative body designates the TIF district & adopts a related development program.
- The municipality submits the application to the Maine State Department of Economic and Community Development (DECD) Commissioner for statutory compliance review and final approval.

For more information:

<https://www.maine.gov/decd/MTIF>

TIF Statute: 30-A M.R.S. §§ 5221-5235

TIF Rules: 19-100 C.M.R. Ch. 1, §§ 1-7

Call DECD at 624-9816.