

Tax Increment Financing (TIF) Projects

Tax Increment Financing (TIF) is a financial tool used to assist a municipality in redevelopment of a specific area that is blighted or showing signs of becoming blighted. A redevelopment plan for the TIF District is created which outlines the goals and redevelopment activities. Illinois State Statute allows certain costs to be financed with TIF funds including:

- Infrastructure improvements
- Land acquisition
- Site preparation
- Relocation costs
- Job training
- Bond financing

There are many benefits to using TIF:

- Locally controlled redevelopment tool that is not dependent on state or federal approval
- Does not raise taxes on existing property to pay for redevelopment
- Schools, parks, libraries, counties continue to receive Base Taxes
- Helps to remove conditions of deterioration
- Funds public improvements and infrastructure through incremental property tax revenue from added value of new development
- Enhances tax base of local governments to reduce tax burden on other properties

Additional information on TIF can be found on the Illinois Comptroller's [website](#).