

## Publications

### Top 10 TIF Misconceptions – Creating Additional Project Value and Avoiding Costly Mistakes (Part 2)

#### Related Professionals

Scott J. Ziance

#### Related Services

Real Estate

Tax and Economic Development  
Incentives

**AUTHORED ARTICLE** | Summer 2017

Originally published in *Development Incentives Quarterly*.

By: [Scott Ziance](#)

This is final installment of a two-part series covering the top 10 misconceptions associated with Ohio Tax Increment Financing (TIF). TIF is a funding vehicle for public infrastructure and, sometimes, site improvements. Below are the second five misconceptions.

**Misconception 6: All taxing units with jurisdiction over an area must consent to the TIF.** Simply a misconception, but for incentive districts, the General Assembly required either sharing of TIF funds or approval of the county commissioners or township trustees for TIF exemptions that are greater than 75% or more than 10 years, and to maximize value, board of education approval is needed.

**Misconception 7: Taxing units necessarily lose revenues as a result of TIF ordinances and resolutions.** Taxing units, in fact, continue to receive tax revenues from base value and also benefit from resulting economic development.

**Misconception 8: TIFs can only be established by cities and only in blighted areas.** There are simply more choices available for blighted areas of cities, and some less urbanized political subdivisions use TIFs as one facet of “pay as you grow” strategies toward development.

**Misconception 9: TIFs prevent the utilization of other tax incentives.** TIFs are regularly layered with other types of property tax incentives, such as CRA exemptions, and combined with tax credits, grants, etc.

**Misconception 10: School districts cannot benefit from TIFs.** TIFs often can be structured to benefit local school districts. Thorough understanding of the interaction of TIF and school funding is needed, including understanding of the type of TIF (sometimes); the current and future school district “guarantee” situation; and components of the school district’s effective millage.

Check out the first installment of TIF misconceptions in the [Spring 2017 issue](#).

