



# TIF SURPLUS

DECLARING A TIF (TAX INCREMENT FINANCING) SURPLUS ON ALL UNOBLIGATED FUNDS, BRINGING THEM BACK INTO THE CORPORATE BUDGET.

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## THE SITUATION

- TIF takes \$1.7 billion in revenue from the City of Chicago and concentrates it into Chicago's 124 TIF districts. TIF's are, in theory, an economic development tool that freezes property value in place for 23 years in a distinct district.
- During that time the "increment" is the difference between where the value was frozen and how much that value rose. This "value" is property tax revenue that remains in the TIF district.
- TIFs disproportionately benefit wealthy districts, concentrating tax revenue in those districts and depriving the rest of the City of Chicago of that income.
- At the same time every TIF that is created robs the city of commercial real estate property tax revenue, passing the tax burden on to residential property within the TIF. This drives up taxes on homeowners and increases rents, driving working people out of neighborhoods and increasing wealth inequality while driving gentrification.
- This segregates taxes from historically low-income African-American and Latine neighborhoods

## THE PROPOSAL

TIF revenue could be returned to the City of Chicago's budget by declaring a TIF surplus on all unobligated funds.

**THE REVENUE GENERATED: APPROXIMATELY \$323M**



