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## Abstract

How do the socially “entrepreneurial” entities that adopt financing (TIF), a quasi-municipal financing tool, impact the fiscal implications for the overlapping jurisdictions? This study of TIF's impact on the finances of school districts in Cook County, Illinois, reveals that municipal use of TIF depletes the property tax revenues of schools during the lifespan of the TIF district but that a portion of the budget shortfalls are relieved by increases in state school aid. Entrepreneurial policies can create conflict between taxing bodies unless higher levels of government take on some of the fiscal burden of these more redistributive functions.



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