

## News Release

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### FOR IMMEDIATE RELEASE:

February 1, 2012

### Study of the Twin Cities Metropolitan Area Fiscal Disparities Program Released Today

**St. Paul** – Today the Minnesota Department of Revenue released a study of the Twin Cities Metropolitan Area Fiscal Disparities Program. The study was required by 2010 laws ([Chapter 389](#)) through [legislation](#) authored by Senator Ann Rest and Representative Jenifer Loon in 2010.

This study was conducted by TischlerBise and submitted today to the chairs and ranking minority members of the House of Representatives and Senate tax committees. The report is available online at: [www.taxes.state.mn.us](http://www.taxes.state.mn.us).

Julie Herlands, Principal, and L. Carson Bise II, President, of TischlerBise will testify before the House and Senate Tax Committees to explain the study and the information it contains. The House will hold two hearings on February 15. The Property and Local Tax Division will meet at 8:15 a.m. and the Tax Committee will meet at 10:15 a.m. The Senate hearing is at 8:30 a.m. on February 16.

The study provides information and analysis on:

- Growth trends in the Twin Cities metro region
- Fiscal and economic conditions in the region
- The basics of the Fiscal Disparities program including what has been said about it in the past and today, what the trends have been regarding the program's impact on taxes, and what the changes would be if the program were eliminated
- The potential "overburden" on jurisdictions— cities, counties, schools —from different types of land uses both under the current taxation system (with Fiscal Disparities) and a hypothetical scenario if the program were eliminated
- Major policy considerations addressing criticisms, issues, and praise for the program

The Twin Cities Metropolitan Area Fiscal Disparities Program is a law that was enacted in 1971 and aimed to address growing fiscal concerns within the seven-county Minneapolis-St. Paul region.

(more)

The law requires all communities in the seven-county area contribute 40 percent of the growth in their commercial/industrial tax base (from 1971) to a regional pool. The program's objectives have been commonly summarized in two main goals:

- Promoting more orderly regional development
- Improving equity in the distribution of fiscal resources

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