PROPERTY TAX
Reimbursement for Annexation, Chisago City and Wyoming Township

	Yes	No
Separate Official Fiscal Note Requested		X
Fiscal Impact		
DOR Administrative Costs/Savings		X

April 11, 2001

Department of Revenue
Analysis of H.F. 85 (Jennings) / S.F. 131 (Ring)

	Revenue Gain or (Loss)			
	F.Y. 2002	F.Y. 2003	F.Y. 2004	FY2005
	(000's)			
General Fund	$0	$0	$0	$0

Effective upon local approval.

EXPLANATION OF THE BILL

Current Law: One or more townships and one or more municipalities may designate unincorporated area as in need of orderly annexation by the municipality. The agreement between the township and the municipality may provide a reimbursement from the municipality to the town for all or part of the taxable property annexed. The reimbursement shall be completed over not less than two nor more than six years from the time of annexation.

Proposed Law: Wyoming Township and Chisago City are allowed to agree to a reimbursement schedule other than the one provided in current law to establish a joint commercial and business park.

REVENUE ANALYSIS DETAIL

- The reimbursement schedule change is unlikely to change local property tax burdens, and thus there is no change in state costs for homeowner property tax refunds.

Number of Taxpayers Affected: None

ADMINISTRATIVE/OPERATIONAL IMPACT

There will be no significant administrative or operational costs or savings to DOR in administration of this bill.

Source: Minnesota Department of Revenue
Tax Research Division
http://www.taxes.state.mn.us/polic.html#analyses

hf0085(sf0131)-1 / JB