

**Aggregate Material Tax
Mille Lacs County**

March 16, 2001

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

Department of Revenue
Analysis of H.F. 1000 (Erickson) / S.F. 955 (Stevens)

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

Effective upon local approval.

EXPLANATION OF THE BILL

Current Law: Eligible counties may impose a tax on importers or operators removing aggregate material from sites in the county or importing aggregate material from sites outside the county where an aggregate materials tax is not imposed. The tax rate is 10 cents per cubic yard or 7 cents per ton. Currently, 28 counties have been authorized to impose the tax, and the tax is imposed in 23 counties plus three townships in St. Louis County.

Proposed Law: Mille Lacs County is added to the list of 28 counties authorized to impose the tax.

REVENUE ANALYSIS DETAIL

- The additional local revenue is unlikely to change ad valorem property tax levies or state general fund costs.

Number of Taxpayers Affected: Operators and importers of aggregate in Mille Lacs County will have increased taxes.

ADMINISTRATIVE/OPERATIONAL IMPACT

There are no significant administrative costs or savings to the department in administering this bill.

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