

MINNESOTA · REVENUE

PROPERTY TAX Anoka County Emergency Radio System

March 13, 2002

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

Department of Revenue

Analysis of H.F. 2611 (Bernardy)/S.F. 2432 (Betzold) **Revised for new information and an amendment**

	Revenue Gain or (Loss)			
	F.Y. 2002	F.Y. 2003	F.Y. 2004	F.Y. 2005
		(000's)		
General Fund	\$	\$	(Negligible)	(\$9)

Effective the day after final enactment without local approval.

EXPLANATION OF THE BILL

Current Law: A county may issue capital improvement bonds for capital improvements including a county courthouse, administrative building, law enforcement center, other public buildings, parks or roads and bridges. Such bonds issued under an approved capital improvement plan are not subject to submission to voters. A county also may issue capital notes by resolution and without referendum to purchase capital equipment, including public safety, ambulance, road construction or maintenance, or medical and data processing equipment.

Proposed Law: Anoka County may issue capital improvement bonds or capital notes with a term of ten years for the cost of designing, construction, and acquiring public safety communication system infrastructure and equipment. The county may report the debt service levy to pay principal and interest on the bonds or notes as a separate line item on the property tax statement.

REVENUE ANALYSIS DETAIL

- New information from Anoka County indicates that the net increase in debt service levies for the county including the cost of the proposed emergency radio system will be \$31,442 in 2003 and \$489,000 in calendar year 2004.
- The additional property tax levy to pay debt service on the bonds or notes will raise property taxes for all taxpayers in Anoka County, including homeowners.
- The annual increase in net debt service levy will increase homeowner property tax refunds by a negligible amount in F.Y. 2004 and by \$9,000 in F.Y. 2005..

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Number of taxpayers affected: All taxpayers in Anoka County will be affected.

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>

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