

VARIOUS TAXES
Enterprise Zones

March 19, 2001

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

Department of Revenue
Analysis of S.F. 464 (Langseth)/ H.F. 562 (Goodno)

	Revenue Gain or (Loss)			
	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>	<u>F.Y. 2004</u>	<u>FY2005</u>
	(000's)			
General Fund	(\$1,500)	(\$0)	(\$0)	(\$0)

Effective the day following final enactment.

EXPLANATION OF THE BILL

The bill authorizes an additional \$1,500,000 that may be used in border city enterprise zones in cities located on the western border of the state. The Commissioner of Trade and Economic Development must make the allocations to the cities on a per capita basis. The additional allocations may be used for the existing enterprise zone tax reductions or for other offsets of taxes imposed on or remitted by businesses in the enterprise zone. Other limitations do not apply to this allocation.

REVENUE ANALYSIS DETAIL

- It is assumed that all of the additional allocation would be used.
- The allocation could extend over more than one fiscal year.

Number of Taxpayers Affected: Unknown

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>