

# MINNESOTA · REVENUE

## Payments to Counties with Casinos

March 4, 2002

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

Department of Revenue

Analysis of S.F. 802 (Robling)/H.F. 885 (Buesgens) **Analysis Revised for Updated Information**

	<b>Revenue Gain or (Loss)</b>			
	<b><u>F.Y. 2002</u></b>	<b><u>F.Y. 2003</u></b>	<b><u>F.Y. 2004</u></b>	<b><u>F.Y. 2005</u></b>
	(000's)			
General Fund	\$0	\$0	\$0	\$0

Effective for payments made after December 31, 2001.

### EXPLANATION OF THE BILL

**Current Law:** A county in which an Indian gaming casino is located receives from the state 10% of the state share of all taxes collected under a tax agreement with the tribal government. The total payments to all counties cannot exceed \$1.1 million per year.

**Proposed Law:** The bill would remove the \$1.1 million limitation on the payments to counties.

### REVENUE ANALYSIS DETAIL

- Payments to counties under this provision were \$692,500 in 2002 and \$733,000 in 2001.
- As reflected in the February 2002 forecast, the payments to counties are expected to remain below \$800,000 per year under the current agreements and the current levels of taxes.
- Given the information known at this time, the payments will not exceed the existing limit of \$1.1 million through fiscal year 2005. Therefore, removing the limit would have no impact for the forecast period.

### ADMINISTRATIVE/OPERATIONAL IMPACT

See fiscal note.

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