

MINNESOTA • REVENUE

PROPERTY TAX

K-12 Omnibus Education Finance Bill

April 21, 2003

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

Department of Revenue
Analysis of H.F. 1404 (Seagren), Education Levy Impact Only

PRELIMINARY ANALYSIS

	<u>Revenue Gain or (Loss)</u>			
	<u>F.Y. 2004</u>	<u>F.Y. 2005</u>	<u>F.Y. 2006</u>	<u>F.Y. 2007</u>
		(000's)		
General Fund	\$0	\$0	\$0	\$0

Effective for taxes payable in 2004 and thereafter.

EXPLANATION OF THE BILL

According to an analysis by the House Fiscal Analysis Office, several changes are proposed to education revenue which affect local education levies. In the general fund area, referendum and health and safety levies for taxes payable in 2004 are reduced, while the equity levy and hold harmless levy are increased, for a net reduction of \$7,519,700. The debt service levy increases by \$16,458,300, and the community service fund levy is reduced by \$8,938,600, for a net total levy change of zero.

REVENUE ANALYSIS DETAIL

- Based on the analysis by the House Fiscal Analysis Office, no overall change in local education levies are proposed, so there will be no effect on homeowner property tax refunds. It is assumed that increases to homeowner property taxes in some areas of the state will be offset by reductions in other areas.

Number of Taxpayers Affected: Unknown.

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

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