

MINNESOTA • REVENUE

PROPERTY TAX

Public Finance

May 9, 2003

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

Department of Revenue

Analysis of H.F. 1469 (Abrams) As Amended by H1469DE1

	<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 the day following final enactment.

EXPLANATION OF THE BILL

As amended by the delete-all amendment, extensions of public debt obligation authority are proposed, including extension of time limits for economic development authorities. Counties are allowed to delegate responsibility for a county hospital or nursing home to a municipality. The limit on the total amount of property tax that a political subdivision can abate in a year is increased from the greater of 5% of the levy or \$100,000 to the greater of 10% of the levy or \$200,000. For purposes of municipal bonding, the definition of "street reconstruction" is clarified to include utility replacement and relocation and related activities. The Lewis and Clark Rural Water System in southwestern Minnesota is recognized as a corporation authorized to act on behalf of its members for purposes of federal income tax regulations.

REVENUE ANALYSIS DETAIL

- The proposed changes are primarily technical in nature and will have no effect on the state general fund.

Number of Taxpayers Affected: Unknown

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

hf1469 as amended H1469DE1 / jb