

**PROPERTY TAX
Prohibit Public Utility Rules
Changes**

March 26, 2004

Department of Revenue
Analysis of H.F. 2689 (Dempsey) / S.F. 2547 (Murphy)

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

	<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 August 1, 2004.

EXPLANATION OF THE BILL

Current Law: Public utilities are state assessed property.

Proposed Law: The bill would prohibit the Department of Revenue from amending existing rules or adopting new rules before July 1, 2005, that prescribe the method of valuing property of electric utilities.

REVENUE ANALYSIS DETAIL

- The Department of Revenue is currently reviewing its electric company valuation rules. The adoption of new rules would likely be delayed.
- There would be no impact on property tax refunds or market value credits.

Number of Taxpayers Affected: none.

Source: Minnesota Department of Revenue
Tax Research Division
http://www.taxes.state.mn.us/taxes/legal_policy

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