MINNESOTA · REVENUE

PROPERTY TAX
Modification of Property Taxes Payable Definition

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

March 30, 2004

Department of Revenue
Analysis of H.F. 2780 (Borrell) / S.F. 2745 (Ourada) **Preliminary Analysis**

	Revenue Gain or (Loss)			
	F.Y. 2004	**F.Y. 2005**	**F.Y. 2006**	**F.Y. 2007**
	(000's)			
General Fund	$0	$0	(Negligible)	(Negligible)

Effective for refunds based on property taxes payable in 2005 and following years.

EXPLANATION OF THE BILL

For purposes of calculating the property tax refund, the proposal would allow fees or charges for fire and police services to be included in property taxes payable. A fee or charge related to capital expenditures would not be included.

REVENUE ANALYSIS DETAIL

- After contacting some of the larger counties in Minnesota, it appears that very few cities impose fees for fire and police services. For those jurisdictions that do impose the fees, the property tax refunds for eligible homeowners could increase by a small amount.

Number of Taxpayers: Unknown

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

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