MINNESOTA · REVENUE

PROPERTY TAX
Dedicate Education Reserve Account

March 25, 2004

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

Department of Revenue
Analysis of S.F. 1816 (Stumpf) / H.F. 1951 (Anderson, I.)

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

Effective for taxes payable in 2004 and thereafter.

EXPLANATION OF THE BILL

Current Law: Proceeds from the state general levy on commercial, industrial, and seasonal residential recreational property are deposited in the general fund.

Proposed Law: The proposal establishes an education reserve account in the general fund. The dedicated portion of the state general levy would be the annual growth in levy compared to the 2002 base amount. Dedicated funds would not lapse or cancel each year, but remain until appropriated. The dedication would decrease the general fund amount for other purposes.

REVENUE ANALYSIS DETAIL

- No change is shown above for shifting amounts within the general fund.
- The amount of dedication in payable 2004 would be approximately $23.2 million.

Number of Taxpayers: none.

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

sf1816(hf1951)-1 / LM