

# MINNESOTA • REVENUE

## PROPERTY TAX LGA City Aid Base

March 26, 2004

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

Department of Revenue  
Analysis of S.F. 2682 (Limmer) / H.F. 2972 (Zellers)

	<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

The proposal would increase the city aid base for a defined city by \$220,000 in CY 2005 to 2014. The maximum amount of total aid the city may receive is also increased by \$220,000 in CY 2005 only.

### REVENUE ANALYSIS DETAIL

- The city of Osseo would receive a \$220,000 increase in its city aid base for 2005 to 2014.
- There is no state cost associated with this change in the city aid formula because total aid is set to a fixed appropriation level. The increase in city aid base would shift aid to the city of Osseo and away from other cities receiving local government aid.

**Number of Taxpayers:** 853 cities eligible to receive local government aid.

Source: Minnesota Department of Revenue  
Tax Research Division  
[http://www.taxes.state.mn.us/taxes/legal\\_policy](http://www.taxes.state.mn.us/taxes/legal_policy)

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