

# MINNESOTA • REVENUE

## PROPERTY TAX Disabled Veterans Rest Camp

April 18, 2005

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

Department of Revenue  
Analysis of S.F. 467 (Bachmann), 2<sup>nd</sup> Engrossment

### Fund Impact

	<u>F.Y. 2006</u>	<u>F.Y. 2007</u>	<u>F.Y. 2008</u>	<u>F.Y. 2009</u>
	(000's)			
General Fund	\$0	(Negligible)	(Negligible)	(Negligible)

Property tax exemption effective for taxes payable in 2006 and thereafter.  
The provision related to eminent domain effective upon local approval.  
Other provisions effective the day following final enactment.

### EXPLANATION OF THE BILL

The bill provides a property tax exemption for property owned or leased and operated by a nonprofit organization which is used to provide recreational opportunities to disabled veterans and their families. The property must be located in a county with a population of less than 500,000 within the seven-county metropolitan area.

The bill also prohibits Washington County from acquiring the property by eminent domain. The camp is a planning unit development district and a legal conforming use for zoning purposes.

### REVENUE ANALYSIS DETAIL

- The Disabled Veterans Rest Camp on Big Marine Lake in Washington County is the only property eligible for the property tax exemption.
- The property tax exemption will reduce the local tax base relative to the base under current law and cause a property tax shift to all other property including homesteads. The increased property tax burden on homesteads caused by the exemption will increase state-paid homeowner property tax refunds by less than \$5,000 beginning in FY 2007.

**Number of Taxpayers:** The Disabled Veterans Rest Camp on Big Marine Lake and property taxpayers in Washington County would be affected.

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)