

MINNESOTA • REVENUE

PROPERTY TAX Emergency Medical Services Special Taxing Districts – Extend Sunset Date

March 7, 2005

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

Department of Revenue
Analysis of H.F. 525 (Davids) / S.F. 1077 (Belanger)

	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	\$0	\$0	\$0

Effective August 1, 2005.

EXPLANATION OF THE BILL

Current law allows two or more political subdivisions to establish a special taxing district to support the providing of out-of-hospital emergency medical services. These special districts may levy an amount sufficient to pay operating expenses and debt for taxes payable in 2003 through 2008, up to .048% of taxable market value or \$250,000, whichever is less. The bill would extend the sunset date of emergency medical services special taxing districts for two years, through taxes payable in 2010.

REVENUE ANALYSIS DETAIL

- Two emergency medical services special taxing districts were identified from the pay 2005 levy survey, one in Beltrami County and the other in Cass County.
- It is assumed these two emergency medical service special taxing districts would choose to levy through the proposed pay 2010 sunset date.
- Assuming no new districts and an annual levy increase of 5%, the increased property tax burden on homesteads (relative to current law) will increase state-paid homeowner property tax refunds by about \$5,000 for fiscal years 2010 and 2011.

Number of Taxpayers: Currently two emergency medical services special taxing districts.

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