

MINNESOTA • REVENUE

PROPERTY TAX
Dakota County Regional Railroad
Authority – Cedar Avenue Transitway

April 6, 2005

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

Department of Revenue
 Analysis of H.F. 859 (Holberg) / S.F. 957 (Marko)

	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	(\$15)	(\$15)	(\$15)

Effective the day following final enactment, without local approval.

EXPLANATION OF THE BILL

The bill authorizes the Dakota County Regional Railroad Authority to exercise its existing powers to plan, construct, and operate a bus rapid transit system located within the Cedar Avenue transitway corridor in Dakota County.

REVENUE ANALYSIS DETAIL

- Authorizing the Dakota County Regional Railroad Authority to exercise its existing powers for a bus rapid transit system would allow the authority to levy a property tax for this purpose.
- According to Dakota County, there would be a property tax levy increase by the railroad authority for developing the Cedar Avenue bus transitway. A property tax increase would increase property tax burdens on all property including homesteads beginning with taxes payable in 2006, and increase state-paid homeowner property tax refunds by approximately \$15,000 beginning in FY 2007.

Number of Taxpayers: The Dakota County Regional Railroad Authority and property taxpayers in Dakota County.

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