

MINNESOTA • REVENUE

PROPERTY TAX Noncommercial Aircraft Storage Hangers Property Clarification

March 8, 2005

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

Department of Revenue
Analysis of H.F. 1223 (Howes) / S.F. 1183 (Ruud)

	<u>Fund Impact</u>			
	<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 for taxes payable in 2006 and thereafter

EXPLANATION OF THE BILL

The bill clarifies the property classification of certain noncommercial aircraft storage hangers. A privately owned noncommercial aircraft storage hanger not exempt and the land it is located would be class 4c property, provided that:

- the land abuts a public airport;
- the airport is located outside the seven-county metropolitan area;
- the owner of the aircraft storage hanger provides the assessor with a signed agreement restricting the use of the premises, prohibiting commercial use or activity performed at the hanger.

The clarification provides for the same property class treatment as noncommercial aircraft storage hangers located on airport property.

REVENUE ANALYSIS DETAIL

- There would be no impact on the state general fund.

Number of Taxpayers: Unknown.

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

hf1223(sf1183)_1/nrg