

# MINNESOTA • REVENUE

## Border City Enterprise Zones

February 5, 2007

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue  
Analysis of H.F. 130 (Lanning) / S.F. 245 (Langseth)

	<u>Fund Impact</u>			
	<u>F.Y. 2008</u>	<u>F.Y. 2009</u>	<u>F.Y. 2010</u>	<u>F.Y. 2011</u>
General Fund	(\$1,500)	\$0	\$0	\$0

(000's)

Effective the day following final enactment.

### EXPLANATION OF THE BILL

The bill provides for additional border city enterprise and development zone allocations totaling \$1.5 million. The allocations would be made by the Commissioner of Employment and Economic Development to western border cities on a per capita basis, to be used for certain tax reductions. The additional allocations may be used for the existing enterprise zone tax reductions or for other offsets of taxes imposed on or remitted by businesses in the enterprise zone.

### REVENUE ANALYSIS DETAIL

- It is assumed that all of the \$1.5 million in additional border city allocations will be used.

**Number of Taxpayers:** Certain taxpayers in five border city enterprise zones.

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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