

# MINNESOTA • REVENUE

## PROPERTY TAX Retirement Trust Funds

March 9, 2007

Department of Revenue  
Analysis of S.F. 917 (Robling) / H.F. 868 (Buesgens)

	Yes	No
DOR Administrative Costs/Savings		X

Effective day after final enactment.

The bill allows a political subdivision to create an irrevocable trust fund to hold money to pay for postemployment benefits owed to its officers and employees. A board of trustees must be established for the trust. The political subdivision may certify assets to the State Board of Investment or may select another investment manager. Funds may be withdrawn only to pay postemployment benefits owed, or to the extent the jurisdiction's actuarial liability is satisfied. The trust fund is not subject to the claims of creditors.

To the extent that jurisdictions may have to raise local levies, the proposal may have an impact on the local tax base and tax rate in the future and may result in a small increase in property tax refunds paid by the state.

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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