MINNESOTA · REVENUE

PROPERTY TAX
Cook-Orr Hospital District
Levy Authority Modified

March 22, 2007

	Yes	**No**
DOR Administrative Costs/Savings		**X**

Department of Revenue
Analysis of S.F. 2003 (Bakk)

Under current law, the tax levied by the Cook-Orr Hospital District must not exceed a rate of 0.063% of taxable market value. Of the total taxable market value of tax, 0.048% may be used only for acquisition and maintenance of hospital and nursing home facilities, and 0.015% for the purpose of capital expenditures as it relates to ambulance acquisitions.

The bill would modify the levy authority of the Cook-Orr Hospital District by removing the maximum rate. The levy could not exceed the amount required for expenses under the general provisions applicable to hospitals. The proceeds from the levy may be used for all purposes of the hospital district, except for the purpose of capital expenditures as it relates to ambulance acquisitions. The 0.015% maximum rate would still apply to ambulance acquisitions.

It is not known if the hospital district would increase its levy above current law. An increase in the property tax could result in a small increase in state-paid homeowner property tax refunds.

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

sf2003_1/nrg