

MINNESOTA • REVENUE

PROPERTY TAX

Metropolitan Council Transit Bonds

March 19, 2008

Department of Revenue
Analysis of S.F. 3729 (Dibble) / H.F. 4078 (Hornstein)

	Yes	No
DOR Administrative Costs/Savings		X

Fund Impact

	<u>F.Y. 2008</u>	<u>F.Y. 2009</u>	<u>F.Y. 2010</u>	<u>F.Y. 2011</u>
General Fund	\$0	\$0	\$0	\$0

(000's)

Effective the day following final enactment.

EXPLANATION OF THE BILL

The bill authorizes the Metropolitan Council to issue up to an additional \$33.0 million in certificates of indebtedness, bonds, or other obligations for capital expenditures prescribed in the council's regional transit master plan and transit capital improvement program. The authority is limited to the seven metropolitan counties.

REVENUE ANALYSIS DETAIL

- Bond principal and interest would be paid by increasing property tax levies.
- According to the Metropolitan Council, \$18.3 million of bonds would be issued in 2010 and \$14.7 million in 2011.
- Additional debt service levies would increase homeowner taxes, starting with taxes payable in 2011. Property tax refunds would increase by an estimated \$120,000 in FY 2012.

Number of Taxpayers Affected: All property owners in the seven metropolitan counties.

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

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