

MINNESOTA • REVENUE

PROPERTY TAX Business Incubator Exemption Extension

January 14, 2010

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue
Analysis of H.F. 2518 (Solberg) / S.F. 2277 (Saxhaug)

	Fund Impact			
	<u>F.Y. 2010</u>	<u>F.Y. 2011</u>	<u>F.Y. 2012</u>	<u>F.Y. 2013</u>
		(000's)		
General Fund	\$0	\$0	\$0	\$0

Effective day following final enactment.

EXPLANATION OF THE BILL

The bill extends the current property tax exemption for business incubator property for five years. The exemption is due to expire after taxes payable 2011. The expiration date is changed to after taxes payable 2016.

REVENUE ANALYSIS DETAIL

- The provision is assumed to affect a small number of properties, some of which may be non-profit owned.
- The proposed exemption may have an impact on the local tax base and rate in the future, and may result in a small increase in property tax refunds paid by the state.

Number of Taxpayers: Owners of business incubator property would be directly affected.

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

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