

MINNESOTA • REVENUE

PROPERTY TAX Metropolitan Council Bonds

April 19, 2010

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue
Analysis of H.F. 3779 (Gardner) / S.F. 3360 (Dibble)

	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, for bonding after July 1, 2010.

EXPLANATION OF THE BILL

The bill authorizes the Metropolitan Council to issue up to an additional \$34.6 million in certificates of indebtedness, bonds, or other obligations for capital expenditures prescribed in the council's 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.
- Based on data from the Metropolitan Council, \$8.2 million of bonds would be issued in 2012 and the remainder following years.
- Any additional debt service levies would increase homeowner taxes, starting with taxes payable in 2013. Property tax refunds would increase by \$330,000 in FY 2014.

Number of Taxpayers: 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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