MINNESOTA · REVENUE

March 05, 2013

PROPERTY TAX
St. Paul Ballpark

Property Taxes and Local Aids Only --
See Separate Analysis for State Taxes

	Yes	No
DOR Administrative Cost/Savings		x

Department of Revenue
Analysis of H.F. 0749 (Paymar) / S.F. 0633 (Hawj) as introduced

	Fund Impact			
	FY2014	**FY2015**	**FY2016**	**FY2017**
	(000's)			
General Fund	$0	$0	$0	($80)

Effective upon local approval.

EXPLANATION OF THE BILL

Section 3 of the bill exempts from property taxes the real or personal property acquired, owned, leased, controlled, used, or occupied by the city of St. Paul for a minor league baseball park and related parking. The exemption does not apply to property used for non-ballpark business or residential purposes.

REVENUE ANALYSIS DETAIL

- The new stadium is expected to open in spring of 2015. Estimate assumes $54 million ballpark would be taxable without bill.
- The exemption from the state property tax levy would have no impact on state revenues because the tax rates would be adjusted to yield the amount of revenue required by statute. The tax reduction for the stadium property would be shifted to the other properties subject to the state levy.
- The proposed exemption to the general property tax provisions may have an impact on the local tax base and tax rate in the future, and may result in a $80,000 increase in property tax refunds paid by the state in FY 2017.

Source: Minnesota Department of Revenue
Property Tax Division - Research Unit
www.revenue.state.mn.us/research_stats/pages/revenue-analyses.aspx

hf0749(sf0633)_pt_1/lam

PROPERTY TAX BENCHMARKS (Minn. Stat. § 270C.991)

Transparency, Understandability, Simplicity & Accountability	Decrease	New exemption
Efficiency & Compliance	Neutral	
Equity (Vertical & Horizontal)	Neutral	
Stability & Predictability	Neutral	
Competitiveness for Businesses	Neutral	
Responsiveness to Economic Conditions	Neutral	

The bill is scored on a three point scale (decrease, neutral, increase) for each principle in comparison to current law.