

## PROPERTY TAX

### Watershed district levy authority modified

April 24, 2018

	Yes	No
DOR Administrative Cost/Savings		X

Department of Revenue

Analysis of S.F. 3077 (Lang) as proposed to be amended (SCS3077a-2)

	Fund Impact			
	FY2018	FY2019	FY2020	FY2021
		(000's)		
General Fund	\$0	\$0	\$0	\$0

As proposed to be amended, the bill would be effective beginning for taxes payable in 2019.

### EXPLANATION OF THE BILL

Under current law watershed districts may levy for their organizational expense funds, general funds, bond funds, construction or implementation funds, repair and maintenance funds, survey and data acquisition funds, and projects related to clean water partnerships.

This proposal would expand which projects watershed districts could levy for. Projects would no longer be limited to clean water partnerships but could instead levy for any project with money appropriated by law for grants or loans to the district.

### REVENUE ANALYSIS DETAIL

- It is assumed that any additional money levied as a result of the proposal would be shifted away from a different watershed district fund, and there would be no impact to the state general fund.
- If the proposal led to an increase in the total amount watershed district levies, property taxes would increase for some taxpayers. Higher property taxes would result in higher homeowner property tax refunds and income tax deductions, increasing costs to the state general fund.

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

<i>Transparency, Understandability, Simplicity &amp; Accountability</i>	Neutral
<i>Efficiency &amp; Compliance</i>	Neutral
<i>Equity (Vertical &amp; Horizontal)</i>	Neutral
<i>Stability &amp; Predictability</i>	Neutral
<i>Competitiveness for Businesses</i>	Neutral
<i>Responsiveness to Economic Conditions</i>	Neutral

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

Source: Minnesota Department of Revenue  
Property Tax Division - Research Unit  
[www.revenue.state.mn.us/research\\_stats/  
pages/revenue-analyses.aspx](http://www.revenue.state.mn.us/research_stats/pages/revenue-analyses.aspx)

hf2456(sf3077)\_pt\_1/css