

March 07, 2019

**PROPERTY TAX
LGA increase for Lilydale**

	Yes	No
DOR Administrative Cost/Savings		X

Department of Revenue
Analysis of H.F. 0949 (Hansen) / S.F. 1176 (Klein) as introduced

	Fund Impact			
	FY2020	FY2021	FY2022	FY2023
	(000's)			
General Fund	\$0	\$0	\$0	\$0

Effective beginning for aids payable in calendar year 2020.

EXPLANATION OF THE BILL

The bill would increase local government aid (LGA) to the city of Lilydale by \$275,000 for aids payable year 2020 only.

REVENUE ANALYSIS DETAIL

- There would be no state general fund cost associated with this change because total aid is set to a fixed appropriation level. The aid adjustment increase would shift aid to the city of Lilydale and away from other cities receiving local government aid.

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

<i>Transparency, Understandability, Simplicity & Accountability</i>	Neutral	Adds an additional adjustment to the city aid formula.
<i>Efficiency & Compliance</i>	Neutral	
<i>Equity (Vertical & Horizontal)</i>	Neutral	
<i>Stability & 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

hf0949(sf1176)_pt_1/nrg