

PROPERTY TAX
**One-time supplemental aid to
counties in 2023**

April 6, 2022

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue
Analysis of S.F. 3376 (Rest) as proposed to be amended by SCS3376A-1

	Fund Impact			
	<u>F.Y. 2022</u>	<u>F.Y. 2023</u>	<u>F.Y. 2024</u>	<u>F.Y. 2025</u>
	(000's)			
General Fund	\$0	\$0	(\$2,240)	\$0

Effective for aids payable in calendar year 2023.

EXPLANATION OF THE BILL

The bill would provide a one-time supplemental aid payment to counties that are certified to receive less county program aid (CPA) in payable year 2023 than it received in 2022. The amount of supplemental aid would be equal to the reduction in a county's CPA between 2022 and 2023.

REVENUE ANALYSIS DETAIL

- There are 45 of 87 counties that would qualify to receive supplemental aid in payable year 2023. Stearns County would receive the most supplemental aid of \$336,890. The average supplemental aid amount for the 45 counties would be \$49,809.
- The temporary supplemental aid payment to counties would increase state general fund costs by \$2.24 million in fiscal year 2024.

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

<i>Transparency, Understandability, Simplicity & Accountability</i>	Neutral
<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
<https://www.revenue.state.mn.us/revenue-analyses>