

**PROPERTY TAX
Public Safety Aid for Local
and Tribal Governments**

March 8, 2023

	Yes	No
DOR Administrative Costs/Savings	X	

Department of Revenue

Analysis of S.F. 2416 (Gustafson) as proposed to be amended by SCS2416A-1

	Fund Impact			
	F.Y. 2024	F.Y. 2025	F.Y. 2026	F.Y. 2027
	(000's)			
General Fund	(\$300,000)	\$0	\$0	\$0

Effective for aids payable in 2023.

EXPLANATION OF THE BILL

The proposal would create a one-time \$300 million appropriation for public safety in aids payable year 2023. Townships with a population of at least 10,000 and all cities would receive 70% percent of the appropriation based on their population share. Counties and tribes would receive 30% of the apportion based on two population share related formulas.

REVENUE ANALYSIS DETAIL

- The one-time appropriation would increase state general fund costs by \$300 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>

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