

**PROPERTY TAX
Tribal Nation Aid Program**

April 10, 2023

Department of Revenue
Analysis of H.F. 3068 (Gomez) as proposed to be amended by H3068A1

	Yes	No
DOR Administrative Costs/Savings	X	

Fund Impact

	<u>F.Y. 2024</u>	<u>F.Y. 2025</u>	<u>F.Y. 2026</u>	<u>F.Y. 2027</u>
	(000's)			
General Fund	\$0	(\$75,000)	(\$75,000)	(\$75,000)

Effective beginning with aids payable 2024.

EXPLANATION OF THE BILL

The proposal would create an aid program for eleven federally recognized tribal nations. The aid program would have a \$75 million annual appropriation. Each tribe would receive \$3,409,091, with the remaining appropriation split proportionately based on each tribe’s share of total enrolled members.

REVENUE ANALYSIS DETAIL

- The new aid program would increase annual state general fund costs by \$75 million for fiscal year 2025 and thereafter.
- There would be no property tax or income tax interactions as tribal governments do not levy property taxes.

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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