

**PROPERTY TAX
Local Affordable Housing Aid
Modifications**

April 8, 2024

Department of Revenue

Analysis of H.F. 4555 (Howard), as proposed to be amended by H4555A2

	Yes	No
DOR Administrative Costs/Savings		X

Fund Impact

	F.Y. 2024	F.Y. 2025	F.Y. 2026	F.Y. 2027
	(000's)			
Housing Assistance Fund	\$0	\$0	\$0	\$0

Assumed effective August 1, 2024.

EXPLANATION OF THE BILL

Local affordable housing aid provides funding to metro counties and some metro cities to develop and preserve affordable housing. Funding is provided through the housing assistance fund.

The proposal makes various changes regarding the allowable uses of aid and adds conditions for receipt requirement. The distribution of aid would not change.

REVENUE ANALYSIS DETAIL

- The proposal would not impact the housing assistance fund or state general fund.

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>

hf4555(sf4875) Local Affordable Housing Aid Effort Condition_pt_2/css