

**PROPERTY TAX
Soil and Water Conservation
District Aid Increase**

February 18, 2025

Department of Revenue

Analysis of S.F. 1089 (Hauschild) / H.F. 1066 (Reyer) as introduced

	Yes	No
DOR Administrative Costs/Savings		X

Fund Impact

	<u>F.Y. 2026</u>	<u>F.Y. 2027</u>	<u>F.Y. 2028</u>	<u>F.Y. 2029</u>
	(000's)			
General Fund	(\$8,000)	(\$8,000)	(\$8,000)	(\$8,000)

Effective beginning with taxes payable in 2025.

EXPLANATION OF THE BILL

The soil and water conservation district aid program was created in 2023. Under current law, soil and water conservation districts received \$15 million in aid for payable years 2023 and 2024. For aids payable in 2025 and thereafter, the annual appropriation for aid is \$12 million.

The proposal would increase the aid amount in 2025 and thereafter from \$12 million to \$20 million.

REVENUE ANALYSIS DETAIL

- The appropriation would increase state general fund costs by \$8 million in fiscal year 2026 and thereafter.

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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