2014 Legislative Session - HF 1884 As Reported by Property and Local Tax Division **4:00 PM**
Division Report
3/19/20142

All Numbers in Thousands

	HF		Description	FY 14	FY 15	FY 14-15	FY 16	FY 17	FY 16-17
	Note: Positive numbers are increases to program expenditures; negative numbers are decreases to program spending (cost savings). "Negli" means negligible impact, meaning less than $5,000.								
	General Fund								
			Property Tax Refund changes						
1	HF 3142 HF 2929	Faust Hansen	**Property Tax Relief (one-time, incrs 3% Hmwnr PTR, incrs 6% Renter PTR)**						
2			Homeowner PTR	0	12,100	12,100	100	0	100
3			Renter PTR	0	12,500	12,500	100	0	100
4			Total - PTR changes	0	24,600	24,600	200	0	200
5									
6			**Tax Aids & Credit changes**						
7			**LGA**						
8	HF 1608 HF 2689	Lien Simonson	a) Net Chg from current law from 1.5% to 2.87% (inflation @ $11 M + population @ $3M)	0	0	0	13,100	28,100	41,200
9			b) PTR interactions*	0	0	0	(340)	(740)	(1,080)
10			c) Income Tax interactions*	0	0	0	(250)	(530)	(780)
11	HF 2465	Lien	d) LGA aid losses calc modified	0	0	0	0	0	0
12			Total - LGA changes	0	0	0	12,510	26,830	39,340
13									
14	HF 2697	McNamar	**CPA 2014 Supplemental Aid**						
15			hold harmless from 2013 chg	0	740	740	0	0	0
16									
17	HF 3122 HF 3099 GOV	Lenczewski Falk	**Transition aid** for business production property (bins & tanks) tax exemption*	0	0	0	0	160	160
18			Interactions	0	0	0	0	30	30
19			Total - Transition aid changes	0	0	0	0	190	190
20									
21	HF 2975	Lien	**Border City Enterprise Zones -** Allocation (five years) and business tax credit modification	0	0	0	1,500	3,000	4,500
22			Interactions	0	0	0	(negli)	(negli)	(negli)
23			Total - Border City Enterprise Zones	0	0	0	1,500	3,000	4,500
24									
25	HF 3037	Lien	**Disparity Reduction Credit** from 1.9% to 1.7%	0	0	0	1,200	1,200	2,400
26			Interactions	0	0	0	(40)	(40)	(80)
27			Total - Disparity Reduction Credit change	0	0	0	1,160	1,160	2,320
28									
29	HF 3086	Marquart	**New Agr Homestead Credit**						
30			Adds 0.1% of market value w/maximum credit $490 (up from $345)						
31			Supplemental Credit Payment		15,100	15,100	0	0	0
32			County admin	0	40	40	0	0	0
33			Agr Homestead Market Value Credit	0	0	0	14,800	15,100	29,900
34		Rev	Income Tax interaction	0	(500)	(500)	(500)	(500)	(1,000)
35			Total - Agr Credit changes	0	14,640	14,640	14,300	14,600	28,900
36									
37			**Property Tax Changes**						
38	HF 1884	Davnie	**Property Tax Clean-up** modified (w/o 2c managed forest repeal)*	0	0	0	(20)	(20)	(40)
39									
40	HF 2261	Persell	**Disabled Veteran homestead value exclusion extended** from 5 to 8 years	0	0	0	(120)	(190)	(310)
41									
42	HF 1895	Sundin	**Carlton County Soil and Water Conservation** - special levy authority	0	0	0	negli	negli	negli
43									
44	HF 2911	Davnie	**Solar energy systems exempted from property tax**	0	0	0	negli	negli	negli
45									
46			**TOTAL General Fund changes**	**0**	**39,980**	**39,980**	**29,530**	**45,570**	**75,100**
47			**GF Target - Property Tax Relief**			**40,000**			
48			**Variance from Target (under)/over**			**(20)**			

* Indicates preliminary estimate

	HF		Description	FY 14	FY 15	FY 14-15	FY 16	FY 17	FY 16-17
				All Numbers in Thousands					
	Note: Positive numbers are increases to program expenditures; negative numbers are decreases to program spending (cost savings). "Negli" means negligible impact, meaning less than $5,000.								
	Items with No State Impact								
49			**Property Tax Changes (No State Impact)**						
50	HF 2784	Runbeck	**Anoka County tax levy for public safety** improvements and equipment	0	0	0	0	0	0
51									
52	HF 2488	Loeffler	**Proposed levies certification deadline extended** for some local jurisdictions	0	0	0	0	0	0
53									
54	HF 2242	Loeffler	**State General Levy - exempt first tier** of commerical-industrial property value	0	0	0	0	0	0
55									
56	HF 3099	Falk	**Real property definition-** biofuels bins and tanks used in production	0	0	0	0	0	0
57									
58			**Other (No State Impact)**						
59	HF 2277 HF 2278	GOV	**DOR policy and technical** provisions modified (property tax only, no conservation easement changes)	0	0	0	0	0	0
60									
61			**Tax Increment Financing (No State Impact)**						
62			**General tax increment financing changes -** extend special 2010 Jobs Bill five-year rule, economic development district fiscal disparities option	0	0	0	0	0	0
63									
64	HF 2450	Mahoney	**St. Paul - Authority to spend tax increment expanded.**	0	0	0	0	0	0
65									
66	HF 2013	Isaacson	**Shoreview tax increment for** business retention pilot project	0	0	0	0	0	0
67									
68	HF 2632	Marquart	**Detroit Lakes Authority to approve TIF extended 2 years.** Local approval required	0	0	0	0	0	0
69									
70	HF 1905	Masin	**City of Eagan Cedar Grove tax increment -** use of current tax rate to compute increment	0	0	0	0	0	0
71									
72			**Local Taxes (No State Impact)**						
73	HF 2321	Savick	**Albert Lea - Local sales and use tax extended** from 10 to 15 years. Local approval required.	0	0	0	0	0	0
74									
75	HF 2303	Simonson	**Duluth - Disposition of local food and beverage taxes modified**	0	0	0	0	0	0
76									
77	HF 2669	Ward	**Baxter Brainerd local sales and use taxes extended** (no street infrastructure included). Local approval required	0	0	0	0	0	0
78									
79									
80	**NON-General Fund changes**								
81			**Minerals Taxes**						
82									
83	HF 2426	Dill	City of Cook spec taconite production tax distribution 2 cents/ton	0	0	0	0	0	0
84									

	HF		Description	FY 14	FY 15	FY 14-15	FY 16	FY 17	FY 16-17
				All Numbers in Thousands					
	Note: Positive numbers are increases to program expenditures; negative numbers are decreases to program spending (cost savings). "Negli" means negligible impact, meaning less than $5,000.								
85	HF 2629	(Metsa)	**Taconite Production Tax rate modifications**						
86			Creates a new 5.5% excise tax on royalty payments, increases taconite production tax rate and modifies taconite production tax distributions						
87			**Individual/Corp Franchise Tax**						
88		REV	Mining Royalty Excise Tax	0	(6,400)	(6,400)	(6,400)	(6,400)	(12,800)
89		Non GF	Mining Royalty Excise Tax Credit*	0	unknown		unknown	unknown	
90		Non GF	Department of Revenue administration	0	343	343	65	65	130
91		Non GF	**Iron Range Resources & Rehabilitation** - Iron Range School Construction/Improvement Trust (net)*	0	Unknown		Unknown	Unknown	
92									
93			**Iron Range Resources & Rehabilitation** - Iron Range School Construction/Improvement Trust (net)						
94			Production Tax Rate Growth Shift	0	(740)	(740)	(2,460)	(3,440)	(5,900)
95			Transfer from Douglas J Johnson Fund	0	(1,250)	(1,250)	(2,500)	(2,500)	(5,000)
96			Expired School Bond Payments (first yr FY 18)	0	0	0	0	0	0
97			Transfer of Net Excise Tax from General Fund*	0	Unknown		Unknown	Unknown	
98			**Taconite Environmental Protection Fund**						
99			Production Tax Rate Growth shift (2/3)	0	490	490	1,640	2,290	3,930
100			Expired School Bond Payments (2/3)	0	0	0	0	0	0
101			**Douglas J Johnson Economic Protection Trust Fund**						
102			Production Tax Rate Growth shift (1/3)	0	250	250	820	1,150	1,970
103			Expired School Bond Payments (1/3)	0	0	0	0	0	0
104			Transfer to School Trust Account	0	1,250	1,250	2,500	2,500	5,000
105									
	* Indicates preliminary estimate								