

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 1740

DATE: April 14, 2004

Version: First engrossment

Authors: Anderson, I. and others

Subject: Payments in lieu of taxes on land utilization project (LUP) lands

Analyst: Deborah A. Dyson
Pat Dalton
Karen Baker

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: www.house.mn/hrd.

Overview

Increases payments in lieu of taxes for land utilization project (LUP) land. Currently, payments for LUP lands are \$0.375/acre, adjusted for inflation; the payment would increase to \$3/acre, adjusted for inflation. The new payment is at the same rate as the payments for acquired natural resources land. The annual payment would increase about \$266,000 (from \$38,000 to \$304,000).

Section

- 1 **Other natural resources land.** Takes LUP land out of the "other natural resources land" category.
- 2 **Land utilization project land.** Establishes "land utilization project land" as a separate category.
- 3 **Types of land; payments.** Adds a separate payment rate of \$3/acre, adjusted for inflation, for LUP lands. Currently, LUP lands are classified as commissioner-administered "other natural resources land" with in lieu payments of \$0.375/acre, adjusted for inflation.
- 4 **Procedure.** Requires the Commissioner of Natural Resources to certify to the Commissioner of Revenue each year the number of acres in each county of LUP land.
- 5 **General distribution.** Treats LUP land like acquired natural resources land in determining distribution of payments by the county to organized townships.