

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 2780

DATE: April 12, 2004

Version: As introduced

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Subject: Property taxes qualifying for homeowner property tax refund include fire and police charges

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Overview

Includes charges for basic police and fire services in the definition of "property taxes payable" used by homeowners in calculating the homeowner property tax refund and special property tax refund ("circuit breaker" and "targeting"). Effective for refunds based on taxes payable in 2005 and following years.

Section

- 1 Property taxes payable.** Provides that the definition of "property taxes payable," for purposes of calculating the homeowner property tax refund ("circuit breaker") and the special property tax refund ("targeting"), includes fees or charges for police and fire services. Specifies that "property taxes payable" does not include charges for capital expenditures related to police and fire services.

Most jurisdictions provide for basic police and fire services through the general property tax levy, while some assess separate charges or fees for basic services. This section would provide for the same treatment of homeowners under the property tax refund program with respect to payments they make for basic police and fire services, regardless of how the jurisdiction collects revenues for those services.

Effective for refunds based on taxes payable in 2005 and following years.