

HF 3073 - General Fund Changes to Payment in Lieu of Taxes (PILT)
March 7, 2022

Proposed changes - Feb 2022 forecast	HF 3073A1 Expenditures - Dollars in Thousands					
	FY 2022	FY 2023	FY 22-23	FY 2024	FY 2025	FY 24-25
PILT Payment Increase						
Per acre incrs, from \$2 to \$3	0	0	0	\$7,700	\$7,740	\$15,440
County land percentage bonus 18cnts/8cnts	0	0	0	1,500	1,480	2,980
Inflation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>580</u>	<u>580</u>
Subtotal - PILT Payment increase	0	0	0	\$9,200	\$9,800	\$19,000
Property Tax Refund interactions	0	0	0	(240)	(260)	(500)
Income Tax interactions	0	0	0	(90)	(100)	(190)
Report on valuation methods	<u>0</u>	<u>0</u>	<u>0</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>
TOTAL General Fund	0	0	0	\$8,870	\$9,440	\$18,310

Payment in Lieu of Taxes (PILT)
Compare History of PILT Payment Rates FYs 2017 and 2022

Land Type	2017 Session SS1 - Ch 1 CY 2018/FY 2019 rates		2022 Session HF 3073A1 CY 2022/FY 2023 rates		FY 2021 Acres	% of Total Acres	HF 3073A1 FY 2022 Estimated Increase Acre*\$1.00
	\$ per acre	3/4 of 1% MV	\$ per acre	3/4 of 1% MV			
Acquired lands	5.133	Yes			1,023,442	11%	
Transportation wetland (DOT-POLK)	5.133	Yes			1,825	0%	
Land Utilization Project (LUP)	5.133	-			86,265	1%	
County administered	2.000	-	3.000	-	3,150,000	34%	\$3,150,000
DNR administered	2.000	-	3.000	-	4,550,000	49%	\$4,550,000
Wildlife management land	NA	Yes			497,254	5%	
Military refuge land	2.567	-			50,626	1%	
Lake Vermillion/Soudan State Park		1.5% appraised value, not to go below 2010 appraised value			<u>4,123</u>	<u>0%</u>	
HF 3073 County Land percentage bonus							\$1,490,000
If PILT land > 25% total PILT, +18 cents/acre							
If PILT land <25% > 10% total PILT, +8 cents/acre							
ESTIMATED TOTAL HF 3073 PILT CHANGES (FY 2023 and beyond)					9,363,535	100%	\$9,190,000

Source: MN Dept of Revenue and HF 3073.