

SENATE
STATE OF MINNESOTA
EIGHTY-NINTH SESSION

S.F. No. 413

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DATE	D-PG	OFFICIAL STATUS
01/29/2015	169	Introduction and first reading Referred to Taxes

1.1 A bill for an act
 1.2 relating to taxation; property; levy limits; clarifying that wind generation and
 1.3 solar production taxes are not subject to levy limits; amending Minnesota
 1.4 Statutes 2014, sections 275.70, subdivision 6; 275.71, subdivision 5.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2014, section 275.70, subdivision 6, is amended to read:

1.7 Subd. 6. **Levy aid base.** "Levy aid base" for a local governmental unit for a levy
 1.8 year means its total levy spread on net tax capacity, minus any amounts that would
 1.9 qualify as a special levy under this section, plus the sum of (1) the total amount of aids
 1.10 and reimbursements that the local governmental unit is certified to receive under sections
 1.11 477A.011 to 477A.014 in the same year, and (2) taconite aids under sections 298.28
 1.12 and 298.282 in the same year, including any aid which was required to be placed in a
 1.13 special fund for expenditure in the next succeeding year, and (3) payments to the local
 1.14 governmental unit under section 272.029 in the same year, adjusted for any error in
 1.15 estimation in the preceding year. Payments of production taxes under sections 272.029
 1.16 and 272.0295 are not included in the levy aid base.

1.17 **EFFECTIVE DATE.** This section is effective for taxes levied in calendar year
 1.18 2016 and thereafter, but only if levy limits under Minnesota Statutes, sections 275.70 to
 1.19 275.74, are in effect for that calendar year.

1.20 Sec. 2. Minnesota Statutes 2014, section 275.71, subdivision 5, is amended to read:

1.21 Subd. 5. **Property tax levy limit.** (a) ~~For taxes levied in 2008 through 2010,~~ The
 1.22 property tax levy limit for a local governmental unit is equal to its adjusted levy limit base
 1.23 determined under subdivision 4 plus any additional levy authorized under section 275.73,

2.1 which is levied against net tax capacity, reduced by the sum of (i) the total amount of aids
2.2 and reimbursements that the local governmental unit is certified to receive under sections
2.3 477A.011 to 477A.014, and (ii) taconite aids under sections 298.28 and 298.282 including
2.4 any aid which was required to be placed in a special fund for expenditure in the next
2.5 succeeding year, ~~(iii) estimated payments to the local governmental unit under section~~
2.6 ~~272.029, adjusted for any error in estimation in the preceding year, and (iv) aids under~~
2.7 ~~section 477A.16.~~ Payments of production taxes under sections 272.029 and 272.0295 are
2.8 not reductions to the property tax levy limit.

2.9 (b) If an aid, payment, or other amount used in paragraph (a) to reduce a local
2.10 government unit's levy limit is reduced by an unallotment under section 16A.152, the
2.11 amount of the aid, payment, or other amount prior to the unallotment is used in the
2.12 computations in paragraph (a). In order for a local government unit to levy outside of its
2.13 limit to offset the reduction in revenues attributable to an unallotment, it must do so under,
2.14 and to the extent authorized by, a special levy authorization.

2.15 **EFFECTIVE DATE.** This section is effective for taxes levied in calendar year
2.16 2016 and thereafter, but only if levy limits under Minnesota Statutes, sections 275.70 to
2.17 275.74, are in effect for that calendar year.