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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE No. **956**

February 15, 2007

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The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to property taxation; eliminating the city of Bloomington's obligation
1.3 to make additional contributions to fiscal disparities pool; amending Minnesota
1.4 Statutes 2006, sections 473F.01, subdivision 2; 473F.08, subdivisions 5, 7a;
1.5 repealing Minnesota Statutes 2006, section 473F.08, subdivision 3a.

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

1.7 Section 1. Minnesota Statutes 2006, section 473F.01, subdivision 2, is amended to read:

1.8 Subd. 2. **Use of proceeds.** ~~Except as provided in section 473F.08, subdivision 3a;~~

1.9 The proceeds from the areawide tax imposed under this chapter must be used by a local
1.10 governmental unit in the same manner and for the same purposes as the proceeds from
1.11 other ad valorem taxes levied by the local governmental unit.

1.12 Sec. 2. Minnesota Statutes 2006, section 473F.08, subdivision 5, is amended to read:

1.13 Subd. 5. **Areawide tax rate.** On or before August 25 of each year, the county auditor
1.14 shall certify to the administrative auditor that portion of the levy of each governmental
1.15 unit determined under subdivisions 3, clause (a), ~~3a~~, and 3b. The administrative auditor
1.16 shall then determine the areawide tax rate sufficient to yield an amount equal to the sum of
1.17 such levies from the areawide net tax capacity. On or before September 1 of each year, the
1.18 administrative auditor shall certify the areawide tax rate to each of the county auditors.

1.19 **EFFECTIVE DATE.** This section is effective for taxes payable in 2008 and
1.20 thereafter.

1.21 Sec. 3. Minnesota Statutes 2006, section 473F.08, subdivision 7a, is amended to read:

2.1 Subd. 7a. **Certification of values; payment.** The administrative auditor shall
2.2 determine for each county the difference between the total levy on distribution value
2.3 pursuant to subdivisions 3, clause (a), ~~3a~~, and 3b, within the county and the total tax on
2.4 contribution value pursuant to subdivision 6, within the county. On or before May 16 of
2.5 each year, the administrative auditor shall certify the differences so determined to each
2.6 county auditor. In addition, the administrative auditor shall certify to those county auditors
2.7 for whose county the total tax on contribution value exceeds the total levy on distribution
2.8 value the settlement the county is to make to the other counties of the excess of the total tax
2.9 on contribution value over the total levy on distribution value in the county. On or before
2.10 June 15 and November 15 of each year, each county treasurer in a county having a total tax
2.11 on contribution value in excess of the total levy on distribution value shall pay one-half of
2.12 the excess to the other counties in accordance with the administrative auditors certification.

2.13 **EFFECTIVE DATE.** This section is effective for taxes payable in 2008 and
2.14 thereafter.

2.15 Sec. 4. **REPEALER.**

2.16 Minnesota Statutes 2006, section 473F.08, subdivision 3a, is repealed.

2.17 **EFFECTIVE DATE.** This section is effective for taxes payable in 2008 and
2.18 thereafter.