State of Minnesota

HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH SESSION

HOUSE FILE NO. 979

February 19, 2009
    Authored by Severson
    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 taxation; property; modifying adjusted levy limit base; amending
1.3   Minnesota Statutes 2008, section 275.71, subdivision 4.

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

1.5   Section 1. Minnesota Statutes 2008, section 275.71, subdivision 4, is amended to read:

1.6   Subd. 4. **Adjusted levy limit base.** For taxes levied in 2008 through 2010, the

1.7   adjusted levy limit base is equal to the levy limit base computed under subdivision 2

1.8   or section 275.72, multiplied by:

1.9   ~~(1) one plus the lesser of 3.9 percent or the percentage growth in the implicit price~~

1.10   ~~deflator;~~

1.11   ~~(2) one plus a percentage equal to 50 percent of the percentage increase in the number~~

1.12   ~~of households, if any, for the most recent 12-month period for which data is available; and~~

1.13   ~~(3) one plus a percentage equal to 50 percent of the percentage increase in the taxable~~

1.14   ~~market value of the jurisdiction due to new construction of class 3 property, as defined in~~

1.15   ~~section 273.13, subdivision 4, except for state-assessed utility and railroad property, for~~

1.16   ~~the most recent year for which data is available.~~ the ratio of the total tax capacity of the

1.17   current taxing year divided by the total taxing capacity of the previous year, plus:

1.18   (1) 100 percent of the difference between the local government aid certified in

1.19   2009 and the actual aid paid; and

1.20   (2) 100 percent of the difference between the market value homestead credits

1.21   certified in 2009 and the actual amount of the market value homestead credits paid.

1.22   **EFFECTIVE DATE.** This section is effective for levies certified in 2009 and

1.23   thereafter, for taxes payable in 2010 and thereafter.