

HF1478 - 0 - "Tax Base Metro Transit Area"

Chief Author: **Pat Garofalo**
 Committee: **Transportation Policy and Finance**
 Date Completed: **03/23/2015**
 Lead Agency: Revenue Dept
 Other Agencies:
 Metropolitan Council

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact	X	

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2015	FY2016	FY2017	FY2018	FY2019
State Total						
Total		-	-	-	-	-
Biennial Total				-		-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2015	FY2016	FY2017	FY2018	FY2019
Total	-	-	-	-	-

Lead Executive Budget Officer's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

EBO Signature: Katharine Barondeau Date: 03/23/2015
 Phone: 651 201-8026 Email: katharine.barondeau@state.mn.us

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2015	FY2016	FY2017	FY2018	FY2019
Total		-	-	-	-	-
Biennial Total				-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total		-	-	-	-	-
Biennial Total				-		-
2 - Revenues, Transfers In*						
Total		-	-	-	-	-
Biennial Total				-		-

HF1478 - 0 - "Tax Base Metro Transit Area"

Chief Author: **Pat Garofalo**
 Committee: **Transportation Policy and Finance**
 Date Completed: **03/23/2015**
 Agency: **Revenue Dept**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact	X	

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2015	FY2016	FY2017	FY2018	FY2019
Total	-	-	-	-	-	-
Biennial Total				-		-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2015	FY2016	FY2017	FY2018	FY2019
Total	-	-	-	-	-

Executive Budget Officer's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

EBO Signature: Katharine Barondeau Date: 3/23/2015 10:32:03 AM
 Phone: 651 201-8026 Email katharine.barondeau@state.mn.us

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2015	FY2016	FY2017	FY2018	FY2019	
Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

This bill exempts electricity and natural gas from the 5-county metropolitan area transit tax, which is currently 0.25%

Assumptions

The Department of Revenue (DOR) assumes this bill will only exempt electricity and natural gas from the 0.25% metropolitan area transit tax, and the state sales and use tax and any other applicable local sales and use taxes would apply.

DOR will update instructional and training materials. This impact will be minimal and DOR does not anticipate incurring administrative costs or savings as a result of this proposal.

Expenditure and/or Revenue Formula

Long-Term Fiscal Considerations

Local Fiscal Impact

The exemption in this bill will reduce revenues for the Counties Transit Improvement Board (CTIB).

References/Sources

Agency Contact: Lisa Knops (651) 556-6754

Agency Fiscal Note Coordinator Signature: Lisa Knops

Date: 3/23/2015 10:30:26 AM

Phone: 651 556-6754

Email: Lisa.Knops@state.mn.us

HF1478 - 0 - "Tax Base Metro Transit Area"

Chief Author: **Pat Garofalo**
 Committee: **Transportation Policy and Finance**
 Date Completed: **03/23/2015**
 Agency: **Metropolitan Council**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2015	FY2016	FY2017	FY2018	FY2019
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2015	FY2016	FY2017	FY2018	FY2019
Total	-	-	-	-	-

Executive Budget Officer's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

EBO Signature: Paul Moore Date: 3/23/2015 10:14:01 AM
 Phone: 651 259-3776 Email paul.b.moore@state.mn.us

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2015	FY2016	FY2017	FY2018	FY2019
Total		-	-	-	-	-
Biennial Total				-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total		-	-	-	-	-
Biennial Total				-		-
2 - Revenues, Transfers In*						
Total		-	-	-	-	-
Biennial Total				-		-

Bill Description

This bill would exempt natural gas and electricity purchases from the metropolitan transit area sales tax.

Assumptions

The metropolitan transit area sales tax revenue is administered by the Counties Transit Improvement Board (CTIB). CTIB's revenue would be affected, but state funds are not impacted by this bill.

While CTIB provides grants to the Metropolitan Council, the Council cannot predict how this bill would impact those grants in the future.

Expenditure and/or Revenue Formula

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

Agency Contact: Amy Vennewitz, 651-602-1058

Agency Fiscal Note Coordinator Signature: Lesley Kandaras

Phone: 651 602-1609

Date: 3/20/2015 9:13:29 AM

Email: lesley.kandaras@metc.state.mn.us