

Subject Fillmore County disparity reduction aid payments

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Summary

H.F. 4777 would pay to Fillmore County the 2024 and 2025 disparity reduction aid payments that were not paid because the aid was not applied to levies and reported by the county in those years. Under the bill, the county would calculate and certify the aid amounts and use the aid to reduce levies for eligible jurisdictions in 2027.

Background: Disparity reduction aid directly reduces the levies of counties, towns, and school districts. It originated as an aid payment to jurisdictions where property tax rates were historically high. Currently, aid amounts are equal to what a jurisdiction received in the previous year, except that the aid cannot reduce the total combined property tax rate below 90 percent for all jurisdictions within an area.