



## League of Minnesota Cities 2021 policy initiatives within the jurisdiction of the House Property Tax Division

### Local Government Aid:

- Support the existing LGA formula but acknowledge the decennial review and update
- Support reinstating the annual inflation adjustment for the appropriation
- Support accelerating the payment structure which are currently paid in July and December
- Oppose appropriation reductions and targeted reductions

### Direct Property Tax Relief (homestead credit refund, renters' refund, targeting):

- Support providing targeted tax relief directly to taxpayers. This position evolved from past actions by the legislature to reducing the reimbursement for credits that were to be paid on behalf of taxpayers to cities and counties.

### Tax Increment Financing:

- Support the tool for uses including redevelopment, economic development, and housing.
- Working on some flexibility changes to assist development authorities with the pandemic economic slowdown and housing needs.

### Local Sales Taxes-General authority

- Support allowing cities to impose a local sales tax for regional capital projects without needing to seek a special law. However, unlike the county transportation sales tax, the League's policy would continue to require voter approval.

### Local Lodging Taxes

- Support legislative clarification that all lodging taxes, whether administered by the state or administered locally, apply to the total charges to the customer, including charges for services provided by accommodation intermediaries.

### Public Safety Protection Districts

- Allow local units of government to work together to establish public safety (fire or police) protection districts. Currently, local units of government need legislative authorization to establish these districts.

### Special Service Districts/Housing improvement districts (MS429A):

- Remove the June 30, 2028 sunsets and include residential properties in special service districts with mixed use development.

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