



estimated tax for taxable year 1997. Payment of the rebate may be offset under the Revenue Recapture Act or for unpaid taxes or other debts owed to the state.

## 2 **Agricultural assistance in 1999.**

### **Subd. 1. (a) Definition.**

(b) "**Commissioner**" means the commissioner of revenue.

(c) "**Farm service agency**" means the United States Farm Service Agency.

(d) "**Farmer**" means a person who produces an agricultural crop or livestock and is certified by the farm service agency (FSA) as bearing a percentage of the risk for production operation.

(e) "**Livestock**" means cattle, hogs, poultry, and sheep.

(f) "**Livestock production facility**" means a facility that has produced at least \$10,000 in sales of livestock or dairy products as reported on schedule F of the farmer's federal income tax return for either 1997 or 1998.

**Subd. 2. Payment to farmers.** Provides that every farmer may apply to the commissioner by April 1, 1999, for a payment equal to \$4 for every acre in Minnesota on which the farmer produced an agricultural crop for crop year 1998 as certified by the FSA by December 31, 1998. The commissioner shall prepare application forms and make them available. The farmer must include with the application, a certification from FSA of the number of acres farmed, including any percentage of risk for particular acres. The commissioner shall make the payment to each eligible farmer by May 1, 1999.

**Subd. 3. Livestock producers.** Provides that only a farmer who operates a livestock production facility on 160 acres or less is eligible for the agricultural property tax refund under subdivisions 4 to 8. This refund is in lieu of the per acre payment under subdivision 2.

**Subd. 4. Refund.** Provides a refund equal to the full amount of the May 15, 1999 property tax payment on agricultural land and buildings, excluding those taxes attributable to the house, garage, and surrounding acre of land, and excluding any portion of the taxes on any agricultural property that was leased for the 1998 production year.

**Subd. 5. Certification.** Requires the commissioner to develop a form for use by the county auditors by February 15, 1999, to ascertain qualification for the refund. The form shall require property owners to certify that the owner (i) operates a livestock production facility on 160 acres or less and (ii) the percentage of the property, if any, that was leased to another party for the 1998 production year. Any person qualifying for the refund shall contact the county auditor in the county where the livestock production facility is located and shall file the form with the county by April 1, 1999.

**Subd. 6. Verification.** Provides that the auditor determines the amount of the refund for all qualifying property in the county. By April 10, 1999, the auditor shall notify all applicants of the amount of the refund.

**Subd. 7. Certification and Payment.** Provides that by April 20, 1999, any person eligible for the refund shall notify the commissioner. The commissioner shall make payment by May 10, 1999.

**Subd. 8. Property tax refund.** Provides that taxpayers benefitting from this refund must deduct the amount of the refund from their net taxes when applying for the state property tax refund.

**Subd. 9. Limit.** Provides that no person may receive a payment under subdivision 2 or subdivisions 4 to 8 that exceeds \$10,000.

## 3 **Appropriation.** (a) Appropriates an amount sufficient to pay the rebate under section 1 to the commissioner of revenue. The first \$200 million of this appropriation is from the tax reform

and reduction account.

(b) Appropriates an amount for the cost of administration under paragraph (a) not to exceed 0.1 percent of the total rebates paid under section 1.

(c) Appropriates the amount necessary to make the payments for the farm assistance under section 2, subdivisions 2 and 7, to the commissioner of revenue.

(d) Appropriates an amount not to exceed one percent of the total amount under section 2, subdivisions 4 to 8 (the property tax refund option), to the commissioner of revenue for distribution to the counties for the cost of administering that refund.

**4** **Effective date.** Provides sections 1 to 3 are effective the day following final enactment.