

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 50 **DATE:** March 8, 1999
Version: First engrossment
Authors: Dempsey and others
Subject: Levy limit adjustment for Goodhue County
Analyst: Pat Dalton, 651-296-7434

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: www.house.mn/hrd.

Overview

Under current law, counties are subject to general levy limits for property taxes payable in 1998 and 1999. A county's levy limit for taxes payable in 1998 was calculated based on its levy plus general purpose aids in 1997. Its payable 1999 levy limit is based on its levy limit plus general purpose aids in 1998.

By law, counties may not "spread" the portion of a taxing jurisdiction's tax levy that exceeds its levy limit authority. This is a change from the levy limit law that was in effect from 1972 to 1993. The earlier law allowed a local government to exceed its levy authority but imposed a penalty on the local government in following years.

- 1 County of Goodhue, levy limits.** Paragraph (a) increases Goodhue County's levy limit base for taxes payable in 1999 by \$422,323. Paragraph (b) allows the county to recertify an increased levy, up to the new levy limit, as long as the new levy does not exceed the levy the county certified for truth in taxation purposes. The county must recertify the Pay 1999 levy by March 31, 1999.
- 2 Effective date.** Effective for taxes payable in 1999. Because tax statements are sent to property tax payers on March 31, the levy must be recertified by that date.