

# HOUSE RESEARCH

## Bill Summary

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**Version:** As introduced

**Authors:** Dempsey and others

**Subject:** Levy limit adjustment for Goodhue County

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### 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 property tax levy that exceeds the levy limit authority for the local government; the certified levy is automatically reduced to the limited amount. This is a change from the levy limit law that was in effect from 1972 through the early 1993. The earlier law allowed a local government to exceed its levy limit authority but imposed a penalty on the local government in following years.

- 1 County of Goodhue, levy limits.** Increases the levy limit base for Goodhue County by \$422,323 for property taxes payable in 1999.
- 2 Effective date.** Effective for taxes payable in 1999. Because of the requirement that counties send out tax statements to property tax payers by March 31, this bill must be enacted by early March or the county's 1999 certified levy will be reduced by this amount.