

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 198

DATE: March 15, 1999

Version: As introduced

Authors: Carruthers and others

Subject: 1997 and 1998 property tax rebate extended to cabins

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Overview

This bill extends the 1997 and 1998 property tax rebates to owners of non-commercial seasonal recreational residential property ("cabins"). The 1998 rebate is allowed only to the extent that the owner's rebate for his or her homestead did not exceed the \$1,500 cap. In addition, the proposed 1998 cabin rebate may not exceed \$500.

1 1997 and 1998 property tax rebates. Extends the 1997 and 1998 property tax rebates to the owners of noncommercial seasonal recreational residential properties. These properties are commonly referred to as "cabins."

1997 Rebate. The 1997 rebate would be calculated as 20 percent of the property tax paid on the cabin property. This was the same formula used to calculate the 1997 rebate for homes and farms.

1998 Rebate. The 1998 rebate would also be 20 percent of the tax on cabin. Like the 1998 rebate for farms and homes, it would also be subject to a cap or dollar limit on the total rebate amount. This cap would be calculated somewhat differently from the cap for homes and farms. (These properties were subject to a \$1,500 limit on the total rebate.) The dollar limit for cabin properties would be the lesser of (1) \$500 for the cabin alone or (2) the amount that the owner's rebate on the farm or home was under the \$1,500 cap. In other words, the cabin owner could only receive the amount that was not used up of the \$1,500 cap on the homestead and, furthermore, could not get more than a \$500 rebate for the cabin property.

The rebate would be administered as a refundable income tax credit allowed in tax year 1999. To claim the rebate, the individual would be required to attach a copy of the property tax statement to their return.