

HOUSE RESEARCH

Bill Summary

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Authors: Blaine and others

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Analyst: Deborah A. Dyson, Karen Baker

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Overview

This bill clarifies towns' levying and spending authority to provide that "total revenue" includes property taxes, revenue from other sources, and amounts carried forward from previous years.

Section

- 1** **Total revenue defined.** Defines "total revenue" for town spending purposes as property taxes payable in that year as well as revenue from other sources and amounts carried forward from previous years. Provides that a town must not spend more than its total revenue without a vote by the electors (current law refers only to property taxes levied).

This bill is in response to a clarification of a town's spending authority by the Minnesota Association of Townships and a letter from the State Auditor endorsing the need for this clarification.

- 2** **Amount voted at meeting is tax limit.** Allows a town to impose a tax as authorized by other laws in addition to those voted on at the annual town meeting (e.g., subordinate service districts, special assessments, etc.).