

HOUSE RESEARCH

Bill Summary

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Overview

Allows Anoka County authorization to impose an additional mortgage registry and deed tax for deposit in an environmental response fund, that is also created in the bill. Ramsey and Hennepin Counties currently impose this additional tax. Provides that Anoka County's authority to impose the tax expires January 1, 2013.

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1 Anoka County deed and mortgage tax.

Subdivision 1. Authority to impose; rate. (a) Grants the governing body of Anoka the authority to impose a mortgage registry and deed tax.

(b) Provides that the mortgage registry tax rate equals .0001 of the principal.

(c) Provides that the deed tax rate equals .0001 of the amount.

Subd. 2. General law provisions apply. Provides that the taxes under this section apply to the same base as the state mortgage registry and deed taxes under chapter 287, except that the rate is the rate specified in subdivision 1, "Anoka County" must be substituted for "the state," and the revenue must be deposited as provided for in subdivision 3.

Subd. 3. Deposit of revenues. Requires all revenue from the tax are to be used by the Anoka County Board of Commissioners and deposited in the county's environmental

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response fund under section 2.

Subd. 4. Expiration. Provides that the authority under this section expires January 1, 2013.

2 **Anoka County Environmental Response Fund.**

Subdivision 1. Creation. Creates an environmental response fund for the purposes specified in this section. Requires the taxes imposed by section 1 to be deposited in this fund and that the Anoka Board of County Commissioners administer the fund as either a county board, a housing and redevelopment authority, or a regional rail authority.

Subd. 2. Uses of fund. Provides that the fund must be used for the following purposes:

- (1) acquiring through purchase or condemnation lands/property polluted or contaminated with hazardous substances;
- (2) paying the costs associated with indemnifying an entity taking title to lands/property from liability arising out of ownership, remediation, or use of the land/property,
- (3) paying the costs of remediating the acquired land/property;
- (4) paying the costs associated with remediating lands/property which are polluted or contaminated with hazardous substances; or
- (5) paying for costs associated with improving the property for economic development, recreation, housing, transportation, or rail traffic.

Subd. 3. Matching funds. Requires the county to seek matching funds from contamination cleanup funds administered by DEED, the Metropolitan Council, the federal government, private sector, and any other source.

Subd. 4. Bonds. Allows the county to pledge the proceeds from the taxes under section 1 to bonds issued under this section and chapters 398A, 462, 469, and 475.

Subd. 5. Land sales. Allows land/property acquired under this section to be resold at fair market value. Requires the proceeds from the sale to be deposited in the environmental response fund.

Subd. 6. DOT assistance. Requires the commissioner of transportation to collaborate with the county and any affected municipality by providing technical assistance and support in cleaning up a contaminated site related to a trunk highway or railroad improvement.

Comparison to the Ramsey and Hennepin County MRT and deed tax laws.

This bill is almost identical to the Ramsey and the Hennepin County provisions in Chapter 383A.80-383A.81 and 383B.80-383B.81, except for the following:

- ▶ The Ramsey County law contains a "priority" for the first use of the environmental response fund revenues (Minn. Stat. § 383A.81, subdivision 5).
- ▶ The Hennepin County law also contains a "priority" for the first use of the revenue; and in addition, it requires the governing body of the city in which

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any site is located, to approve the project before the county is allowed to expend any revenue from the environmental response fund (Minn. Stat. § 383B.80, subdivisions 4 and 6).