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Overview

HF 1268 provides for the abatement of local property taxes and the state general tax for businesses surrounding Lake Mille Lacs in certain municipalities in Aitkin, Crow Wing, and Mille Lacs Counties. To qualify for relief, businesses must document a 5% reduction in gross receipts in any successive two-year period beginning in 2010. Mille Lacs County would administer the program for the three included counties. The payments to Mille Lacs County to make the required abatement payments are funded by a onetime appropriation to the commissioner of revenue.

Section

1 Lake Mille Lacs area property tax abatement.

Subd. 1. Abatements authorized. Authorizes Aitkin, Crow Wing, and Mille Lacs Counties to abate local property taxes for taxes payable in 2017 for certain commercial properties, including resorts, restaurants on a lake, and marinas.

Subd. 2. Appeals. Provides that a county board's abatement decision is not appealable to the tax court.

Subd. 3. Qualification requirements. Requires that, to qualify for an abatement, a taxpayer must be located in certain municipalities surrounding the lake, document a 5% reduction in gross receipts in any successive two-year period since 2010, and be a business in one of the categories of businesses defined by the North American Industry Classification system.

Section

Subd. 4. State general levy in relief area. Requires the three counties in section 1 to refund the state general levy for taxes payable in 2017 for commercial properties in the defined area surrounding the lake.

Subd. 5. Certification and transfer of funds. Requires each county granting state levy refunds and local abatements to certify the amount of the refunds and abatements to Mille Lacs County by February 1, 2018, who must then transfer an equal amount to those counties.

Subd. 6. Commissioner of revenue; appropriation. Appropriates an amount necessary to make the refund and abatement payments to the commissioner of revenue, for Mille Lacs County, to make the required payments to the counties.

Subd. 7. Report to legislature. Requires the commissioner of revenue to provide a report to the chairs and ranking members of the legislative taxes committees stating the amount of aid granted under this section.

Subd. 8. Refund eligibility. Provides that only a taxpayer making all property tax payments for taxes payable in 2017 is eligible for a refund.