

Subject Tax reduction authority to border city enterprise zones

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Overview

H.F. 1104 establishes an annual allocation of \$1,000,000 to the border cities enterprise zone program. There have previously been a number of onetime allocations to this program. This bill would establish annual funding. Participating cities can use the funds to provide tax reductions (property tax credits, debt financing credits on new construction, and sales tax credits on construction equipment and materials) for qualifying businesses under the enterprise zone or development zone program. Participating cities include Breckenridge, Dilworth, East Grand Forks, Moorhead, and Ortonville.

Summary

Section	Description
1	<p>Additional border city allocations.</p> <p>Provides an annual allocation of \$1,000,000 to be allocated on a per capita basis to cities with border city enterprise zones. The funds may be used for tax reductions currently allowed for the border cities enterprise zones.</p> <p>This section is effective July 1, 2020.</p>
2	<p>Restriction.</p> <p>Technical cleanup language that clarifies the types of property that can qualify for border cities enterprise zone tax reductions.</p> <p>This section is effective the day following enactment.</p>