

Subject Production tax distribution

Authors Lislegard and Ecklund

Analyst Jared Swanson

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Overview

Extends by 20 years the ten cents per taxable ton production tax distribution to the Iron Range school consolidation and cooperatively operated school account. Under this bill, the account will receive ten cents per taxable ton through 2043. Beginning in 2044, the distribution to the account would decrease by five cents per taxable ton and the distribution to the taconite environmental fund would increase by five cents per taxable ton.

The bill also authorizes the Ely School District to issue up to \$9,500,000 in bonds for school facilities and buildings. These bonds may be issued without referendum and would be excluded from the calculations of levy and bonding limitations.

Summary

Section	Description
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| 1 | <p>Iron Range school consolidation and cooperatively operated school account.</p> <p>Extends for 20 years the additional five cents per taxable ton from the production tax distribution that is paid to the Iron Range school consolidation and cooperatively operated school account, bringing the total annual distribution to ten cents per taxable ton. This additional distribution is set to expire after 2023. The bill would extend the additional distribution through 2043, after which the distribution to this account will decrease by five cents per taxable ton.</p> |
| 2 | <p>Taconite environmental fund.</p> <p>Distributes an additional five cents per taxable ton from the production tax distribution to the taconite environmental fund, beginning in 2044.</p> |
| 3 | <p>Independent School District No. 696, Ely; bonds.</p> <p>Subd. 1. Authorization. Authorizes Ely School District to issue up to \$9,500,000 in bonds for school facilities and buildings. The bonds may be issued without a referendum.</p> |

Section	Description
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Subd. 2. Levy limitations. Excludes property tax levies for payments of bonds under this section from being included in the calculation of any limit on tax levies under current law.

Subd. 3. Bonding limitations. Excludes the bonds issued under this section from being included on any limitation of indebtedness for the district, and excludes the bonds from being included in computing the indebtedness of the district for any purpose.

Subd. 4. Local approval required. Requires approval by the governing body of the district in order for this section to become effective. A resolution adopted by a majority vote of all members of the governing body is required for approval.



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