

Subject School Operating Referendum; Seasonal Property Replacement Aid

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Overview

Minnesota's school districts may ask the voters to pass an operating referendum to support the school's general fund programming. Once approved, operating referendum revenue is an equalized aid and levy and is calculated and spread on the tax base known as referendum market value.

The referendum market value tax base is the estimated market value for all classes of property in each school district except two classes of property: (1) seasonal recreational property; and (2) agricultural properties (other than the house, garage, and one acre), which are excluded from the referendum market value tax base.

H.F. 4986 does not modify the referendum market value tax base. Seasonal recreational property remains excluded from this tax base and pays no taxes toward an operating referendum. Instead, H.F. 4986 creates an additional referendum aid, added to referendum equalization aid, to lower the referendum levy and reduce the overall operating referendum levy tax rate. The seasonal recreational tax base replacement aid (SRTBRA) is based on the ratio of the seasonal recreational property to the total referendum market value tax base of each school district. The SRTBRA amounts are limited to not more than 50 percent of the district's referendum levy.

Summary

Section	Description
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| 1 | Seasonal tax base replacement aid.
Creates a new tax base replacement aid called the seasonal tax base replacement aid. Sets the aid amount to a proportion of the total taxable property in the district that consists of seasonal recreational property. Reduces the school operating |
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Section	Description
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	referendum levy with the additional state aid from the seasonal tax base replacement aid formula.
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