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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. **2242**

02/25/2014 Authored by Loeffler, Rosenthal and Davnie
The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to taxation; property; exempting the first tier of commercial-industrial
1.3 property value from the state general levy; amending Minnesota Statutes 2012,
1.4 section 275.025, subdivision 2.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2012, section 275.025, subdivision 2, is amended to read:

1.7 Subd. 2. **Commercial-industrial tax capacity.** For the purposes of this section,
1.8 "commercial-industrial tax capacity" means the tax capacity of all taxable property
1.9 classified as class 3 or class 5(1) under section 273.13, ~~except for~~ excluding: (1) the
1.10 first tier of commercial-industrial value as defined under section 273.13, subdivision 24;
1.11 (2) electric generation attached machinery under class 3; and (3) property described in
1.12 section 473.625. County commercial-industrial tax capacity amounts are not adjusted
1.13 for the captured net tax capacity of a tax increment financing district under section
1.14 469.177, subdivision 2, the net tax capacity of transmission lines deducted from a local
1.15 government's total net tax capacity under section 273.425, or fiscal disparities contribution
1.16 and distribution net tax capacities under chapter 276A or 473F.

1.17 **EFFECTIVE DATE.** This section is effective beginning with taxes payable in 2015.