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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 2496

03/02/2023 Authored by Elkins, Sencer-Mura, Nadeau, Hussein, Nelson, M., and others
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 transportation; taxation; allocating motor vehicle lease sales tax revenue
1.3 to Hennepin and Ramsey counties; appropriating money; amending Minnesota
1.4 Statutes 2022, section 297A.815, subdivision 3.

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

1.6 Section 1. Minnesota Statutes 2022, section 297A.815, subdivision 3, is amended to read:

1.7 Subd. 3. Motor vehicle lease sales tax revenue. (a) On or before June 30 of each fiscal
1.8 year, the commissioner of revenue must estimate the revenues, including interest and
1.9 penalties and minus refunds, collected under this section for the current fiscal year.

1.10 (b) By July 15 of the subsequent fiscal year, the commissioner of management and
1.11 budget must transfer the revenues estimated under paragraph (a) from the general fund as
1.12 follows:

- 1.13 (1) 38 percent to the county state-aid highway fund;
1.14 (2) 38 percent to the greater Minnesota transit account;
1.15 (3) 13 percent to the Minnesota state transportation fund; and
1.16 (4) 11 percent to the highway user tax distribution fund.

1.17 (c) Notwithstanding any other law to the contrary, the commissioner of transportation
1.18 must allocate the funds transferred under paragraph (b), clause (1), to the counties in the
1.19 metropolitan area, as defined in section 473.121, subdivision 4, excluding the counties of
1.20 Hennepin and Ramsey, so that each county receives the percentage that its population, as
1.21 defined in section 477A.011, subdivision 3, estimated or established by July 15 of the year
1.22 prior to the current calendar year, bears to the total population of the counties receiving

2.1 funds under this paragraph. If the commissioner determines that any county receiving an
2.2 allocation under this paragraph will receive fewer funds than the county received in the
2.3 previous year, the commissioner must allocate additional funds to that county sufficient to
2.4 offset the loss. An amount sufficient to pay the costs of offsetting county losses is annually
2.5 appropriated from the general fund to the commissioner for this purpose.

2.6 (d) The amount transferred under paragraph (b), clause (3), must be used for the local
2.7 bridge program under section 174.50, subdivisions 6 to 7.

2.8 (e) The revenues under this subdivision do not include the revenues, including interest
2.9 and penalties and minus refunds, generated by the sales tax imposed under section 297A.62,
2.10 subdivision 1a, which must be deposited as provided under the Minnesota Constitution,
2.11 article XI, section 15.