A bill for an act

relating to taxation; providing a state paid property tax credit for property in bovine tuberculosis management zones in certain cases; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 273.

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

Section 1. **[273.113] TAX CREDIT FOR PROPERTY IN BOVINE TUBERCULOSIS MANAGEMENT ZONES.**

Subdivision 1. **Definition.** For the purposes of this section, "bovine tuberculosis management zone" means the area within the ten-mile radius around the five presumptive tuberculosis-positive deer sampled during the fall 2006 hunter-harvested surveillance effort.

Subd. 2. **Eligibility; amount of credit.** Agricultural land classified as class 2a or 2b under section 273.13, subdivision 23, located in a bovine tuberculosis management zone is eligible for a property tax credit if the owner has eradicated a cattle herd that had been kept on that land for at least part of the year in order to prevent the onset or spread of bovine tuberculosis. The credit is equal to the property tax on the parcel where the herd had been located. To begin to qualify for the tax credit, the owner shall file an application with the county by January 2 of the year after the calendar year when the herd was eradicated. The credit must be given for each taxes payable year following the calendar year when the herd was eradicated and must terminate for all taxes payable years beginning after the calendar year when a new herd of cattle was placed on the land. The assessor shall indicate the amount of the property tax reduction on the property tax statement of each taxpayer receiving a credit under this section. The credit paid pursuant to this section shall be deducted from the tax due on the property as provided in section 273.1393.

Subd. 3. **Reimbursement for lost revenue; appropriations.** The county auditor shall certify to the commissioner of revenue, as part of the abstracts of tax lists required to be filed with the commissioner under section 275.29, the amount of tax lost to the county from the property tax credit under subdivision 2. Any prior year adjustments must also be certified in the abstracts of tax lists. The commissioner of revenue shall review the certifications to determine their accuracy. The commissioner may make the changes in the certification that are considered necessary or return a certification to the county auditor for corrections. The commissioner shall reimburse each taxing district for the taxes lost. The payments must be made at the time provided in section 273.1398, subdivision 6, for payment to taxing jurisdictions in the same proportion that the ad valorem tax is distributed. The amount necessary to make the reimbursements under this section is annually appropriated from the general fund to the commissioner of revenue.

Subd. 4. **Termination of credit.** The credit provided under this section ceases to be available beginning with any assessment year following the date when the Board of Animal Health has certified that the state is free of bovine tuberculosis.

EFFECTIVE DATE. This section is effective for taxes payable in 2009 and thereafter.