A bill for an act

relating to taxation; extending the period of job opportunity building zone tax benefits in certain cases; amending Minnesota Statutes 2006, section 469.312, subdivision 5.

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

Section 1. Minnesota Statutes 2006, section 469.312, subdivision 5, is amended to read:

Subd. 5. **Duration limit.** (a) The maximum duration of a zone is 12 years. The applicant may request a shorter duration. The commissioner may specify a shorter duration, regardless of the requested duration.

(b) The duration limit under this subdivision and the duration of the zone for purposes of allowance of tax incentives described in section 469.315 is extended by three calendar years for each parcel of property that meets the following requirements:

(1) the qualified business operates an ethanol plant, as defined in section 41A.09, on the site that includes the parcel; and

(2) the business subsidy agreement was executed after April 30, 2006.

(c)(1) Notwithstanding the 12-year zone limitation, all qualified businesses that sign a business subsidy agreement, as required under sections 469.310, subdivision 11, and 469.313, before December 31, 2015, are entitled to claim the tax benefits for which they qualify under section 469.315 for the year in which the business subsidy agreement is signed and ten additional years.

(2) This paragraph does not apply to:

(i) any acreage designated as a job opportunity building zone for which any person has fully executed a business subsidy agreement before this paragraph became effective; or

(ii) any trade or business that relocates as defined in section 469.310, subdivision 12, and received benefits under section 469.315 prior to the relocation.

EFFECTIVE DATE. This section is effective the day following final enactment.