S.F. No. 2448, as introduced - 87th Legislative Session (2011-2012) [12-5811]

SENATE STATE OF MINNESOTA EIGHTY-SEVENTH LEGISLATURE

S.F. No. 2448

(SENATE AUTHORS: ORTMAN, Hoffman, Chamberlain and Rosen) DATE D-PG OFFICIAL STATUS

DATE 03/14/2012

D-PG OFFICIAL STATUS 4412 Introduction and first reading Referred to Taxes See SF1972, Art. 3, Sec. 10-11

1.1 1.2 1.3	A bill for an act relating to taxation; setting 2013 local government aid payments at an amount equal to 2012 payments; amending Minnesota Statutes 2011 Supplement,
1.4	sections 477A.013, subdivision 9; 477A.03, subdivision 2a.
1.5	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
1.6	Section 1. Minnesota Statutes 2011 Supplement, section 477A.013, subdivision 9,
1.7	is amended to read:
1.8	Subd. 9. City aid distribution. (a) In calendar year 2013 only, each city will receive
1.9	an aid distribution equal to its aid distribution in 2012 under this section. In calendar year
1.10	$2009 \underline{2014}$ and thereafter, each city shall receive an aid distribution equal to the sum of (1)
1.11	the city formula aid under subdivision 8, and (2) its city aid base.
1.12	(b) For aids payable in 2013 only, the total aid in the previous year for any city
1.13	shall mean the amount of aid it was certified to receive for aids payable in 2012 under
1.14	this section. For aids payable in 2014 and thereafter, the total aid in the previous year
1.15	for any city means the amount of aid it was certified to receive under this section in the
1.16	previous payable year.
1.17	(c) For aids payable in $\frac{2010}{2014}$ and thereafter, the total aid for any city shall
1.18	not exceed the sum of (1) ten percent of the city's net levy for the year prior to the aid
1.19	distribution plus (2) its total aid in the previous year. For aids payable in $\frac{2009}{2014}$ and
1.20	thereafter, the total aid for any city with a population of 2,500 or more may not be less
1.21	than its total aid under this section in the previous year minus the lesser of \$10 multiplied
1.22	by its population, or ten percent of its net levy in the year prior to the aid distribution.
1.23	(d) For aids payable in $\frac{2010}{2014}$ and thereafter, the total aid for a city with a
1.24	population less than 2,500 must not be less than the amount it was certified to receive in

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2.1 the previous year minus the lesser of \$10 multiplied by its population, or five percent of its

2.2 2003 certified aid amount. For aids payable in 2009 only, the total aid for a city with a

- 2.3 population less than 2,500 must not be less than what it received under this section in the
- 2.4 previous year unless its total aid in calendar year 2008 was aid under section 477A.011,
- 2.5 subdivision 36, paragraph (s), in which case its minimum aid is zero.
- (e) A city's aid loss under this section may not exceed \$300,000 in any year in
 which the total city aid appropriation under section 477A.03, subdivision 2a, is equal or
 greater than the appropriation under that subdivision in the previous year, unless the
 city has an adjustment in its city net tax capacity under the process described in section
 469.174, subdivision 28.

(f) If a city's net tax capacity used in calculating aid under this section has decreased
in any year by more than 25 percent from its net tax capacity in the previous year due to
property becoming tax-exempt Indian land, the city's maximum allowed aid increase
under paragraph (c) shall be increased by an amount equal to (1) the city's tax rate in the
year of the aid calculation, multiplied by (2) the amount of its net tax capacity decrease
resulting from the property becoming tax exempt.

2.17 EFFECTIVE DATE. This section is effective for aids payable in calendar year 2.18 2013 and thereafter.

2.19 Sec. 2. Minnesota Statutes 2011 Supplement, section 477A.03, subdivision 2a, is 2.20 amended to read:

2.21 Subd. 2a. Cities. For aids payable in 2013 2014 and thereafter, the total aid paid
2.22 under section 477A.013, subdivision 9, is \$426,438,012.

2.23 EFFECTIVE DATE. This section is effective for aids payable in calendar year 2.24 2013 and thereafter.