

2.1 minus the sum of the district's first tier referendum equalization allowance and second tier
2.2 referendum equalization allowance.

2.3 (h) Notwithstanding paragraph (g), the third tier referendum allowance for a district
2.4 qualifying for secondary sparsity revenue under section 126C.10, subdivision 7, or elementary
2.5 sparsity revenue under section 126C.10, subdivision 8, equals the district's referendum
2.6 allowance under subdivision 1 minus the sum of the district's first tier referendum
2.7 equalization allowance and second tier referendum equalization allowance.

2.8 **EFFECTIVE DATE.** This section is effective for taxes payable in 2018 and later.

2.9 Sec. 2. Minnesota Statutes 2016, section 126C.17, subdivision 6, is amended to read:

2.10 Subd. 6. **Referendum equalization levy.** (a) A district's referendum equalization levy
2.11 equals the sum of the first tier referendum equalization levy, the second tier referendum
2.12 equalization levy, and the third tier referendum equalization levy.

2.13 (b) A district's first tier referendum equalization levy equals the district's first tier
2.14 referendum equalization revenue times the lesser of one or the ratio of the district's
2.15 referendum market value per resident pupil unit to \$880,000.

2.16 (c) A district's second tier referendum equalization levy equals the district's second tier
2.17 referendum equalization revenue times the lesser of one or the ratio of the district's
2.18 referendum market value per resident pupil unit to ~~\$510,000~~ \$650,000.

2.19 (d) A district's third tier referendum equalization levy equals the district's third tier
2.20 referendum equalization revenue times the lesser of one or the ratio of the district's
2.21 referendum market value per resident pupil unit to \$290,000.

2.22 **EFFECTIVE DATE.** This section is effective for taxes payable in 2018 and later.