

This Document can be made available in alternative formats upon request

State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 693

02/04/2019 Authored by Layman and Lueck
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 taxation; expanding the area of the Iron Range fiscal disparities program
1.3 and providing authority for a municipality to withdraw from the program; amending
1.4 Minnesota Statutes 2018, section 276A.01, subdivision 2; proposing coding for
1.5 new law in Minnesota Statutes, chapter 276A.

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

1.7 Section 1. Minnesota Statutes 2018, section 276A.01, subdivision 2, is amended to read:

1.8 Subd. 2. Area. "Area" means:

1.9 (1) the territory included within all taconite assistance areas defined in section 273.1341-;
1.10 and

1.11 (2) the remaining portions of any county where at least 35 percent of the county's net
1.12 tax capacity is within the area defined in section 273.1341. The administrative auditor must
1.13 determine qualification under this clause prior to May 1 of each year, based upon data for
1.14 the previous assessment year.

1.15 EFFECTIVE DATE. This section is effective beginning with taxes payable in 2020.

1.16 Sec. 2. [276A.10] WITHDRAWAL OF MUNICIPALITY.

1.17 (a) By resolution of its governing body, a municipality may vote to be excluded from
1.18 the area and withdraw from the program. A municipality that exercises this option must
1.19 first: (1) notify the commissioner of revenue and the administrative auditor of its intent to
1.20 withdraw from the program; and (2) publish notice of its proposal to withdraw from the
1.21 program and the date and time of the hearing at which the proposal shall be discussed in an
1.22 official newspaper designated by the municipality which has general circulation in the area

2.1 affected by the proposal. The official notice must be published in the newspaper at least
2.2 two times during the period between 30 and seven days prior to the hearing.

2.3 (b) A municipality that has voted to withdraw from the program must notify and forward
2.4 a copy of the resolution to the commissioner of revenue and the administrative auditor
2.5 within seven days of the passage of the resolution.

2.6 (c) If passage of the resolution and notice to the commissioner of revenue and the
2.7 administrative auditor is made on or before May 1, withdrawal from the program for the
2.8 municipality shall be effective in the following taxes payable year.

2.9 **EFFECTIVE DATE.** This section is effective beginning with taxes payable in 2020.