

## CHAPTER 275

## TAXES; LEVY, EXTENSION

275.011	Mill rate levy limitations; conversion from mills to dollars.	275.128	Repealed.
275.07	City, town, county, and school district taxes.	275.14	Census.
275.077	Errors by county auditor affecting township levy.	275.28	Tax lists.
275.08	Auditor to fix rate.	275.48	Additional tax levies in certain municipalities.
275.11	Tax levy for general purposes limited.	275.50	Levy limits; definitions.
275.125	Tax levy, school districts.	275.56	Effect upon other levy limits.
		275.57	Repealed.
		275.58	Elections to increase levy.

**275.011 MILL RATE LEVY LIMITATIONS; CONVERSION FROM MILLS TO DOLLARS.**

Subdivision 1. The property tax levied for any purpose under a special law that is not codified in Minnesota Statutes or a city charter provision and that is subject to a mill rate limitation imposed by the special law or city charter provision, excluding levies subject to mill rate limitations that use adjusted assessed values determined by the commissioner of revenue under section 124.2131, must not exceed the following amount for the years specified:

(a) for taxes payable in 1988, the product of the applicable mill rate limitation imposed by special law or city charter provision multiplied by the total assessed valuation of all taxable property subject to the tax as adjusted by the provisions of Minnesota Statutes 1986, sections 272.64; 273.13, subdivision 7a; and 275.49;

(b) for taxes payable in 1989, the product of (1) the property tax levy limitation for the taxes payable year 1988 determined under clause (a) multiplied by (2) an index for market valuation changes equal to the assessment year 1988 total market valuation of all taxable property subject to the tax divided by the assessment year 1987 total market valuation of all taxable property subject to the tax; and

(c) for taxes payable in 1990 and subsequent years, the product of (1) the property tax levy limitation for the previous year determined pursuant to this subdivision multiplied by (2) an index for market valuation changes equal to the total market valuation of all taxable property subject to the tax for the current assessment year divided by the total market valuation of all taxable property subject to the tax for the previous assessment year.

For the purpose of determining the property tax levy limitation for the taxes payable year 1988 and subsequent years under this subdivision, "total market valuation" means the total market valuation of all taxable property subject to the tax without valuation adjustments for fiscal disparities (chapter 473F), tax increment financing (sections 469.174 to 469.179), and high voltage transmission lines (section 273.425).

Subd. 2. A mill rate levy limitation imposed by a special law or city charter provision that is presently in effect, excluding those mill rate levy limitations that use adjusted assessed values determined by the commissioner of revenue under section 124.2131, shall be construed to allow no more and no less property taxes than the amount determined under this section.

*[For text of subd 3, see M.S.1988]*

**History:** 1989 c 277 art 4 s 21,22; 1989 c 329 art 13 s 8

**275.07 CITY, TOWN, COUNTY, AND SCHOOL DISTRICT TAXES.**

*[For text of subs 1 and 2, see M.S.1988]*

Subd. 3. The county auditor shall adjust each local government's levy certified under subdivision 1 by the amount of homestead and agricultural credit aid certified

by section 273.1398, subdivision 2. If a local government's homestead and agricultural credit aid was further allocated between portions of its levy pursuant to section 273.1398, subdivision 2, paragraph (b)(2), the levy or fund to which the homestead and agricultural credit aid was allocated is the levy or fund which must be adjusted.

**History:** 1989 c 277 art 2 s 37

## **275.077 ERRORS BY COUNTY AUDITOR AFFECTING TOWNSHIP LEVY.**

*[For text of subd 1, see M.S.1988]*

Subd. 2. The difference between the correct levy and the erroneous levy shall be added to the township levy for the subsequent levy year; provided that if the amount of the difference exceeds 0.12089 percent of taxable market value, the excess shall be added to the township levy for the second and later subsequent levy years, not to exceed an additional levy of 0.12089 percent of taxable market value in any year, until the full amount of the difference has been levied. The funds collected from the corrected levies shall be used to reimburse the county for the payment required by subdivision 1.

**History:** 1989 c 277 art 4 s 23

## **275.08 AUDITOR TO FIX RATE.**

*[For text of subds 1 to 1c, see M.S.1988]*

Subd. 1d. If, after computing each local government's adjusted tax capacity rate within a unique taxing jurisdiction pursuant to subdivision 1c, the auditor finds that the total adjusted tax capacity rate of all local governments combined is less than 90 percent of gross tax capacity for taxes payable in 1989 and 90 percent of net tax capacity for taxes payable in 1990 and thereafter, the auditor shall increase each local government's adjusted tax capacity rate proportionately so the total adjusted tax capacity rate of all local governments combined equals 90 percent. The total amount of the increase in tax resulting from the increased tax capacity rates must not exceed the amount of disparity aid allocated to the unique taxing district under section 273.1398. The auditor shall certify to the department of revenue the difference between the disparity aid originally allocated under section 273.1398, subdivision 3, and the amount necessary to reduce the total adjusted tax capacity rate of all local governments combined to 90 percent. Each local government's disparity reduction aid payment under section 273.1398, subdivision 6, must be reduced accordingly.

Subd. 2. **Estimates.** If, by December 15 of any year, the county auditor has not received from another county auditor the tax capacity rate or net tax capacity applicable to any taxing district lying in two or more counties, the county auditor who has not received the necessary information may levy taxes for the overlapping district by estimating the tax capacity rate or the net tax capacity.

Subd. 3. **Assistance of county auditor.** A county auditor who has not furnished the tax capacity rate or net tax capacity of property in the county by December 15 shall, on request, furnish the county auditor of a county in the overlapping district an estimate of the tax capacities or the tax capacity rate. The auditor may request the assistance of the county assessor in determining the estimate.

Subd. 4. **Subsequent adjustment.** After the correct tax capacity rate or net tax capacity has been certified, the amount of taxes over or under levied shall be computed and notice sent to each affected taxing district. If the estimated tax levy exceeds the correct tax levy based on actual net tax capacity and tax capacity rate, the county treasurer shall remit any amount of excess collected to the affected taxing district. In the following levy year, the estimating county auditor shall adjust the levy of the affected taxing district to compensate for the amount of variance.

In the event that the estimated tax levy is less than the correct tax levy based on actual net tax capacity and tax capacity rate, the auditor shall adjust the levy of the affected taxing district as provided in section 275.075.

**History:** 1989 c 1 s 2; 1989 c 329 art 13 s 20

**275.11 TAX LEVY FOR GENERAL PURPOSES LIMITED.***[For text of subd 1, see M.S.1988]*

Subd. 2. In any city or statutory city, except those organized according to chapter 8, Laws of 1895, the limitation provided in subdivision 1 shall be adjusted as follows:

If the Revised Consumer Price Index, as published by the United States Department of Labor, Bureau of Labor Statistics, for the city of Minneapolis (or if no such index is published for the city of Minneapolis, for the nearest city to Minneapolis for which such index is published), as of December 15 of any year (or for the date nearest to December 15 if no such index is published as of December 15), shall be above 102 (using the average for the years 1947-1949 as a base), the maximum levy limit shall, subject to the restrictions of this subdivision, be increased by 3-1/3 percent for each of the first 6 points that said index may be increased and by one percent for each additional point increased above 6. A fractional point increase shall be disregarded if less than one-half point and treated as one point if one-half point, or more. In any city where more than 25 percent of the net tax capacity consists of iron ore and in any statutory city, the levy permitted by this paragraph shall be in addition to any statutory or charter limitations. In any other city, the levy authorized by this paragraph shall be made within charter limitations.

*[For text of subds 3 and 4, see M.S.1988]***History:** 1989 c 329 art 13 s 20**275.125 TAX LEVY, SCHOOL DISTRICTS.***[For text of subds 1 to 4a, see M.S.1988]*

Subd. 5. **Basic transportation levy.** Each year, a school district may levy for school transportation services an amount not to exceed the amount raised by the basic transportation tax capacity rate times the adjusted gross tax capacity of the district for the preceding year. The commissioner of revenue shall establish the basic transportation tax capacity rate and certify it to the commissioner of education by September 1 of each year for levies payable in the following year. The basic transportation tax capacity rate shall be a rate, rounded up to the nearest hundredth of a percent, that, when applied to the adjusted gross tax capacity of taxable property for all districts, raises the amount specified in this subdivision. The basic transportation tax capacity rate for transportation shall be the rate that raises \$82,063,200 for fiscal year 1991 and \$86,166,400 for subsequent fiscal years. The basic transportation tax capacity rate certified by the commissioner of revenue must not be changed due to changes or corrections made to a district's adjusted gross tax capacity after the tax capacity rate has been certified.

*[For text of subd 5a, see M.S.1988]*

Subd. 5b. **Transportation levy off-formula adjustment.** (a) In the 1989 and 1990 fiscal years, if the basic transportation levy under subdivision 5 in a district attributable to the fiscal year exceeds the transportation aid computation under section 124.225, subdivisions 8b, 8i, 8j, and 8k, the district's levy limitation shall be adjusted as provided in this subdivision. In the next fiscal year, the district's transportation levy shall be reduced by an amount equal to the difference between (1) the amount of the basic transportation levy under subdivision 5, and (2) the sum of the district's transportation aid computation pursuant to section 124.225, subdivisions 8b, 8i, 8j, and 8k, and the amount of any subtraction made from special state aids pursuant to section 124.2138, subdivision 2, less the amount of any aid reduction due to an insufficient appropriation as provided in section 124.225, subdivision 8a.

(b) For 1991 and later fiscal years, in a district if the basic transportation levy under subdivision 5 attributable to that fiscal year is more than the difference between (1) the district's transportation revenue under section 124.225, subdivision 7c, and (2)

the sum of the district's maximum nonregular levy under subdivision 5c and the district's contracted services aid reduction under section 124.225, subdivision 8k, and the amount of any reduction due to insufficient appropriation under section 124.225, subdivision 8a, the district's transportation levy in the next fiscal year must be reduced by the amount of the excess.

**Subd. 5c. Nonregular transportation levy.** A school district may also make a levy for unreimbursed nonregular transportation costs pursuant to this subdivision. The amount of the levy shall be the result of the following computation:

(a) multiply

(1) the amount of the district's nonregular transportation revenue under section 124.225, subdivision 7c, that is more than the product of \$30 times the district's actual pupil units, by

(2) 60 percent;

(b) subtract the result in clause (a) from the district's total nonregular transportation revenue;

(c) multiply the result in clause (b) by the lesser of one or the ratio of (i) the quotient derived by dividing the adjusted gross tax capacity of the district for the year before the year the levy is certified by the actual pupil units in the district for the school year to which the levy is attributable, to (ii) \$9,722.

**Subd. 5e. Excess transportation levy.** A school district may make a levy for excess transportation costs according to this subdivision. The amount of the levy shall be the result of the following computation:

(a) Multiply the lesser of (1) the regular transportation allowance for the fiscal year to which the levy is attributable, or (2) the base cost for the fiscal year to which the levy is attributable, by the number of weighted FTE pupils transported in the excess category in the district in the current school year.

(b) Add to the result in paragraph (a) the actual cost in the fiscal year to which the levy is attributable of other related services that are necessary because of extraordinary traffic hazards.

*[For text of subs 5f to 6a, see M.S.1988]*

**Subd. 6e. Desegregation levy.** Each year, independent school district No. 625, St. Paul, may levy an amount not to exceed a gross tax capacity rate of .80 percent times the adjusted gross tax capacity of the district for taxes payable in 1990 or a net tax capacity rate of 1.0 percent times the adjusted net tax capacity of the district for taxes payable in 1991 and thereafter. Notwithstanding section 121.904, the entire amount of this levy shall be recognized as revenue for the fiscal year in which the levy is certified. This levy shall not be considered in computing the aid reduction under section 124.155.

**Subd. 6f.** [Repealed, 1989 c 329 art 1 s 18]

**Subd. 6h. Minneapolis health insurance subsidy levy.** Each year special school district No. 1, Minneapolis, may make an additional levy not to exceed the amount raised by a gross tax capacity rate of .08 percent times the adjusted gross tax capacity for taxes payable in 1990 or a net tax capacity rate of .11 percent times the adjusted net tax capacity for taxes payable in 1991 and thereafter of the property in the district for the preceding year. The proceeds may be used only to subsidize health insurance costs for eligible teachers as provided in this section.

"Eligible teacher" means a retired teacher who was a basic member of the Minneapolis teachers retirement fund association, who retired before May 1, 1974, and who is not eligible to receive the hospital insurance benefits of the federal Medicare program of the Social Security Act without payment of a monthly premium. The district shall notify eligible teachers that a subsidy is available. To obtain a subsidy, an eligible teacher must submit to the school district a copy of receipts for health insurance premiums paid. The school district shall disburse the health insurance premium subsidy to each eligible teacher according to a schedule determined by the district, but

at least annually. An eligible teacher may receive a subsidy up to an amount equal to the lesser of 90 percent of the cost of the eligible teacher's health insurance or up to 90 percent of the cost of the number two qualified plan of health coverage for individual policies made available by the Minnesota comprehensive health association under chapter 62E.

If funds remaining from the previous year's health insurance subsidy levy, minus the previous year's required subsidy amount, are sufficient to pay the estimated current year subsidy, the levy must be discontinued until the remaining funds are estimated by the school board to be insufficient to pay the subsidy.

**Subd. 6i. Rule compliance levy.** Each year a district that is required to implement a plan according to the requirements of Minnesota Rules, parts 3535.0200 to 3535.2200, may levy an amount not to exceed a gross tax capacity rate of .80 percent times the adjusted gross tax capacity of the district for taxes payable in 1990 or a net tax capacity rate of 1.0 percent times the adjusted net tax capacity of the district for taxes payable in 1991 and thereafter. Independent school district No. 625, St. Paul, may levy according to this subdivision and subdivision 6e. Notwithstanding section 121.904, the entire amount of this levy shall be recognized as revenue for the fiscal year in which the levy is certified. This levy shall not be considered in computing the aid reduction under section 124.155.

**Subd. 8. [Repealed, 1989 c 329 art 4 s 20]**

**Subd. 8b. Early childhood family education levy.** A district may levy for its early childhood family education program. The amount levied shall not exceed the lesser of:

(a) a gross tax capacity rate of .4 percent times the adjusted gross tax capacity for taxes payable in 1990 or a net tax capacity rate of .49 percent times the adjusted net tax capacity for taxes payable in 1991 and thereafter of the district for the year preceding the year the levy is certified, or

(b) the maximum revenue as defined in section 124.2711, subdivision 1, for the school year for which the levy is attributable.

*[For text of subd 8c, see M.S.1988]*

**Subd. 8d. Program improvement levy.** In the year a district receives a grant under section 129B.11, it must levy the lesser of .5 mills times the adjusted net tax capacity of the district or an amount equal to its share of the grant. If a group of districts receives a grant, the group shall determine the proportionate share of the grant for each district.

**Subd. 8e. Interdistrict cooperation levy.** (a) This subdivision does not apply to special school district No. 1, independent school district No. 11, 625, or 709, or to a district that is a member of intermediate school district No. 287, 916, or 917.

(b) A district may levy each year under this subdivision if it:

(1) is a member of an education district, under sections 122.91 to 122.96, and the education district of which the district is a member does not receive revenue under section 124.2721; or

(2) has a written cooperation agreement with other districts to expand curricular offerings in mathematics in grades 10 to 12, science in grades 10 to 12, foreign languages for two years, computer usage, or other programs recommended by the state board.

(c) The levy must not exceed \$50 times the actual pupil units, the cost of the agreement to expand curricular offerings, or \$50,000, whichever is the smallest.

(d) A district that is a member of a secondary vocational cooperative that levies under section 124.575, may levy the difference between (1) the smallest amount under paragraph (c), and (2) the amount levied under section 124.575.

(e) The proceeds of the levy may be used only to pay for instructional and administrative costs incurred in providing the curricular offerings under this section. A district may not spend more than five percent of the amount of the levy for administration.

**Subd. 9. Levy reductions; taconite.** (1) Reductions in levies pursuant to subdivision 10, and section 273.138, shall be made prior to the reductions in clause (2).

(2) Notwithstanding any other law to the contrary, districts which received payments pursuant to sections 298.018; 298.23 to 298.28, except an amount distributed under section 298.28, subdivision 4, paragraph (c), clause (ii); 298.34 to 298.39; 298.391 to 298.396; 298.405; and any law imposing a tax upon severed mineral values, or recognized revenue pursuant to section 477A.15; shall not include a portion of these aids in their permissible levies pursuant to those sections, but instead shall reduce the permissible levies authorized by this section and chapters 124 and 124A by the greater of the following:

(a) an amount equal to 50 percent of the total dollar amount of the payments received pursuant to those sections or revenue recognized pursuant to section 477A.15 in the previous fiscal year; or

(b) an amount equal to the total dollar amount of the payments received pursuant to those sections or revenue recognized pursuant to section 477A.15 in the previous fiscal year less the product of the same dollar amount of payments or revenue times the ratio of the maximum levy allowed the district under Minnesota Statutes 1986, sections 124A.03, subdivision 2, 124A.06, subdivision 3a, 124A.08, subdivision 3a, 124A.10, subdivision 3a, 124A.12, subdivision 3a, and 124A.14, subdivision 5a, to the total levy allowed the district under this section and Minnesota Statutes 1986, sections 124A.03, 124A.06, subdivision 3a, 124A.08, subdivision 3a, 124A.10, subdivision 3a, 124A.12, subdivision 3a, 124A.14, subdivision 5a, and 124A.20, subdivision 2, for levies certified in 1986.

(3) No reduction pursuant to this subdivision shall reduce the levy made by the district pursuant to section 124A.23, to an amount less than the amount raised by a levy of a gross tax capacity rate of 10.22 percent times the adjusted gross tax capacity for taxes payable in 1990 or a net tax capacity rate of 12.71 percent times the adjusted net tax capacity for taxes payable in 1991 and thereafter of that district for the preceding year as determined by the commissioner. The amount of any increased levy authorized by referendum pursuant to section 124A.03, subdivision 2, shall not be reduced pursuant to this subdivision. The amount of any levy authorized by subdivision 4, to make payments for bonds issued and for interest thereon, shall not be reduced pursuant to this subdivision.

(4) Before computing the reduction pursuant to this subdivision of the capital expenditure facilities levy authorized by section 124.243, the capital expenditure equipment levy authorized by section 124.244, the health and safety levy authorized by section 124.83, and subdivision 12a, and the community education levy authorized by subdivisions 8 and 8b, the commissioner shall ascertain from each affected school district the amount it proposes to levy under each section or subdivision. The reduction shall be computed on the basis of the amount so ascertained.

(5) Notwithstanding any law to the contrary, any amounts received by districts in any fiscal year pursuant to sections 298.018; 298.23 to 298.28; 298.34 to 298.39; 298.391 to 298.396; 298.405; or any law imposing a tax on severed mineral values; and not deducted from general education aid pursuant to section 124A.035, subdivision 5, clause (2), and not applied to reduce levies pursuant to this subdivision shall be paid by the district to the St. Louis county auditor in the following amount by March 15 of each year, the amount required to be subtracted from the previous fiscal year's general education aid pursuant to section 124A.035, subdivision 5, which is in excess of the general education aid earned for that fiscal year. The county auditor shall deposit any amounts received pursuant to this clause in the St. Louis county treasury for purposes of paying the taconite homestead credit as provided in section 273.135.

**Subd. 9a. Statutory operating debt levy.** (1) In each year in which so required by this subdivision, a district shall make an additional levy to eliminate its statutory operating debt, determined as of June 30, 1977, and certified and adjusted by the commissioner. This levy shall not be made in more than 20 successive years and each year before it is made, it must be approved by the commissioner and the approval shall

specify its amount. This levy shall be an amount which is equal to the amount raised by a levy of a gross tax capacity rate of 1.20 percent times the adjusted gross tax capacity of the district for the preceding year for taxes payable in 1990 or a net tax capacity rate of 1.50 percent times the adjusted net tax capacity of the district for the preceding year for taxes payable in 1991 and thereafter; provided that in the last year in which the district is required to make this levy, it shall levy an amount not to exceed the amount raised by a levy of a gross tax capacity rate of 1.20 percent times the adjusted gross tax capacity of the district for the preceding year for taxes payable in 1990 or a net tax capacity rate of 1.50 percent times the adjusted net tax capacity of the district for the preceding year for taxes payable in 1991 and thereafter. When the sum of the cumulative levies made pursuant to this subdivision and transfers made according to section 121.912, subdivision 4, equals an amount equal to the statutory operating debt of the district, the levy shall be discontinued.

(2) The district shall establish a special account in the general fund which shall be designated "appropriated fund balance reserve account for purposes of reducing statutory operating debt" on its books and records. This account shall reflect the levy authorized pursuant to this subdivision. The proceeds of this levy shall be used only for cash flow requirements and shall not be used to supplement district revenues or income for the purposes of increasing the district's expenditures or budgets.

(3) Any district which is required to levy pursuant to this subdivision shall certify the maximum levy allowable under section 124A.23, subdivision 2, in that same year.

(4) Each district shall make permanent fund balance transfers so that the total statutory operating debt of the district is reflected in the general fund as of June 30, 1977.

**Subd. 9b. Operating debt levy.** (1) Each year, a district may make an additional levy to eliminate a deficit in the net unappropriated operating funds of the district, determined as of June 30, 1983, and certified and adjusted by the commissioner. This levy may in each year be an amount not to exceed the amount raised by a levy of a gross tax capacity rate of 1.20 percent times the adjusted gross tax capacity for taxes payable in 1990 or a net tax capacity rate of 1.50 percent times the adjusted net tax capacity for taxes payable in 1991 and thereafter of the district for the preceding year as determined by the commissioner. However, the total amount of this levy for all years it is made shall not exceed the lesser of (a) the amount of the deficit in the net unappropriated operating funds of the district as of June 30, 1983, or (b) the amount of the aid reduction, according to Laws 1981, Third Special Session chapter 2, article 2, section 2, but excluding clauses (l), (m), (n), (o), and (p), and Laws 1982, Third Special Session chapter 1, article 3, section 6, to the district in fiscal year 1983. When the cumulative levies made pursuant to this subdivision equal the total amount permitted by this subdivision, the levy shall be discontinued.

(2) The proceeds of this levy shall be used only for cash flow requirements and shall not be used to supplement district revenues or income for the purposes of increasing the district's expenditures or budgets.

(3) Any district that levies pursuant to this subdivision shall certify the maximum levy allowable under section 124A.23, subdivisions 2 and 2a, in that same year.

**Subd. 9c. 1985 operating debt levy.** (1) Each year, a district may levy to eliminate a deficit in the net unappropriated balance in the general fund of the district, determined as of June 30, 1985, and certified and adjusted by the commissioner. Each year this levy may be an amount not to exceed the amount raised by a levy of a gross tax capacity rate of 1.20 percent times the adjusted gross tax capacity for taxes payable in 1990 or a net tax capacity rate of 1.50 percent times the adjusted net tax capacity for taxes payable in 1991 and thereafter of the district for the preceding year. However, the total amount of this levy for all years it is made shall not exceed the amount of the deficit in the net unappropriated balance in the general fund of the district as of June 30, 1985. When the cumulative levies made pursuant to this subdivision equal the total amount permitted by this subdivision, the levy shall be discontinued.

(2) A district, if eligible, may levy under this subdivision or subdivision 9b but not both.

(3) The proceeds of this levy shall be used only for cash flow requirements and shall not be used to supplement district revenues or income for the purposes of increasing the district's expenditures or budgets.

(4) Any district that levies pursuant to this subdivision shall certify the maximum levy allowable under section 124A.23, subdivision 2, in that same year.

*[For text of subd 10, see M.S.1988]*

Subd. 11c. [Repealed, 1988 c 718 art 8 s 27]

Subd. 11d. **Extra capital expenditure levy for leasing buildings.** When a district finds it economically advantageous to rent or lease a building, or to purchase a building and site under an installment purchase agreement, lease purchase agreement, or any other deferred payment agreement authorized under section 465.71, for any instructional purposes and it determines that the capital expenditure facilities revenues authorized under section 124.243 are insufficient for this purpose, it may apply to the commissioner for permission to make an additional capital expenditure levy for this purpose. An application for permission to levy under this subdivision must contain financial justification for the proposed levy, the terms and conditions of the proposed lease or agreement, and a description of the space to be leased or purchased according to any type of deferred payment agreement, and its proposed use. The criteria for approval of applications to levy under this subdivision must include: the reasonableness of the price, the appropriateness of the space to the proposed activity, the feasibility of transporting pupils to the building, conformity of the lease or agreement to the laws and rules of the state of Minnesota, and the appropriateness of the proposed lease or agreement to the space needs and the financial condition of the district. The commissioner must not authorize a levy under this subdivision in an amount greater than the cost to the district of renting or leasing or purchasing a building for approved purposes. The proceeds of this levy must not be used for custodial or other maintenance services or to purchase a building newly constructed under an installment purchase agreement, lease purchase agreement, or any other deferred payment agreement authorized under section 465.71.

Subd. 11e. **Extra capital expenditure levy for cooperating districts.** A district that has an agreement according to section 122.535 or 122.541 may levy for the repair costs, as approved by the department of education, of a building located in another district that is a party to the agreement.

*[For text of subd 12a, see M.S.1988]*

Subd. 14a. **Levy for local share of technical institute construction.** (a) The definitions in section 136C.02 apply to this subdivision. "Construction" includes acquisition and betterment of land, buildings, and capital improvements for technical institutes.

(b) A district maintaining a technical institute may levy for its share of the cost of construction of technical institute facilities as provided in this subdivision.

(c) The construction must be authorized by a specific legislative act pursuant to section 136C.07, subdivision 5, after January 1, 1980. The act must require the state to pay part of the cost of technical institute construction and the district to pay part of the cost.

(d) The district may levy an amount equal to the local share of the cost of technical institute construction minus the amount of any unreserved net balance in the district's technical institute building construction fund. A district may levy the total amount authorized by this subdivision in one year, or a proportionate amount of the total authorized amount each year for up to three successive years.

(e) By the August 1 before a district certifies the first levy pursuant to this subdivision, at least three weeks published notice of the proposed levy shall be given in the legal newspaper with the largest circulation in the district. The notice shall state the purpose and duration of the proposed levy and the amount of the proposed levy in dollars and in terms of the tax capacity rate. Upon petition within 20 days after the



notice of the greater of (a) 50 voters, or (b) 15 percent of the number of voters who voted in the district at the most recent regular school board election, the board shall call a referendum on the proposed levy. The referendum shall be held on a date set by the school board, but no later than the September 20 before the levy is certified. The question on the ballot shall state the amount of the proposed levy in terms of the tax capacity rate and in dollars in the first year of the proposed levy.

(f) A district may not levy for the cost of a construction project pursuant to this subdivision if it issues any bonds to finance any costs of the project.

*[For text of subs 15 to 21, see M.S.1988]*

**History:** 1989 c 15 s 1; 1989 c 222 s 32-35; 1989 c 293 s 76; 1989 c 329 art 2 s 4-7,9; art 5 s 14; art 6 s 48,49; art 13 s 9-17; art 13 s 20

**NOTE:** Subdivision 11d was also amended by Laws 1989, chapter 222, section 36, to read as follows:

"Subd. 11d. **Extra capital expenditure levy for leasing buildings.** When a district finds it economically advantageous to rent or lease a building for a secondary vocational cooperative program and it determines that the capital expenditure facilities revenues authorized under section 124.243 are insufficient for this purpose, it may apply to the commissioner for permission to make an additional capital expenditure levy for this purpose. An application for permission to levy under this subdivision must contain financial justification for the proposed levy, the terms and conditions of the proposed lease, and a description of the space to be leased and its proposed use. The criteria for approval of applications to levy under this subdivision must include: the reasonableness of the price, the appropriateness of the space to the proposed activity, the feasibility of transporting pupils to the leased building, conformity of the lease to the laws and rules of the state of Minnesota, and the appropriateness of the proposed lease to the space needs and the financial condition of the district. The commissioner must not authorize a levy under this subdivision in an amount greater than the cost to the district of renting or leasing a building for approved purposes. The proceeds of this levy must not be used for leasing or renting a facility owned by the district making the levy or for custodial or other maintenance services."

**275.128** [Repealed, 1989 c 329 art 9 s 34]

## **275.14 CENSUS.**

For the purposes of sections 124.2713 and 275.11 to 275.16, the population of a city shall be that established by the last federal census, by a special census taken by the United States Bureau of the Census, by an estimate made by the metropolitan council, or by the state demographer made according to section 116K.04, subdivision 4, whichever has the latest stated date of count or estimate, before July 2 of the current levy year. The population of a school district must be as certified by the department of education from the most recent federal census.

In any year in which no federal census is taken pursuant to law in any school district affected by sections 275.11 to 275.16 a population estimate may be made and submitted to the state demographer for approval as hereinafter provided. The school board of a school district, in case it desires a population estimate, shall pass a resolution by September 1 containing a current estimate of the population of the school district and shall submit the resolution to the state demographer. The resolution shall describe the criteria on which the estimate is based and shall be in a form and accompanied by the data prescribed by the state demographer. The state demographer shall determine whether or not the criteria and process described in the resolution provide a reasonable basis for the population estimate and shall inform the school district of that determination within 30 days of receipt of the resolution. If the state demographer determines that the criteria and process described in the resolution do not provide a reasonable basis for the population estimate, the resolution shall be of no effect. If the state demographer determines that the criteria and process do provide a reasonable basis for the population estimate, the estimate shall be treated as the population of the school district for the purposes of sections 275.11 to 275.16 until the population of the school district has been established by the next federal census or until a more current population estimate is prepared and approved as provided herein, whichever occurs first. The state demographer shall establish guidelines for acceptable population estimation criteria and processes. The state demographer shall issue advisory opinions upon request in writing to cities or school districts as to proposed criteria and processes prior to their implementation in an estimation. The advisory opinion shall be final and binding upon the demographer unless the demographer can show cause why it should not be final and binding.

In the event that a census tract employed in taking a federal or local census overlaps two or more school districts, the county auditor shall, on the basis of the best information available, allocate the population of said census tract to the school districts involved.

The term "council," as used in sections 275.11 to 275.16, means any board or body, whether composed of one or more branches, authorized to make ordinances for the government of a city within this state.

**History:** 1989 c 329 art 4 s 16

## 275.28 TAX LISTS.

**Subdivision 1. Auditor to make.** The county auditor shall make out the tax lists according to the prescribed form, and to correspond with the assessment districts. The rate percent necessary to raise the required amount of the various taxes shall be calculated on the net tax capacity of property as determined by the state board of equalization, but, in calculating such rates, no rate shall be used resulting in a fraction other than a decimal fraction, or less than a gross tax capacity rate of .01 percent or a net tax capacity rate of .01 percent; and, in extending any tax, whenever it amounts to the fractional part of a cent, it shall be made one cent. The tax lists shall also be made out to correspond with the assessment books in reference to ownership and description of property, with columns for the valuation and for the various items of tax included in the total amount of all taxes set down opposite each description. Opposite each description which has been sold for taxes, and which is subject to redemption, but not redeemed, shall be placed the words "sold for taxes." The amount of all special taxes shall be entered in the proper columns, but the general taxes may be shown by entering the rate percent of each tax at the head of the proper columns, without extending the same, in which case a schedule of the rates percent of such taxes shall be made on the first page of each tax list. If the auditor fails to enter on any such list before its delivery to the treasurer any tax levied, the tax may be subsequently entered. The tax lists shall be deemed completed, and all taxes extended thereon, as of October 16 annually.

*[For text of subds 2 to 4, see M.S.1988]*

**History:** 1989 c 277 art 4 s 24; 1989 c 329 art 13 s 20

## 275.48 ADDITIONAL TAX LEVIES IN CERTAIN MUNICIPALITIES.

When by virtue of chapter 278, sections 270.07, 375.192, or otherwise, the net tax capacity of a city, township or school district for a taxable year is reduced after the taxes for the year have been spread by the county auditor, and when the tax capacity rate determined by the county auditor based on the original net tax capacity is applied on the reduced net tax capacity and does not produce the full amount of taxes actually levied and certified for that taxable year on the original net tax capacity, the city, township or school district may include an additional amount in its tax levy made following final determination and notice of the reduction in net tax capacity. The amount shall equal the difference between the total amount of taxes actually levied and certified for that taxable year upon the original net tax capacity, not exceeding the maximum amount which could be raised on the net tax capacity as reduced, within existing tax capacity rate limitations, if any, and the amount of taxes collected for that taxable year on the reduced net tax capacity. The total tax levy authorized for a school district by this section shall be reduced by the total amount of any abatement adjustments received by the district pursuant to section 124.214, subdivision 2, in the same calendar year in which the levy is certified. As part of the certification required by section 275.125, subdivision 10, the commissioner of education shall certify the amount of the abatement levy limitation adjustment for each school district headquartered in that county.

Except for school districts, the amount of taxes so included shall be levied separately and shall be levied in addition to all limitations imposed by law; and further shall not result in any penalty in the nature of a reduction in state aid of any kind.

**History:** 1989 c 329 art 13 s 20

**275.50 LEVY LIMITS; DEFINITIONS.**

*[For text of subd 1, see M.S.1988]*

Subd. 2. **Governmental subdivision.** (a) "Governmental subdivision" means a county, a home rule charter city, or a statutory city, except a home rule charter or statutory city that has a population of less than 2,500, and a town with a population of over 5,000 according to the most recent federal census.

(b) "Governmental subdivision" also includes any home rule charter or statutory city or town that receives a distribution from the taconite municipal aid account in the levy year.

Subd. 4. "Special assessments" means assessments made against real property for purposes of financing, wholly or in part, only those types of improvements enumerated in sections 429.021, subdivision 1 and 429.101, whether imposed pursuant to such sections or pursuant to home rule charter provisions. General tax levies spread upon real estate not specifically benefited by the improvements, and on the benefited real estate as part of the net tax capacity of the governmental subdivision, are not considered special assessments.

*[For text of subd 5, see M.S.1988]*

**History:** 1989 c 329 art 13 s 20; 1989 c 356 s 43

**275.56 EFFECT UPON OTHER LEVY LIMITS.**

All special and general laws and charter provisions establishing per capita, mill, tax capacity rate, or other general limitations on tax levies of governmental subdivisions are superseded to the extent that they authorize property taxation in excess of the limitations established by sections 275.50 to 275.56, but otherwise such levy limitations and those established for special purposes are in no way affected by sections 275.50 to 275.56.

**History:** 1989 c 277 art 4 s 25

**275.57** [Repealed, 1989 c 277 art 2 s 77]**275.58 ELECTIONS TO INCREASE LEVY.**

Subdivision 1. Notwithstanding the provisions of sections 275.50 to 275.56, but subject to other law or charter provisions establishing per capita, mill, tax capacity rate, or other limitations on the amount of taxes that may be levied, the levy of a governmental subdivision, as defined by section 275.50, subdivision 1, may be increased above the limitation imposed by sections 275.50 to 275.56 in any per capita or dollar amount which is approved by the majority of voters of the governmental subdivision voting on the question at a general or special election. When the governing body of the governmental subdivision resolves to increase the levy of the governmental subdivision pursuant to this section, it shall provide for submission of the proposition of an increase in the levy limit base per capita or the proposition of an additional levy, as the case may be, at a general or special election. Notice of the election shall be given in the manner required by law. If the proposition is for an adjustment to the governmental subdivision's levy limit base per capita, increasing the levy limit base per capita over the per capita amount established pursuant to section 275.51, subdivision 3, the notice shall state the purpose of the per capita adjustment and the per capita amount of the adjustment. If the proposition is for an additional levy, the notice shall state the purpose and maximum yearly amount of the additional levy.

*[For text of subds 2 and 3, see M.S.1988]*

Subd. 4. [Repealed, 1989 c 277 art 2 s 77]

*[For text of subds 5 and 6, see M.S.1988]*

**History:** 1989 c 277 art 4 s 26