

A bill for an act
relating to taxes; authorizing a property tax rebate; appropriating money.
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **2007 PROPERTY TAX REBATE.**

Subdivision 1. **Qualifying properties.** Owners of properties that are located in qualifying taxing jurisdictions are eligible to receive a rebate equal to 15 percent of the full tax amount that would otherwise be due for taxes payable in 2007. In order to receive the rebate, the county and the city or town where the property is located must submit proposed levies for taxes payable in 2008 under Minnesota Statutes 2006, section 275.065, subdivision 1, and section 3, that do not exceed the amount determined under section 2.

Subd. 2. **Supplemental tax statement.** By September 21, 2007, each county treasurer must mail out a supplemental property tax statement for each property that qualifies for a rebate under subdivision 1. The supplemental statement must show the revised second-half payment due on the property, after deducting the rebate determined under subdivision 1 from the normal second-half payment. The amount of the rebate shall be deducted proportionately from the tax amounts otherwise due to each taxing jurisdiction.

Subd. 3. **Report to commissioner of revenue.** Each county auditor shall report the total amount of rebates issued to the commissioner of revenue by October 15, 2007, in a form prescribed by the commissioner.

Subd. 4. **Payments.** The commissioner of revenue must issue reimbursement payments to each county equal to the amount of rebates issued by the county under subdivision 2 by November 15, 2007. The county treasurer shall distribute the

reimbursement payments in the same way that property tax payments are distributed under Minnesota Statutes 2006, sections 276.10 to 276.12.

Subd. 5. **Refunds.** Any property taxes paid, including taxes paid by an escrow agent, that are in excess of the amount due because of the rebate authorized under this section must be refunded by the county to the property owner of record. The refunds must be paid by December 1, 2007, or within 60 days of receipt of the excess payment, whichever is later.

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

Sec. 2. **COMMISSIONER OF REVENUE TO DETERMINE MAXIMUM LEVIES.**

(a) The commissioner of revenue shall determine for each county, city, and town a maximum amount that the taxing authority may levy in 2007, for taxes payable in 2008, in order for properties in that jurisdiction to be eligible for a property tax rebate under section 1. The commissioner shall notify the taxing authority of this amount by August 1, 2007.

(b) For counties and cities, the maximum amount of property taxes allowed in order to qualify for a state rebate under section 1 is equal to the taxing authority's levy in 2006, payable in 2007, multiplied by (1) one plus the percentage increase in the implicit price deflator for state and local government consumption expenditures and gross investment, prepared by the Bureau of Economic Analysis of the United States Department of Commerce for the 12-month period ending March 31 of the previous year; and (2) one plus the percentage increase, if any, in the population growth within that jurisdiction for the most recently available calendar year as of July 1, 2007, as established by a population estimate of the state demographer or the Metropolitan Council.

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

Sec. 3. **CERTIFICATION OF PROPOSED LEVIES.**

Counties, cities, and towns must certify proposed levies for taxes payable in 2008 by September 1, 2007, notwithstanding the deadline specified in Minnesota Statutes 2006, section 275.065, subdivision 1.

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

Sec. 4. **APPROPRIATIONS.**

(a) An amount necessary to fund the rebates authorized under section 1 is appropriated from the general fund to the commissioner of revenue in fiscal year 2008.

3.1 (b) \$..... is appropriated to the commissioner of revenue from the general fund in
3.2 fiscal year 2008 to reimburse counties for all or part of the costs incurred by the counties
3.3 to administer this act.