

## CHAPTER 477A

## LOCAL GOVERNMENT AID

Sec.  
477A.01 Local government aid

Sec.  
477A.02 Reimbursement for tax exempt personal property

**477A.01 LOCAL GOVERNMENT AID.** Subdivision 1. Except in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington, the state shall distribute \$35 for each person residing in the territory comprising each county for the calendar year 1974 and \$36 for the calendar year 1975 to the several taxing authorities, except school districts, with authority to impose taxes on property located in the county's territory.

Subd. 2. The county government shall receive 85 percent of the same percentage of the distributions pursuant to subdivision 1, that it was entitled to receive in 1971 of the total distributions to the several taxing authorities in the county's territory pursuant to Minnesota Statutes 1969, Sections 273.69 and 297A.51 to 297A.60, except that distributions to school districts under those laws shall be disregarded in making the calculation.

Subd. 3. Each taxing authority in each county, other than the county, the school districts and the cities, and towns, shall receive in 1974 and 1975 a distribution equal to the distribution it was entitled to receive in 1971 pursuant to Minnesota Statutes 1969, Section 273.69.

Subd. 4. The balance of the distributions in 1974 pursuant to subdivision 1, shall be divided among the several cities and towns in the county's territory in the proportion that the dollar amount of the levy limitation and special levies of each city and town for taxes payable in 1973 bears to the total dollar amount of the levy limitations and special levies of all the cities and towns for taxes payable in 1973.

The balance of the distribution in 1975 pursuant to subdivision 1, shall be divided among the several cities and towns in the county's territory in the proportion that the dollar amount of the levy limitation and special levies of each city and town for taxes payable in 1974 bears to the total dollar amount of the levy limitations and special levies of all cities and towns for taxes payable in 1974.

For the purposes of this subdivision, the levy limitation of a city or town with statutory city powers for taxes payable in 1973 or 1974 shall be the limitation established for such governmental unit pursuant to sections 275.50 to 275.56, as determined by the department of revenue. For the purposes of this subdivision, the special levies of a city or town with statutory city powers for taxes payable in 1973 or 1974 shall be the amounts of the governmental unit's tax levy payable in 1973 or 1974 which the department of revenue determines to be qualified special levies pursuant to section 275.50, subdivision 5, before the reduction pursuant to Minnesota Statutes 1971, Section 477A.02, Clause (c). Furthermore, cities and towns with statutory city powers under 500 population, according to the latest state or federal census, and towns without statutory city powers, shall receive distributions in 1974 and 1975, pursuant to this subdivision, based on their levies payable in 1973 and 1974, respectively.

Subd. 5. (a) The department of revenue shall calculate the aggregate of the following aids (before adjustments for prior year aid payments) for each city, town, and county government within each county subject to the provisions of subdivision 1 or within the territory specified in subdivision 7:

(1) 1973 local government aids pursuant to Minnesota Statutes 1971, Section 477A.01;

(2) 1973 cigarette tax distribution aids pursuant to Minnesota Statutes 1971, Section 297.13;

(3) 1973 liquor tax distribution aids pursuant to Minnesota Statutes 1971, Section 340.60;

(4) The November 30, 1972 and May 31, 1973 distributions of bank excise tax aids pursuant to Minnesota Statutes 1971, Section 290.361;

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(5) Fifty percent of the 1973 inheritance tax distribution to counties pursuant to Minnesota Statutes 1971, Section 291.33;

(6) Seventy percent of the amount county governments were entitled to receive and 100 percent of the amount city and town governments were entitled to receive in 1973 pursuant to Minnesota Statutes 1971, Section 287.12;

(7) 1973 gross earnings aid to cities, towns and counties pursuant to Minnesota Statutes 1971, Sections 276.15 to 276.18; 368.39 to 368.42; and 373.20 to 373.24.

(b) If the total amount distributed to the several taxing authorities within a county pursuant to subdivision 1 or to the territory specified in subdivision 7 is less than the aggregate of aids to the several taxing authorities within such county or territory, except school districts, as calculated by the department of revenue pursuant to clause (a), the state shall supply and distribute the difference from the general fund which shall be distributed as part of the distribution to the several taxing authorities within the territory specified in subdivision 7.

Subd. 6. (a) The department of revenue shall calculate the aggregate of the following aids (before adjustments for prior year aid payments) or each city, town and county government within each county subject to the provisions of subdivision 1:

(1) 1973 local government aids pursuant to Minnesota Statutes 1971, Section 477A.01;

(2) 1973 cigarette tax distribution aids pursuant to Minnesota Statutes 1971, Section 297.13;

(3) 1973 liquor tax distribution aids pursuant to Minnesota Statutes 1971, Section 340.60;

(4) The November 30, 1972 and May 31, 1973 distribution of bank excise tax aids pursuant to Minnesota Statutes 1971, Section 290.361;

(5) 1973 gross earnings aids to cities, towns and counties pursuant to Minnesota Statutes 1971, Sections 276.15 to 276.18; 368.39 to 368.42; 373.20 to 373.24;

(6) Fifty percent of the 1973 inheritance tax distribution to counties pursuant to Minnesota Statutes 1971, Section 291.33;

(7) Seventy percent of the amount county governments were entitled to receive and 100 percent of the amount city and town governments were entitled to receive in 1973 pursuant to Minnesota Statutes 1971, Section 287.12.

(b) If the amount distributed to a city, town or county government pursuant to subdivision 2 or subdivision 4 is less than the aggregate of aids for such county government, city, or town as calculated by the department of revenue pursuant to clause (a), the amount distributed to it shall be raised to the amount for such county, city, or township as calculated by the department of revenue pursuant to clause (a), and the distributions to each of the other cities and towns and the county government shall be proportionately reduced as necessary to supply the difference.

Subd. 7. In the territory comprising the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington, the state shall distribute \$36 for each person residing in the territory for the calendar year 1974 and \$37 for the calendar year 1975 to the several taxing authorities, except school districts, with authority to impose taxes on property located in the territory.

Subd. 8. The seven county governments shall receive in total, in 1974, 16 percent of \$36 times the population of the seven counties, and, in 1975, 16 percent of \$37 times the population of the seven counties. That distribution in 1974 shall be divided among the seven county governments in the proportion that the levy of each payable in 1973 bears to the total levy of the seven. That distribution in 1975 shall be divided among the seven county governments in the proportion that the levy of each payable in 1974 bears to the total levy of the seven. For the purposes of this subdivision the levy of a county payable in 1973 and 1974 shall exclude that portion of the levy which was subject to the penalty provisions of section 275.51, subdivision 4, as amended, and shall be before the reduction pursuant to Minnesota Statutes 1971, Section 477A.02, Clause (c). If any county government would receive less pursuant to this subdivision than it was entitled to receive in 1971 pursuant to Minnesota Statutes 1969, Sections 273.69 and 297A.51 to 297A.60 it shall receive an amount equal to the amount to which it was entitled in 1971 and the distribution to other counties shall be proportionately reduced.

Subd. 9. Each taxing authority in the counties named in subdivision 7, other than the counties, the school districts and the cities and towns, shall receive in 1974

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and 1975, a distribution equal to the distribution to which it was entitled in 1971 pursuant to Minnesota Statutes 1969, Section 273.69.

Subd. 10. In 1974 \$36 shall be multiplied times the population of the seven counties named in subdivision 7. The distributions pursuant to subdivisions 8 and 9 shall be subtracted from the product of that calculation.

Subd. 11. The balance remaining after the calculation provided by subdivision 10 shall be divided among the cities, and towns in the proportion that the dollar amount of the levy limitation and special levies of each for taxes payable in 1973 bears to the dollar amount of the levy limitations and special levies of all cities and towns in the seven named counties. For the purposes of this subdivision limitation of a city or town with statutory city powers for taxes payable in 1973 shall be the limitation established for such governmental unit pursuant to sections 275.50 to 275.56, as determined by the department of revenue. For the purposes of this subdivision, the special levies of a city or town with statutory city powers for taxes payable in 1973 shall be the amounts of the governmental unit's tax levy payable in 1973 which the department of revenue determines to be qualified special levies pursuant to section 275.50, subdivision 5, before the reduction pursuant to Minnesota Statutes 1971, Section 477A.02, Clause (c). Furthermore, cities and towns with statutory city powers under 500 population, according to the latest state or federal census, and towns without statutory city powers, shall receive distributions in 1974, pursuant to this subdivision, based on their levies payable in 1973.

Subd. 12. [Repealed, 1973 c 650 art 17 s 17]

Subd. 13. In 1975 \$37 shall be multiplied times the population of the seven counties named in subdivision 7. The distributions pursuant to subdivisions 8 and 9 shall be subtracted from the product of that calculation.

Subd. 14. The balance remaining after the calculation provided by subdivision 13 shall be divided among the cities and towns in the proportion that the dollar amount of the levy limitation and special levies of each for taxes payable in 1974 bears to the dollar amount of the levy limitations and special levies of all cities and towns in the seven named counties. For purposes of this subdivision the levy limitation of a city or town with statutory city powers for taxes payable in 1974 shall be the limitation established for such governmental unit pursuant to sections 275.50 to 275.56, as determined by the department of revenue. For the purposes of this subdivision, the special levies of a city or town with statutory city powers for taxes payable in 1974 shall be the amounts of the governmental unit's tax levy payable in 1974 which the department of revenue determines to be qualified special levies pursuant to section 275.50, subdivision 5, before the reduction pursuant to Minnesota Statutes 1971, Section 477A.02, Clause (c). Furthermore, cities and towns with statutory city powers under 500 population, according to the latest state or federal census, and towns without statutory city powers, shall receive distributions in 1975, pursuant to this subdivision, based on their levies payable in 1974.

Subd. 15. [Repealed, 1973 c 650 art 17 s 17]

Subd. 16. (a) The department of revenue shall calculate the aggregate of the following aids (before adjustments for prior year aid payments) for each city, town, and county government within the territory specified in subdivision 7:

(1) 1973 local government aids pursuant to Minnesota Statutes 1971, Section 477A.01;

(2) 1973 cigarette tax distribution aids pursuant to Minnesota Statutes 1971, Section 297.13;

(3) 1973 liquor tax distribution aids pursuant to Minnesota Statutes 1971, Section 340.60;

(4) The November 30, 1972 and May 31, 1973 distribution of bank excise tax aids pursuant to Minnesota Statutes 1971, Section 290.361;

(5) Fifty percent of the 1973 inheritance tax distribution to counties pursuant to Minnesota Statutes 1971, Section 291.33;

(6) Seventy percent of the amount county governments were entitled to receive and 100 percent of the amount city and town governments were entitled to receive in 1973 pursuant to Minnesota Statutes 1971, Section 287.12;

(7) 1973 gross earnings aids to cities, towns and counties pursuant to Minnesota Statutes 1971, Sections 276.15 to 276.18; 368.39 to 368.42; 373.20 to 373.24.

(b) If the amount distributed to a city, town, or county in 1974 or 1975 in the seven named counties pursuant to this section is less than the aggregate of aids for such county, city or town as calculated by the department of revenue pursuant to clause (a), the amount distributed to it shall be raised to the amount for such county, city or town as calculated by the department of revenue pursuant to clause (a), and the distributions to each of the other counties, cities and towns shall be proportionately reduced as necessary to supply the difference.

Subd. 17. The commissioner of revenue shall make all necessary calculations based on the 1970 federal census and make payments directly to the affected taxing authorities in four equal parts on March 15, July 15, September 15, and November 15 in 1974 and 1975.

Subd. 18. No county, city, town or other taxing authority shall increase a present tax or impose a new tax on sales or income.

[*Ex1971 c 31 art 21 s 1; 1973 c 123 art 5 s 7; 1973 c 582 s 3; 1973 c 650 art 17 s 1-15*]

#### 477A.02 REIMBURSEMENT FOR TAX EXEMPT PERSONAL PROPERTY.

(a) Each taxing district imposing a levy for taxes payable in 1972 shall receive a reimbursement in 1973 for personal property exempted from taxation by Extra Session Laws 1971, Chapter 31. Each taxing district's reimbursement shall be equal to the proportion of \$20,000,000 that the taxing district's 1971 levy payable in 1972 imposed on personal property exempted from taxation by Extra Session Laws 1971, Chapter 31 bears to the sum of all taxing districts' 1971 levies payable in 1972 on personal property exempted from taxation by Extra Session Laws 1971, Chapter 31.

(b) Each county auditor shall on or before March 1, 1972, certify to the commissioner of revenue the 1971 levy payable in 1972 imposed by each taxing district on property exempted from taxation by Extra Session Laws 1971, Chapter 31 within his county and any additional information that the commissioner of revenue may deem necessary. The commissioner of revenue shall review these certifications and determine their correctness. He may require recertifications to be made or may adjust certifications in the event the original certification is found to be incorrect.

(c) On or before October 1, 1972, the commissioner of revenue shall notify each county auditor of the amount of reimbursement, determined pursuant to this section, that each taxing district will receive in 1973. The county auditor shall deduct this amount from each taxing district's budget levy in determining the taxing district's 1972 levy payable in 1973 on taxable property. On or before February 14, 1973, the commissioner of revenue shall certify to the commissioner of finance the amount of reimbursement that he has determined to be paid to each taxing district.

(d) The commissioner of finance shall issue his warrant in favor of the treasurer of each taxing district in an amount equal to one half of the amount certified by the commissioner of revenue under the provisions of this section on or before February 28, 1973 and one half on or before July 15, 1973 but not prior to July 1, 1973.

(e) There is hereby appropriated from the general fund an amount sufficient to make the payments required by this section.

[*Ex1971 c 31 art 34 s 1; 1973 c 492 s 14; 1973 c 582 s 3*]