

CHAPTER 477A
LOCAL GOVERNMENT AID

Sec.
477A.01 Local government aid.
477A.02 Reimbursement for tax exempt personal property.

Sec.
477A.03 Appropriation.
477A.04 Assessment dispersion penalty.

477A.01 LOCAL GOVERNMENT AID. Subdivision 1. The state shall distribute \$52 for each person residing in the territory comprising each county for the calendar year 1978 and \$59 for calendar year 1979 to the several taxing authorities, except school districts, with authority to impose taxes on property located in the county's territory. For purposes of this subdivision the number of persons residing in a county shall be the 1970 federal census population. For the purposes of subdivisions 1, 3, 4, 4a and 4b, the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, excluding the city of New Prague, and Washington shall be considered a single county. That portion of the city of New Prague which is in Scott county shall be treated as if it is in LeSueur county.

Subd. 2. Every county government except that of a county containing a city of the first class shall receive a distribution equal to the distribution it was entitled to receive in the preceding year pursuant to Minnesota Statutes 1974, Section 477A.01.

Subd. 3. Each taxing authority in each county, other than the county, the school districts and the cities and towns, shall receive in 1976 and 1977 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 1978 pursuant to subdivision 1, shall be divided among the several cities and towns in the county's territory in the proportion that the product of

the city or town's 1970 federal census population or the average of the city's or town's 1970 federal census population and its current population as determined under the provisions of section 275.53, whichever is greater; times

(a) In the case of a city or town outside the metropolitan area as defined in section 473.121, subdivision 2, or a city other than a city of the first class or town inside the metropolitan area, the sum of its average city or town mill rate for the three immediately preceding years divided by three; or

(b) In the case of a first class city located within the metropolitan area, the sum of (i) 60 percent of the dollar amount of its levy limitation and its special levies plus (ii) 40 percent of the dollar amount of its actual levy, divided by its taxable value adjusted for the contributions and distribution required by chapter 473F, for each of the three immediately preceding years divided by three, times

its city or town 1976 aggregate sales ratio as determined by the commissioner of revenue bears to the sum of the product of that calculation for all cities and towns in the territory.

The balance of the distributions in 1979 pursuant to subdivision 1 shall be divided among the several cities and towns in the county's territory in the proportion that the product of

the city or town's 1970 federal census population or the average of the city's or town's 1970 federal census population and its current population as determined under the provisions of section 275.53, whichever is greater; times

(a) In the case of a city or town outside the metropolitan area as defined in section 473.121, subdivision 2, or a city other than a city of the first class or town inside the metropolitan area, the sum of its average city or town mill rate for the three immediately preceding years divided by three; or

(b) In the case of a first class city located within the metropolitan area, the sum of (i) 60 percent of the dollar amount of its levy limitation and its special levies plus (ii) 40 percent of the dollar amount of its actual levy, divided by its taxable value adjusted for the contributions and distribution required by chapter 473F, for each of the three immediately preceding years divided by three, times

MINNESOTA STATUTES 1978

477A.02 LOCAL GOVERNMENT AID

6138

its city or town 1977 aggregate sales ratio as determined by the commissioner of revenue bears to the sum of the product of that calculation for all cities and towns in the territory.

Subd. 4a. If the amount distributed to a city or town pursuant to subdivision 4 is less than the aids the city or town was entitled to receive in the preceding year, before corrections for prior year aid payments, pursuant to Minnesota Statutes 1974, Section 477A.01, the amount distributed to it shall be raised to the amount the city or town was entitled to receive in the preceding year, before corrections for prior year aid payments, and the distributions to the other cities and towns within the county's territory shall be proportionately reduced as necessary to supply the difference.

Subd. 4b. The commissioner of revenue shall make all necessary calculations and make payments directly to the affected taxing authorities in four installments on March 15, July 15, September 15, and November 15 annually.

Subd. 4c. For the purpose of the distributions based on populations provided in subdivisions 1 and 4, cities and towns having boundary changes resulting from Minnesota municipal board orders shall have their population counts modified to reflect such changes. The modified population counts shall be included in all Minnesota municipal board orders, a copy of which shall be forwarded to the commissioner of revenue.

Subd. 4d. A taxing authority may object to the commissioner of revenue with respect to the amount of the distribution which it has been certified to receive pursuant to subdivision 4b. No objection raised after July 1, 1977 shall be raised later than 60 days after the taxing authority has received notice from the commissioner of the amount which it has been certified to receive.

Subd. 4e. If, due to an error in the factors used to calculate a taxing authority's aid pursuant to subdivision 4, the amount indicated in the certification of the commissioner to the taxing authority for a year is less than the amount to which it is entitled pursuant to this section, the commissioner of revenue shall additionally distribute the amount necessary to make the full correct distribution to the taxing authority. The additional distribution shall be paid from the general fund and shall not diminish the distributions made to other taxing authorities under this section.

Subd. 5. [Repealed, 1975 c 437 art 3 s 8]

Subd. 6. [Repealed, 1975 c 437 art 3 s 8]

Subd. 7. [Repealed, 1975 c 437 art 3 s 8]

Subd. 8. [Repealed, 1975 c 437 art 3 s 8]

Subd. 9. [Repealed, 1975 c 437 art 3 s 8]

Subd. 10. [Repealed, 1975 c 437 art 3 s 8]

Subd. 11. [Repealed, 1975 c 437 art 3 s 8]

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

Subd. 13. [Repealed, 1975 c 437 art 3 s 8]

Subd. 14. [Repealed, 1975 c 437 art 3 s 8]

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

Subd. 16. [Repealed, 1975 c 437 art 3 s 8]

Subd. 17. [Repealed, 1975 c 437 art 3 s 8]

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; 1975 c 437 art 3 s 1-6; 1977 c 423 art 6 s 4-11]

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]

477A.03 APPROPRIATION. A sum sufficient to discharge the duties imposed by section 477A.01, subdivisions 1 and 4e is annually appropriated from the general fund to the commissioner of revenue.

[1975 c 437 art 3 s 7; 1977 c 423 art 6 s 12]

477A.04 ASSESSMENT DISPERSION PENALTY. Subdivision 1. To encourage the proper assessment of property an assessment dispersion penalty shall be imposed on assessment districts as provided in subdivision 2. Each city or town which employs a local assessor, either singly or jointly with other cities or towns, shall be considered an assessment district for purposes of this section. Any two or more cities or towns which enter into an agreement pursuant to section 471.59, for the assessment of property in the contracting units, shall for purposes of this section be a single assessment district. The balance of each county, including any city or town which contracts with the county for assessment of property therein, shall be deemed a single assessment district for purposes of this section.

The coefficient of dispersion shall be determined by the equalization aid review committee of the department of revenue. The coefficient of dispersion shall be determined on the assessor's market value before the limitation provided in section 273.11, subdivision 2. The population shall be the number of persons residing in the assessment district according to the 1970 federal census.

Subd. 2. Beginning in calendar year 1980 and subsequent years, an assessment district shall be penalized according to the following schedule:

(a) \$1 per capita if the coefficient of dispersion in assessments for the preceding year is more than 10 percent but less than 12.5 percent;

(b) \$3 per capita if the coefficient of dispersion in assessments for the preceding year is at least 12.5 percent but no more than 15 percent;

(c) \$5 per capita if the coefficient of dispersion in assessments for the preceding year is greater than 15 percent.

Subd. 3. The amount of penalty resulting from this section shall be deducted from the local government aid payments provided in section 477A.01.

[1977 c 423 art 6 s 13]