

CHAPTER 477A

LOCAL GOVERNMENT AID

477A.011	Definitions.	477A.015	Payment dates.
477A.012	County government distributions.	477A.016	New taxes prohibited.
477A.013	Municipal government distributions.	477A.03	Appropriation.
477A.014	Commissioner's responsibilities.	477A.04	Assessment dispersion penalty.
		477A.13	Time of payment, deductions.

477A.01 Subdivision 1. [Repealed, 1Sp1981 c 1 art 6 s 9]

- Subd. 2. [Repealed, 1Sp1981 c 1 art 6 s 9]
- Subd. 3. [Repealed, 1979 c 303 art 6 s 11; 1Sp1981 c 1 art 6 s 9]
- Subd. 4. [Repealed, 1Sp1981 c 1 art 6 s 9]
- Subd. 4a. [Repealed, 1979 c 303 art 6 s 11; 1Sp1981 c 1 art 6 s 9]
- Subd. 4b. [Repealed, 1Sp1981 c 1 art 6 s 9]
- Subd. 4c. [Repealed, 1Sp1981 c 1 art 6 s 9]
- Subd. 4d. [Repealed, 1Sp1981 c 1 art 6 s 9]
- Subd. 4e. [Repealed, 1Sp1981 c 1 art 6 s 9]
- Subd. 5. [Repealed, 1975 c 437 art 3 s 8; 1Sp1981 c 1 art 6 s 9]
- Subd. 6. [Repealed, 1975 c 437 art 3 s 8; 1Sp1981 c 1 art 6 s 9]
- Subd. 7. [Repealed, 1975 c 437 art 3 s 8; 1Sp1981 c 1 art 6 s 9]
- Subd. 8. [Repealed, 1975 c 437 art 3 s 8; 1Sp1981 c 1 art 6 s 9]
- Subd. 9. [Repealed, 1975 c 437 art 3 s 8; 1Sp1981 c 1 art 6 s 9]
- Subd. 10. [Repealed, 1975 c 437 art 3 s 8; 1Sp1981 c 1 art 6 s 9]
- Subd. 11. [Repealed, 1975 c 437 art 3 s 8; 1Sp1981 c 1 art 6 s 9]
- Subd. 12. [Repealed, 1973 c 650 art 17 s 17; 1Sp 1981 c 1 art 6 s 9]
- Subd. 13. [Repealed, 1975 c 437 art 3 s 8; 1Sp1981 c 1 art 6 s 9]
- Subd. 14. [Repealed, 1975 c 437 art 3 s 8; 1Sp1981 c 1 art 6 s 9]
- Subd. 15. [Repealed, 1973 c 650 art 17 s 17; 1Sp 1981 c 1 art 6 s 9]
- Subd. 16. [Repealed, 1975 c 437 art 3 s 8; 1Sp1981 c 1 art 6 s 9]
- Subd. 17. [Repealed, 1975 c 437 art 3 s 8; 1Sp1981 c 1 art 6 s 9]
- Subd. 18. [Repealed, 1Sp1981 c 1 art 6 s 9]

477A.011 DEFINITIONS.

Subdivision 1. **Application.** For the purposes of sections 477A.011 to 477A.014 the following terms shall have these meanings, unless otherwise provided to the contrary.

Subd. 2. **Municipality.** Municipality means a statutory or home rule charter city or a town.

Subd. 3. **Population.** Population means the population established by the most recent federal census, by a special census conducted under contract with the United States bureau of the census, by a population estimate made by the metropolitan council, or by a population estimate of the state demographer made pursuant to section 4.12, subdivision 7, clause (10), whichever is the most recent as to the stated date of the count or estimate.

MINNESOTA STATUTES 1981 SUPPLEMENT

1521

LOCAL GOVERNMENT AID 477A.011

Subd. 4. **Equalized municipal mill rate.** For any calendar year, a municipality's equalized municipal mill rate means its municipal mill rate for taxes payable in that year multiplied by its aggregate sales ratio for the previous year as prepared by the department of revenue pursuant to section 124.212.

Subd. 5. **Average equalized municipal mill rate.** For any calendar year aid distribution, a municipality's average equalized municipal mill rate means the arithmetic average of its equalized municipal mill rate for the three calendar years previous to the aid distribution year.

Subd. 6. **Consumer price index increase.** For any calendar year aid distribution, the consumer price index increase means the percentage increase in the revised consumer price index for all urban consumers for the Minneapolis - St. Paul metropolitan area prepared by the United States department of labor for the 12 month period ending in June of the previous year.

Subd. 7. **Local revenue base.** For the 1982 aid distribution, a municipality's local revenue base means its local revenue base for the 1981 aid distribution calculated pursuant to Minnesota Statutes 1980, Section 477A.01, less any amount added to the local revenue base for the costs of principal and interest on bonded debt incurred for the purpose of providing capital replacement for streets, curbs, gutters, storm sewers, and bridges, increased in the manner prescribed by clauses (a) and (b). For all subsequent calendar year aid distributions, a municipality's local revenue base means its local revenue base for the previous year aid distribution calculated pursuant to sections 477A.011 to 477A.014 increased by:

- (a) a percentage equal to the consumer price index increase; and
- (b) a percentage equal to the percentage increase in population over that used to compute the previous year aid distribution, if any.

The local revenue base for a statutory or home rule charter city or a town having the powers of a statutory city pursuant to section 368.01 or special law which has a population of 2,500 or more according to the most recent federal census and which does not have a local revenue base for the previous year aid distribution shall be established by adding the prior year's local government aid received pursuant to Minnesota Statutes 1980, Section 477A.01 or sections 477A.011 to 477A.014, and the property tax levy, exclusive of levies for bonded indebtedness, in the preceding year and multiplying that sum by a percentage equal to the consumer price index increase.

Subd. 8. **Previous year aid.** For the 1982 aid distribution, a municipality's previous year aid means its aid amount computed pursuant to Minnesota Statutes 1980, Sections 477A.01 and 477A.03, notwithstanding the amount withheld pursuant to section 16A.15 because funds in the state treasury were insufficient. For 1983 and all subsequent calendar year aid distributions, previous year aid means aid received pursuant to sections 477A.011 to 477A.014 in the previous calendar year.

Subd. 9. **Minimum increase.** For any calendar year aid distribution, a municipality's minimum increase shall mean:

- (a) \$5 per capita if its average equalized municipal mill rate is greater than 20 mills;
- (b) \$3 per capita if its average equalized municipal mill rate is greater than 10 mills but not greater than 20 mills;
- (c) \$1 per capita if its average equalized municipal mill rate is not greater than 10 mills and if it is a statutory or a home rule charter city, or town which falls under the provisions of section 477A.013, subdivision 2.

MINNESOTA STATUTES 1981 SUPPLEMENT

477A.011 LOCAL GOVERNMENT AID

1522

(d) \$0 if its average equalized municipal mill rate is not greater than 10 mills and if it is a town which does not fall under the provisions of section 477A.013, subdivision 2.

Subd. 10. **Maximum increase.** For any calendar year aid distribution, a municipality's maximum increase shall mean the following percentage of its previous year aid:

(a) 12 percent if its previous year aid is greater than \$100 per capita;

(b) 15 percent if its previous year aid is greater than \$75 per capita but not greater than \$100 per capita;

(c) 17 percent if its previous year aid is greater than \$50 per capita but not greater than \$75 per capita;

(d) 20 percent if its previous year aid is not greater than \$50 per capita.

Subd. 11. **Equalized assessed value.** For any calendar year aid distribution, a municipality's equalized assessed value means its previous year taxable valuation, adjusted for the contributions and distributions required by chapter 473F in the case of a city or town located within the metropolitan area and less the captured value in any tax increment district, divided by the municipality's aggregate sales ratio covering the period ending two years prior to the year of aid distribution.

History: *1Sp1981 c 1 art 6 s 1*

477A.012 COUNTY GOVERNMENT DISTRIBUTIONS.

In each calendar year, every county government except that of a county containing a city of the first class shall receive a distribution equal to its previous year aid.

History: *1Sp1981 c 1 art 6 s 2*

477A.013 MUNICIPAL GOVERNMENT DISTRIBUTIONS.

Subdivision 1. **Municipalities under 2,500 population.** In each calendar year, each municipality which is not covered by the provisions of subdivision 2 shall receive a distribution equal to its previous year aid plus its minimum increase.

Subd. 2. **Municipalities over 2,500 population.** In each calendar year, each statutory and home rule charter city, and each town having the powers of a statutory city pursuant to section 368.01 or special law, which has a population of 2,500 or more according to the latest federal census shall receive a distribution equal to the amount obtained by subtracting the product of 10 mills and the municipality's equalized assessed value from the local revenue base. This amount shall then be adjusted, so that it is neither less than the sum of its previous year aid and its minimum increase, nor greater than the sum of its previous year aid and its maximum increase.

History: *1Sp1981 c 1 art 6 s 3*

477A.014 COMMISSIONER'S RESPONSIBILITIES.

Subdivision 1. **Calculations and payments.** The commissioner of revenue shall make all necessary calculations and make payments pursuant to sections 477A.012, 477A.013 and 477A.03 directly to the affected taxing authorities annually.

Subd. 2. **Errors.** A taxing authority may object to the commissioner of revenue with respect to the amount of the distribution it has been certified to receive pursuant to subdivision 1. No objection shall be raised later than 60 days

MINNESOTA STATUTES 1981 SUPPLEMENT

1523

LOCAL GOVERNMENT AID 477A.04

after the taxing authority has received notice from the commissioner of the amount which it has been certified to receive.

Subd. 3. **Aid amount correction.** If, due to an error in the factors used to calculate a taxing authority's aid pursuant to section 477A.012 or 477A.013 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.

History: 1Sp1981 c 1 art 6 s 4

477A.015 PAYMENT DATES.

The commissioner of revenue shall make the payments of local government aid to affected taxing authorities in six installments on July 15, August 15, September 15, October 15, November 15, and December 15 annually.

For calendar year 1981 only, the commissioner shall make the payments in seven installments computed as follows: one-fourth of the calendar year 1981 aids shall be paid on March 15; the remaining amounts shall be divided into six equal payments to be made on July 15, August 15, September 15, October 15, November 15, and December 15.

History: 1Sp1981 c 3 s 11

477A.016 NEW TAXES PROHIBITED.

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

History: 1Sp1981 c 1 art 6 s 5

477A.03 APPROPRIATION.

Subdivision 1. **Annual appropriation.** A sum sufficient to discharge the duties imposed by sections 477A.011 to 477A.014 is annually appropriated from the general fund to the commissioner of revenue.

Subd. 2. **Limitation on appropriation; proportionate reduction.** The amount appropriated under subdivision 1 shall not exceed \$270,725,464 for calendar year 1982 and shall not exceed \$293,561,978 for calendar year 1983. If the limitations contained in this subdivision result in a reduction in the amounts determined pursuant to sections 477A.012 and 477A.013, each governmental unit receiving local government aid shall have its distribution proportionally reduced, but no local government unit shall receive less aid than its previous year aid.

History: 1Sp1981 c 1 art 6 s 6

477A.04 ASSESSMENT DISPERSION PENALTY.

[For text of subd 1, see M.S.1980]

Subd. 2. Beginning in calendar year 1983 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 ten 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;

MINNESOTA STATUTES 1981 SUPPLEMENT

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

[For text of subd 3, see M.S.1980]

History: *1Sp1981 c 1 art 6 s 7*

477A.13 TIME OF PAYMENT, DEDUCTIONS.

Payments to the counties shall be made from the general fund during the month of July of the year next following certification. There shall be deducted from amounts paid any amounts paid to a county or township during the preceding year pursuant to sections 84A.51, 89.036, 97.49, subdivision 3, and 272.68, subdivision 3 with respect to the lands certified pursuant to section 477A.12.

History: *1Sp1981 c 3 s 12*