

CHAPTER 477A

LOCAL GOVERNMENT AID

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- 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 [Repealed, 1Sp1981 c 1 art 6 s 9]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. 1a. **City.** City means a statutory or home rule charter city. City also means a town having a population of 5,000 or more for purposes of the aid payable under section 477A.013, subdivision 3. Towns are not eligible to be treated as cities for purposes of aid payable under section 477A.013, subdivision 5, or the aid adjustment under section 477A.013, subdivision 7.

Subd. 1b. **Town.** "Town" means a township with a population of less than 5,000.

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 coun-

cil, or by a population estimate of the state demographer made pursuant to section 116K.04, subdivision 4, clause (10), whichever is the most recent as to the stated date of the count or estimate for the preceding calendar year. The term "per capita" refers to population as defined by this subdivision.

Subd. 3a. Number of households. Number of households means the number of households established by the most recent federal census, by a special census conducted under contract with the United States bureau of the census, by an estimate made by the metropolitan council, or by an estimate of the state demographer made pursuant to section 116K.04, subdivision 4, whichever is the most recent as to the stated date of the count or estimate for the preceding calendar year.

Subd. 4. [Repealed, 1988 c 719 art 5 s 81]

Subd. 5. [Repealed, 1988 c 719 art 5 s 81]

Subd. 6. [Repealed, 1988 c 719 art 5 s 81]

Subd. 7. [Repealed, 1988 c 719 art 5 s 81]

Subd. 7a. [Repealed, 1988 c 719 art 5 s 81]

Subd. 8. [Repealed, 1983 c 342 art 5 s 16]

Subd. 9. [Repealed, 1983 c 342 art 5 s 16]

Subd. 10. [Repealed, 1988 c 719 art 5 s 81]

Subd. 11. [Repealed, 1988 c 719 art 5 s 81]

Subd. 12. [Repealed, 1988 c 719 art 5 s 81]

Subd. 13. [Repealed, 1988 c 719 art 5 s 81]

Subd. 14. [Repealed, 1988 c 719 art 5 s 81]

Subd. 15. City revenue. "City revenue" equals the sum of (i) the city's aid payable under section 477A.013, except for aid payable under section 477A.013, subdivision 5, in the year prior to that for which aids are being calculated, and (ii) its levy for taxes payable in the year prior to that for which aids are being calculated.

Subd. 16. Base revenue guarantee. "Base revenue guarantee" is the sum of (1) \$160 per household plus (2) \$150 multiplied by each tenfold increase in households, or fraction thereof, above ten rounded to the nearest dollar.

Subd. 17. Revenue guarantee increase. "Revenue guarantee increase" is the sum of: (1) \$190 per household for cities of the first class located in the metropolitan area and \$190 per household for cities located outside the metropolitan area; and

(2) 15 percent of a city's base revenue guarantee for cities in which the population has declined since the estimate for the third year preceding the most recent estimate.

Subd. 18. City revenue guarantee. "City revenue guarantee" is the product of:

(1) the sum of a city's base revenue guarantee and the city's revenue guarantee increase;

(2) the number of households in the city; and

(3) 108 percent for aids payable in 1989 and 104 percent for aids payable in 1990 and subsequent years.

Subd. 19. Metropolitan area. "Metropolitan area" is the metropolitan area as defined in section 473.121, subdivision 2.

Subd. 20. City tax capacity. "City tax capacity" means (1) 23 percent of the net tax capacity computed using the net tax capacity rates listed in Minnesota Statutes 1988, section 273.13, for aids payable in 1990 and the net tax capacity rates listed in Minnesota Statutes 1989 Supplement, section 273.13, for aids payable in 1991 and subsequent years for all taxable property within the city based on the assessment two years prior to that for which aids are being calculated, plus (2) a city's levy on the fiscal disparities distribution under section 473F.08, subdivision 3, paragraph (a), for taxes payable in the year prior to that for which aids are being calculated. The market value utilized in computing net tax capacity shall be reduced by the sum of (1) a city's market value of commercial industrial property as defined in section 473F.02, subdivision 3, multiplied by the ratio determined pursuant to section 473F.08, subdivision 2, paragraph

(a), (2) the market value of the captured value of tax increment financing districts as defined in section 469.177, subdivision 2, and (3) the market value of transmission lines deducted from a city's total net tax capacity under section 273.425. The net tax capacity will be computed using equalized market values.

Subd. 21. **Equalized market values.** Equalized market values are equalized market values as defined in section 273.1398, subdivision 1.

Subd. 22. **City initial aid.** "Initial aid" for a city is its city revenue guarantee minus the city's tax capacity. Initial aid cannot be less than \$0.

Subd. 23. **City expenditure/unlimited aid ratio.** "Expenditure/unlimited aid ratio" for a city is the ratio of its city revenue to its city revenue guarantee.

Subd. 24. [Repealed, 1Sp1989 c 1 art 4 s 15]

Subd. 25. **Net tax capacity.** "Net tax capacity" means for aids payable under section 477A.013, subdivision 5, (1) the net tax capacity of a city computed using the class rates in section 273.13, for taxes payable the year prior to the aid distribution, and based on estimated market values for taxes payable the year prior to the aid distribution, plus (2) a city's fiscal disparities distribution tax capacity under section 473F.08, subdivision 2, paragraph (b), for taxes payable the year prior to the aid distribution. The market value utilized in computing net tax capacity shall be reduced by the sum of (1) a city's market value of commercial industrial property as defined in section 473F.02, subdivision 3, multiplied by the ratio determined pursuant to section 473F.08, subdivision 2, paragraph (a), and (2) the market value of transmission lines deducted from a city's total net tax capacity under section 273.425. The net tax capacity will be computed using equalized market values.

Subd. 26. **Levy.** "Levy" means the levy as defined in section 275.07, subdivision 1, including the fiscal disparities distribution levy.

Subd. 27. **Revenue base.** "Revenue base" means the amount levied for taxes payable in 1990 less the special levies under section 275.50, subdivision 5, clause (u), including the levy on the fiscal disparity distribution under section 473F.08, subdivision 3, paragraph (a), and before reduction for the homestead and agricultural credit aid under section 273.1398, subdivision 2, equalization aid under section 477A.013, subdivision 5, and disparity reduction aid under section 273.1398, subdivision 3; plus the local government aid under sections 477A.011; 477A.012, subdivisions 1 and 3, determined without regard to subdivision 2; and 477A.013, subdivisions 3 and 6; and the estimated taconite aids used to determine levy limits for taxes payable in 1990 under section 275.51, subdivision 3i.

Subd. 28. **Reduction percentage.** "Reduction percentage" is the equal percentage reduction in each county and city revenue base that is necessary to reduce 1990 aid payments by \$28,000,000 under sections 477A.012, subdivision 5, and 477A.013, subdivision 7.

History: 1981 c 356 s 248; 1981 c 358 art 1 s 48; 1Sp1981 c 1 art 6 s 1; 1983 c 289 s 114 subd 2; 1983 c 342 art 5 s 5-9; 1984 c 558 art 4 s 10; 1Sp1985 c 14 art 6 s 1-6; 1Sp1986 c 1 art 6 s 1,2; 1987 c 291 s 240; 1988 c 719 art 5 s 66-75; 1989 c 277 art 2 s 66; 1Sp1989 c 1 art 4 s 3-6; art 9 s 79,80; 1990 c 480 art 7 s 28,29; 1990 c 604 art 4 s 6-9

477A.012 COUNTY GOVERNMENT DISTRIBUTIONS.

Subdivision 1. **Aid amount.** In calendar year 1990, each county government shall receive a distribution equal to the aid amount certified for 1987 pursuant to this subdivision. In calendar year 1991 and subsequent years, each county government shall receive a distribution equal to the aid amount it received in 1990 under this subdivision less the reduction made under subdivision 5.

Subd. 2. **Additional aid for certain counties.** (a) Each county that becomes eligible to negotiate a contract with the office of waste management pursuant to section 115A.191 shall be entitled to receive \$6,000 per month in additional local government aids, for each full calendar month that it is eligible. If the state's liability under this clause

exceeds \$40,000 in any month, the commissioner shall proportionately reduce the entitlements of each eligible county.

(b) Any county government that has executed a contract with the board pursuant to section 115A.191 shall receive an amount as provided under a schedule set forth in the contract not to exceed \$150,000 per year in additional local government aids, for a period of not more than two years following the execution of the contract. The sum of the state's obligations under this clause may not exceed \$600,000 in any fiscal year.

(c) Aid distributions under this subdivision are in addition to any distributions to which a county is entitled pursuant to subdivision 1, and must not be deducted in the computation of levy limits. When an aid payment is made pursuant to section 477A.015, the commissioner shall distribute to each eligible county the full entitlement due under clause (a) for the county's period of eligibility that was not paid in a previous distribution. The commissioner shall distribute the amounts due under clause (b) to each county that has executed a contract in accordance with the terms of the contract. In no case may any additional aid amounts due under this subdivision be paid prior to July 1, 1987.

Subd. 3. Aid offset for court costs. (a) There shall be deducted from the payment to a county under this section an amount representing the cost to the state for assumption of the cost (1) of district court administration and operation of the trial court information system in the county and, (2) in the case of Hennepin and Ramsey counties, of public defense services in juvenile and misdemeanor cases in the county and (3) in the case of a county that is located in the eighth judicial district, of the cost of operation of the trial courts in the county during calendar year 1991 less the amount of any special levy under Laws 1989, chapter 335, article 3, section 54, subdivision 8, as amended by Laws 1990, chapter 604, article 9, section 14. The amount of the deduction shall be computed as provided in this subdivision.

(b) By October 15, 1989, the board of public defense shall determine and certify to the department of revenue the cost of the state-financed public defense services in juvenile and misdemeanor cases for Hennepin and Ramsey counties during the fiscal year beginning the following July 1. By October 15, 1989, the supreme court shall determine and certify to the department of revenue for each county, except counties located in the eighth judicial district, the pro rata estimated share for each county of district court administration and trial court information system costs during the fiscal year beginning on the following July 1.

(c) One-half of the amount computed under paragraph (b) for each county shall be deducted from each payment to the county under section 477A.015 in 1990 and each subsequent year. One-half of the sum of the amounts computed under paragraph (f) shall be deducted from each payment to a county located in the eighth judicial district under section 477A.015 in 1991 only; except that, if the legislature in its 1991 session does not appropriate funds for the operation of the trial courts in the eighth judicial district for the period July 1, 1991, through December 31, 1991, only 25 percent of the sum of the amounts computed under paragraph (f) shall be deducted from each payment to each county in the eighth judicial district.

(d) If the amount computed under paragraph (b) plus, if applicable, the amount deducted under paragraph (e), exceeds the amount payable to a county under subdivision 1, the excess shall be deducted from the aid payable to the county under section 273.1398, subdivision 2.

(e) By July 15, 1990, the board of public defense and the supreme court shall determine and certify to the department of revenue the final actual budgeted amounts for the activities described in paragraph (b). If the amount certified under paragraph (b) is greater than the amount certified under this paragraph, the excess shall be added to the aid payable to the county in 1991 and each subsequent year under this section. If the amount certified under paragraph (b) is less than the amount certified under this paragraph, the difference shall be subtracted from the aid payable to the county in 1991 and each subsequent year under this section.

(f) By August 15, 1990, the supreme court shall determine and certify to the

department of revenue for each county located in the eighth judicial district, the county's pro rata estimated share of the operation of the trial courts in the county for calendar year 1991, less an amount equal to the fees and fines collected by the trial courts in the county during calendar year 1989. By August 15, 1990, the board of public defense shall determine and certify to the department of revenue for each of those counties, the county's pro rata estimated share of the base funding for the cost of court-appointed defense services other than those specified in section 275.51, subdivision 3f, for calendar year 1991.

Subd. 4. Aid offset for 1992 court costs. (a) There shall be deducted from the payment to a county under this section an amount representing the cost to the state for assumption of the cost of court reporters, judicial officers, and district court referees and the expenses of law clerks and court reporters as authorized in sections 484.545, subdivision 3, and 486.05, subdivisions 1 and 1a. The amount of the deduction is computed as provided in this subdivision.

(b) By June 30, 1991, the supreme court shall determine and certify to the department of revenue for each county, except counties located in the eighth judicial district, the pro rata share for each county of court reporter, judicial officer, and district court referee costs and law clerk and court reporter expenses during the calendar year beginning on January 1, 1992.

(c) One-half of the amount computed under paragraph (b) for each county shall be deducted from each aid payment to the county under section 477A.015 in 1992 and each subsequent year.

(d) If the amount computed under paragraph (b) exceeds the amount payable to a county under subdivision 1, the excess shall be deducted from the aid payable to the county under section 273.1398, subdivision 2.

Subd. 5. County aid adjustment. For calendar year 1990, a county's aid amount as calculated under subdivisions 1 and 3 is reduced by an amount equal to the product of its revenue base and the reduction percentage. The amount of aid computed under this subdivision and subdivisions 1 and 3 cannot be less than \$0. If the subtraction amount under this subdivision is greater than the amount of aid calculated for any county under subdivisions 1 and 3, the remaining amount shall be next subtracted from the county's homestead and agricultural credit aid under section 273.1398, subdivision 2, and then, if necessary, from the county's disparity reduction aid under section 273.1398, subdivision 3.

History: *1Sp1981 c 1 art 6 s 2; 1983 c 342 art 5 s 10; 1Sp1985 c 14 art 6 s 7; 1986 c 425 s 42; 1Sp1986 c 1 art 6 s 3; 1987 c 268 art 5 s 10; 1988 c 685 s 35; 1989 c 335 art 1 s 269; 1Sp1989 c 1 art 4 s 7,8; 1990 c 480 art 7 s 30; 1990 c 604 art 4 s 10,11; art 9 s 4*

NOTE: Subdivision 4, as added by Laws 1989, First Special Session chapter 1, article 4, section 8, is effective for local government aid paid in 1992. See Laws 1989, First Special Session chapter 1, article 4, section 16.

477A.013 MUNICIPAL GOVERNMENT DISTRIBUTIONS.

Subdivision 1. Towns. In calendar year 1989, each town that had levied for taxes payable in 1988 at least one mill on the dollar of the assessed value of the town shall receive a distribution equal to 106 percent of the distribution received under Minnesota Statutes 1987 Supplement, section 477A.013, subdivision 1, in 1988. In calendar year 1990, each town that had levied for taxes payable in the prior year a local tax rate of at least .008 shall receive a distribution equal to 106 percent of the amount received in 1989 under this subdivision. In calendar year 1991 and subsequent years, each town that had levied for taxes payable in the prior year a local tax rate of at least .008 shall receive a distribution equal to the amount it received in 1990 under this subdivision less the amount deducted in 1989 under subdivision 6.

Subd. 2. Cities. In calendar year 1988, each city shall receive a local government aid distribution equal to the amount that the city was certified to receive for calendar year 1987 under this subdivision.

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Subd. 3. **City aid distribution.** In 1989, a city whose initial aid is greater than \$0 will receive the following aid increases in addition to an amount equal to the local government aid it received in 1988 under Minnesota Statutes 1987 Supplement, section 477A.013:

- (1) for a city whose expenditure/unlimited aid ratio is at least 1.5, two percent of city revenue;
- (2) for a city whose expenditure/unlimited aid ratio is at least 1.4 but less than 1.5, 2.5 percent of city revenue;
- (3) for a city whose expenditure/unlimited aid ratio is at least 1.3 but less than 1.4, three percent of city revenue;
- (4) for a city whose expenditure/unlimited aid ratio is at least 1.2 but less than 1.3, four percent of city revenue;
- (5) for a city whose expenditure/unlimited aid ratio is at least 1.1 but less than 1.2, five percent of city revenue;
- (6) for a city whose expenditure/unlimited aid ratio is at least 1.05 but less than 1.1, six percent of city revenue;
- (7) for a city whose expenditure/unlimited aid ratio is at least 1.0 but less than 1.05, seven percent of city revenue;
- (8) for a city whose expenditure/unlimited aid ratio is at least .95 but less than 1.0, 7.5 percent of city revenue;
- (9) for a city whose expenditure/unlimited aid ratio is at least .75 but less than .95, 8.5 percent of city revenue; and
- (10) for a city whose expenditure/unlimited aid ratio is less than .75, nine percent of city revenue.

In 1990, a city whose initial aid is greater than \$0 will receive an amount equal to the aid it received under this section in the year prior to that for which aids are being calculated plus an aid increase equal to 50 percent of the rates listed in clauses (1) to (10) multiplied by city revenue.

In 1991 and subsequent years, a city will receive an amount equal to the local government aid it received under this section in the previous year.

A city's aid increase under this subdivision is limited to the lesser of (1) 20 percent of its levy for taxes payable in the year prior to that for which aids are being calculated, or (2) its initial aid amount, or (3) 15 percent of the total local government aid amount received under this section in the previous year, provided that no city will receive an increase that is less than two percent of its 1989 local government aid for aids payable in 1990.

A city whose initial aid is \$0 will receive in 1990 an amount equal to 102 percent of the local government aid it received in 1989 under Minnesota Statutes 1988, section 477A.013. A city whose initial aid is \$0 will receive in 1991 an amount equal to the aid it received in the previous year under this section. For purposes of this subdivision, the term "local government aid" does not include equalization aid amounts under subdivision 5.

Subd. 4. [Repealed, 1Sp1989 c 1 art 4 s 15]

Subd. 5. **Equalization aid.** A city is eligible for equalization aid equal to the aid amount received under this subdivision in 1990 after the adjustments, if any, under subdivisions 6 and 7, plus an equalization aid increase equal to the product of (i) a city's average levy for the three immediately preceding years less the disparity reduction aids allocated to the city pursuant to section 273.1398, subdivision 3, for the year prior to the aid distribution, and less the equalization aid it received under this section in the year prior to that for which the aid is being calculated, (ii) .30, and (iii) one minus the ratio of the net tax capacity per capita to 900. The equalization aid increase under this section is limited to 12 percent of the total aid the city received under this section in the prior year. The aid under this section cannot be less than zero. For the purposes of this subdivision, "levy" includes a city's levy on fiscal disparities distribution under section 473F.08, subdivision 3, paragraph (a).

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If the amount allocated under section 477A.03, subdivision 1, is insufficient to pay the aid amounts calculated under this subdivision, the commissioner of revenue shall first proportionately reduce the equalization aid increase for each city so that the sum of the equalization aid amounts paid under this subdivision equals the amount allocated in section 477A.03, subdivision 1. If the equalization aid increase is reduced to zero and the amount allocated under section 477A.03, subdivision 1, is still insufficient to pay the aid amounts under this subdivision, the remaining amount of equalization aid for each city will be reduced proportionately so that the sum of the aid paid under this subdivision equals the amount allocated in section 477A.03, subdivision 1.

Subd. 6. Aid adjustment. For calendar year 1990, there shall be an amount equal to 3.4 percent of the town's or city's adjusted net tax capacity computed using the net class rates for taxes payable in 1990 and equalized market values as defined in section 273.1398, subtracted from the aid amounts computed under subdivision 1, in the case of towns, and under subdivisions 3 and 5 in the case of cities. For cities, the subtraction will be made first from the aid computed under subdivision 3. If the subtraction amount under this section is greater than the aid amount computed under subdivision 3, the remaining amount will be subtracted from the aid computed under subdivision 5. The resulting amounts shall be the town's local government aid or the city's local government aid and equalization aid for calendar year 1990. The local government aid and equalization aid amount for any city or town cannot be less than zero. If the subtraction amount under this section is greater than the amount for any town or city computed under subdivisions 1, 3, and 5, the remaining amount shall be subtracted from the town's or city's homestead and agricultural credit aid under section 273.1398, subdivision 2.

For purposes of this subdivision, "adjusted net tax capacity" means the city's total net tax capacity using the net class rates for taxes payable in 1990 and equalized market values as defined in section 273.1398, as 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.

An increase in a city's property tax levy for taxes payable in 1990 attributable to the amount deducted from the city's aids under this subdivision is exempt from the city's per capita levy limit under section 275.11, from the city's percentage of market value levy limit under section 412.251 or 426.04, and from any limitation on levies under a city charter.

Subd. 7. 1990 city aid adjustment. For cities only in calendar year 1990, there shall be an amount, equal to the product of a city's revenue base and the reduction percentage, subtracted from the aid amounts computed under subdivisions 3, 5, and 6. The subtraction will be made first from the local government aid computed under subdivisions 3 and 6. If the subtraction amount under this subdivision is greater than the local government aid computed under subdivisions 3 and 6, the remaining amount will be subtracted from the equalization aid computed under subdivisions 5 and 6. The resulting amounts shall be the city's local government aid and equalization aid for calendar year 1990. The local government aid and equalization aid amount for any city cannot be less than zero. If the subtraction amount under this section is greater than the aid amount for any city computed under subdivisions 3, 5, and 6, the remaining amount shall be subtracted next from the city's homestead and agricultural credit aid under section 273.1398, subdivision 2, and then, if necessary, from the city's disparity reduction aid under section 273.1398, subdivision 3.

History: *1Sp1981 c 1 art 6 s 3; 1983 c 342 art 5 s 11; 1984 c 502 art 4 s 3,4; 1Sp1985 c 14 art 6 s 8; 1Sp1986 c 1 art 6 s 4; 1987 c 268 art 5 s 11; 1988 c 719 art 5 s 76-79,84; 1989 c 277 art 2 s 67; 1Sp1989 c 1 art 2 s 11; art 4 s 9-12; 1990 c 480 art 7 s 31; 1990 c 604 art 3 s 43; art 4 s 12-14*

477A.0131 [Repealed, 1Sp1985 c 14 art 6 s 10]

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. In addition, the commissioner shall notify the authorities of their aid amounts, as well as the computational factors used in making the calculations for their authority, and those statewide total figures that are pertinent, before August 15 of the year preceding the aid distribution year, except that for aid payable in 1990 the commissioner of revenue must notify the authorities of their aid amounts as well as the computational factors used in the calculation before October 23, 1989.

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 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.

Subd. 4. The commissioner of state planning shall annually bill the commissioner of revenue for one-half of the costs incurred by the state planning agency in the preparation of materials required by section 116K.04, subdivision 4, clause (10). The commissioner of revenue shall deduct these amounts from the next payments to be made to appropriate local units of government. Amounts deducted must be credited to the general fund.

History: 1Sp1981 c 1 art 6 s 4; 1983 c 342 art 5 s 13; 1Sp1985 c 13 s 359; 1987 c 186 s 15; 1Sp1989 c 1 art 4 s 13

477A.015 PAYMENT DATES.

The commissioner of revenue shall make the payments of local government aid to affected taxing authorities in two installments on July 20 and December 15 annually.

The commissioner may pay all or part of the payment due on December 15 at any time after August 15 upon the request of a city that requests such payment as being necessary for meeting its cash flow needs.

History: 1Sp1981 c 3 s 11; 1Sp1986 c 1 art 6 s 5; 1988 c 719 art 6 s 18

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.017 UNIFORM FINANCIAL ACCOUNTING AND REPORTING SYSTEM.

Subdivision 1. **Purpose.** Sections 477A.011 to 477A.03 are designed to provide property tax relief to local units of government. In order for the legislature to determine the amounts of relief necessary each year, the legislature must have uniform and current financial information from the governmental units which receive aid distributions. This section is intended to provide that information.

Subd. 2. **State auditor's duties.** The state auditor shall prescribe uniform financial accounting and reporting standards in conformity with national standards to be applicable to cities of more than 2,500 population and uniform reporting standards to be applicable to cities of less than 2,500 population.

Subd. 3. **Conformity.** Other law to the contrary notwithstanding, in order to receive distributions under sections 477A.011 to 477A.03, counties and cities must conform to the standards set in subdivision 2 in making all financial reports required to be made to the state auditor after June 30, 1984.

History: 1983 c 342 art 5 s 14

477A.018 [Repealed, 1989 c 277 art 1 s 35]

NOTE: See section 469.190

477A.019 [Repealed, 1989 c 277 art 1 s 35]

NOTE: See section 469.190

477A.02 MS 1978 [Expired]

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. For aids payable in 1991 and thereafter, the total amount of equalization aid paid under section 477A.013, subdivision 5, is limited to \$19,485,684.

Subd. 2. [Repealed, 1984 c 502 art 4 s 8]

History: 1975 c 437 art 3 s 7; 1977 c 423 art 6 s 12; 1979 c 303 art 6 s 4; 1Sp1981 c 1 art 6 s 6; 3Sp1981 c 2 art 4 s 12; 1983 c 342 art 5 s 15; 1990 c 604 art 4 s 15

477A.04 [Repealed, 1985 c 300 s 30]

477A.11 NATURAL RESOURCES LANDS, PAYMENTS IN LIEU; DEFINITIONS.

Subdivision 1. For the purpose of Laws 1979, Chapter 303, Article 8, Sections 1 to 5, the terms defined in this section have the meanings given them.

Subd. 2. "Commissioner" means the commissioner of natural resources.

Subd. 3. "Acquired natural resources land" means any land presently administered by the commissioner in which the state acquired by purchase, condemnation, or gift, a fee title interest in lands which were previously privately owned.

Subd. 4. "Other natural resources land" means:

(1) any other land presently owned in fee title by the state and administered by the commissioner, or any tax-forfeited land, other than platted lots within a city, which is owned by the state and administered by the commissioner or by the county in which it is located; and

(2) land leased by the state from the United States of America through the United States Secretary of Agriculture pursuant to Title III of the Bankhead Jones Farm Tenant Act, which land is commonly referred to as land utilization project land that is administered by the commissioner.

History: 1979 c 303 art 8 s 1; 1990 c 604 art 4 s 16

477A.12 ANNUAL APPROPRIATIONS; LANDS ELIGIBLE; CERTIFICATION OF ACREAGE.

There is annually appropriated to the commissioner of natural resources from the general fund for payment to counties within the state an amount equal to \$3 multiplied by the number of acres of acquired natural resources land, 75 cents multiplied by the number of acres of county-administered other natural resources land, and 37.5 cents multiplied by the number of acres of commissioner-administered other natural resources land located in each county as of July 1 of each year. Lands for which payments in lieu are made pursuant to section 97A.061, subdivision 3, and Laws 1973, chapter 567, shall not be eligible for payments under this section. Each county auditor shall certify to the department of natural resources during July of each year the number

of acres of county-administered other natural resources land within the county. The department of natural resources may, in addition to the certification of acreage, require descriptive lists of land so certified. The commissioner of natural resources shall determine and certify the number of acres of acquired natural resources land and commissioner-administered natural resources land within each county.

History: 1979 c 303 art 8 s 2; 1986 c 386 art 4 s 29; 1986 c 444

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 89.036, 97A.061, subdivisions 1 and 2, and 272.68, subdivision 3, with respect to the lands certified pursuant to section 477A.12.

History: 1979 c 303 art 8 s 3; 1Sp1981 c 3 s 12; 1984 c 502 art 3 s 26; 1986 c 386 art 4 s 30; 1990 c 604 art 4 s 17

477A.14 USE OF FUNDS.

Forty percent of the total payment to the county shall be deposited in the county general revenue fund to be used to provide property tax levy reduction. The remainder shall be distributed by the county in the following priority:

(a) 37.5 cents for each acre of county-administered other natural resources land shall be deposited in a resource development fund to be created within the county treasury for use in resource development, forest management, game and fish habitat improvement, and recreational development and maintenance of county-administered other natural resources land. Any county receiving less than \$5,000 annually for the resource development fund may elect to deposit that amount in the county general revenue fund;

(b) From the funds remaining, each organized township shall receive 30 cents per acre of acquired natural resources land and 7.5 cents per acre of other natural resources land located within its boundaries. Payments for natural resources lands not located in an organized township shall be deposited in the county general revenue fund. Payments to counties and townships pursuant to this paragraph shall be used to provide property tax levy reduction. Provided that, if the total payment to the county pursuant to section 477A.12 is not sufficient to fully fund the distribution provided for in this clause, the amount available shall be distributed to each township and the county general revenue fund on a pro rata basis; and

(c) Any remaining funds shall be deposited in the county general revenue fund. Provided that, if the distribution to the county general revenue fund exceeds \$35,000, the excess shall be used to provide property tax levy reduction.

History: 1979 c 303 art 8 s 4

477A.15 TACONITE AID REIMBURSEMENT.

Any school district in which is located property which had been entitled to a reduction of tax pursuant to Minnesota Statutes 1978, section 273.135, subdivision 2, clause (c), shall receive in 1981 and subsequent years an amount equal to the amount it received in 1980 pursuant to Minnesota Statutes 1978, section 298.28, subdivision 1, clause (3)(b). Payments shall be made pursuant to this section by the commissioner of revenue to the taxing jurisdictions on July 15 of 1981 and each year thereafter.

History: 1980 c 607 art 7 s 6