

273.1386 2002 FLOOD LOSS; CITY REPLACEMENT AID.

Subdivision 1. **Flood net tax capacity loss.** The county assessor of each qualified county shall compute a hypothetical city taxable net tax capacity for each city in the county based upon market values for assessment year 2003 and the class rates that were in effect for assessment year 2002. The amount, if any, by which the assessment year 2002 total taxable net tax capacity of the city exceeds the hypothetical taxable net tax capacity of the city is the city's "flood net tax capacity loss." A county assessor of a qualified county that contains a city that has a flood net tax capacity loss that exceeds five percent of its assessment year 2002 total taxable net tax capacity shall certify the city's flood net tax capacity loss to the commissioner of revenue by August 1, 2003.

As used in this section, a "qualified county" is a county located within the area included in DR-1419.

Subd. 2. **Flood loss aid.** In 2004, each city with a flood net tax capacity loss equal to or greater than five percent of its assessment year 2002 total taxable net tax capacity shall be entitled to flood loss aid equal to the flood net tax capacity loss times the city's average local tax rate for taxes payable in 2003.

Subd. 3. **Duties of commissioner.** The commissioner of revenue shall determine each city's aid amount under this section. The commissioner shall notify each eligible city of its flood loss aid amount by August 15, 2003. The commissioner shall make payments to each city after July 1, and before July 20, 2004.

Subd. 4. **Optional city expenditure.** A city that receives aid under this section may choose to expend a portion of the aid received for repair of county roads located within the city.

Subd. 5. **Appropriation.** The amount necessary to pay the aid amounts under this section in fiscal year 2005, for calendar year 2004, is appropriated to the commissioner of revenue from the general fund.

Subd. 6. **Local government aid appropriation reduction.** The appropriation under section 477A.03, subdivision 2, paragraph (d), for fiscal year 2005 is reduced by the amount appropriated under subdivision 5. The appropriation under section 477A.03, subdivision 3, paragraph (d), for fiscal year 2006 must be based on the appropriation under that paragraph in the previous year before the reduction under this subdivision.

History: *1Sp2002 c 1 s 15*