

Tax Working Group
Monday, June 27, 2005
Room 15 Capitol
Chair, Senator Pogemiller

Senate Conferees

Pogemiller, Chair
Belanger
Betzold
Moua
Skoe

House Conferees

Krinkie
Abrams
Lanning
Lenczewski
Simpson

Senator Pogemiller called the meeting to order at 9:45 a.m.

A quorum was present.

Agenda Item #1: Local option sales tax

1. St. Cloud local option sales tax
 - a. Overview by Representative Knoblach, Representative Opatz and representative Larry Howes
 - b. Testimony from Sartell City Council member Tim O'Driscoll
2. Hermantown and Proctor local option sales tax
 - a. Overview by Representative Mary Murphy
 - i. Handout #1 "St. Louis County statement of property taxes"
 - b. Testimony from Keith McDonald, City of Hermantown
3. Winona local option sales tax
 - a. Overview by Representative Pelowski
4. Mankato local option sales tax
 - a. Overview by Representative Dorn
 - b. Testimony from Mankato City Council president Mike Laven
5. Albert Lea local option sales tax
 - a. Overview by Representative Dorman and Senator Sparks
 - b. Testimony from Paul Overgaard, Albert Lea
6. Rochester local option sales tax
 - a. Overview by Senator Senjem, Representative Welti and Representative Liebling
7. Baxter local option sales tax
 - a. Overview by Darrell Olson, Mayor of Baxter, Baxter City Administrator Dennis Coryell and Representative Gazelka

Senator Pogemiller calls the Tax Working Group to recess at 11:15 a.m.

Senator Pogemiller calls the Tax Working Group to order at 6:25 p.m.

Agenda Item #2: Budget proposals

1. Handout #1 "Proposal"
2. Handout #2 "Senate offer 6/26/05 8p"

Agenda Item #3: Local option sales tax

1. Cloquet local option sales tax
 - a. Overview by Representative Hilty
 - b. General discussion
 - i. Regional aspect
 - ii. Local referendum requirement
 - iii. Ice arena
2. Willmar local option sales tax
 - a. Overview by Representative Juhnke

Agenda Item #4: Continuation of budget proposals

1. Handout #3 "Senate offer 6/27/05 7:00 p.m."
 - a. General discussion

- i. Topics in the Senate proposal 6/27/05 that do not conflict with the latest proposal on the table
2. AMT reform/married joint/standard deduction

Agenda Item #5: Continuation of local option sales tax

1. Bemidji local option sales tax
 - a. Overview by Representative Moe
 2. Mower County local option sales tax
 - a. Overview by Representative Poppe
 - b. Handout # "Mower County, MN"
 3. Park Rapids local option sales tax
 - a. Representative Sailer
- Senator Pogemiller is given the gavel.
4. St. Paul local option sales tax
 - a. Overview of SCH0785A-5 by Senator Moua
 - b. Testimony on the usage of sales tax by Nancy Haas

Agenda Item #6: Nobles County TIF and JOBZ

1. Handout #5 "Nobles County"
2. Senator Belanger moves the amendment. Motion adopted

Agenda Item #7: Homestead property taxes

1. A05-0995 amendment
2. Testimony from Joel Carlson, Congress of Minnesota Resorts
3. A05-0995 is laid aside

Agenda Item #8: AMT fix

1. Discussion of the fiscal impact by M.J. Hedstrom, Senate Fiscal Analyst

Agenda Item #9: Outstanding provisions

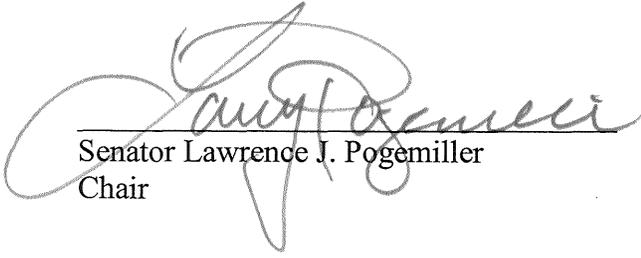
1. Handout #6 "Property tax outstanding provisions"
2. Improvements in assessment quality
 - a. Senator Moua moves the House provision Article 2, Sections 12 and 50. Motion adopted
3. Discussion on lead hazard reduction
4. Green Acres provision
5. Polo grounds
 - a. Senator Belanger moves the Senate Article 8, Section 35. Motion adopted
6. Homestead used for a licensed daycare
 - a. Senator Moua moves the Senate Article 8, Section 37
 - b. Senator Moua moves to amend her motion to incorporate the following language on pg. 188, line 3, after "classified as" insert "part of the". Motion adopted
 - c. Senator Moua's motion is adopted
7. Manufactured home taxes
 - a. Testimony
 - i. Tom May, Hennepin County Assessor
 - ii. Keith Carlson, MICA
 - b. Senator Betzold moves the Senate Article 8, Section 12. Motion adopted
 - c. Senator Betzold moves the House Article 2, Section 19. Motion adopted

Agenda Item #10: Affordable housing, SCH0785A-4

1. Testimony by Commissioner Timothy Marx and Tonya Orr, Minnesota Housing Finance Agency
2. Handouts
 - a. Handout #6 "Low income provisions"
 - b. Handout #7 "MN Revenue"
 - c. Handout #8 "Memo"
 - d. Handout #9 "Draft"
3. General discussion
4. Testimony from Tom May, Hennepin County Assessor
5. Comments from Commissioner Dan Salomone, DOR

Senator Pogemiller adjourned the meeting at 9:40 p.m.

Respectfully Submitted:



Senator Lawrence J. Pogemiller
Chair



Hue Nguyen
Legislative Assistant