

EXECUTIVE ORDER NO. 83-33

PROVIDING FOR CREATION OF A MINNESOTA TAX STUDY COMMISSION

I, RUDY PERPICH, GOVERNOR OF THE STATE OF MINNESOTA, by virtue of the authority vested in me by the Constitution and the applicable statutes, do hereby issue this Executive Order:

WHEREAS, the tax system of Minnesota is complex, manylayered, often controversial and sometimes inequitable; and

WHEREAS, there has been no thorough review of the tax system, including both state and local taxes, for more than twenty-five years; and

WHEREAS, tax changes have been made piecemeal, without regard to the system as a whole and sometimes without knowledge of long-term effects; and

WHEREAS, public confidence in the Minnesota tax system has suffered; and

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WHEREAS, the citizens of Minnesota deserve a systematic and learned review of tax and economic policies in order to provide goals and directions for Minnesota into the twenty-first century;

NOW, THEREFORE, I order:

- 1. There is hereby created a Minnesota Tax Study Commission, its chairperson and members to be appointed by the Governor.
- 2. It shall be the duty of this Commission to obtain funds from private and public sources in order to hire a staff and perform the research necessary for an extensive study of state and local taxes and economic goals.
- 3. Funds received by the Commission shall, upon their acceptance by the State Treasurer and Commissioner of Finance pursuant to Minnesota Statutes Chapter 7, become the property of the State of Minnesota. Such funds shall be subject to all standard state accounting methods and procedures and shall further be subject to all appropriate auditing requirements and mechanisms.
- 4. The Commission is charged with providing the citizens and policymakers of Minnesota a descriptive and analytical survey of the Minnesota economy and of the tax structure as it now exists. The Commission is expected to synthesize research already completed, but perform new research when required.

- 5. The Commission's goal will be, after extensive research and discussions with citizens throughout the state, to recommend tax policies which will remove inequities, promote economic growth, stabilize revenues for state and local governments, meet the needs of Minnesota's people, and provide Minnesota with a competitive position among the states.
- 6. The Commission's study shall include, but shall not be limited to, the interrelationships of state and local governments through taxes and state-aid payments, the relationship between taxes and business expansion, the need for and usage of property tax relief programs, the state sales tax and its base, simplification of the income tax system, optional local taxes, the effect of tax policy on development of jobs, the use of tax policy to foster growth industries, tax policy relating to agricultural land, the problems of border areas because of interstate tax differences, the relationship of state spending levels to tax revenues, the appropriate mix of taxes, and the effect of taxes on Minnesota's position among state rankings.
- 7. The Commission may issue reports as it deems fit, but shall make a full report and recommendation to the Governor and Legislature by December 15, 1984.
- 8. The Commission may adopt its own rules for the conduct of meetings, hearings, and deliberations, but the goal will be to invite wide public participation and enhancement of the public's knowledge about the Minnesota tax system.

Pursuant to Minnesota Statutes 1982, Section 4.035, this Order shall be effective 15 days after publication in the State Register and filing with the Secretary of State and shall remain in effect until it is rescinded by proper authority or it expires in accordance with Section 4.035, Subdivision 3.

IN TESTIMONY WHEREOF, I hereunto set my hand this 8th day of August, 1983.

Governor

Filed According to Law:

Joan Anderson Growe Secretary of State

STATE OF MINNESOTA DEPARTMENT OF STATE fran Anderson Shows Secretary of State