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1984 SUPPLEMENT  
TO THE  
1983 TAX LEVY  
AUTHORIZATIONS AND LIMITATIONS BOOKLET

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## FOREWARD

This supplement is intended to bring the 1983 Blue Book up to date with changes in the property tax levy authorizations and limitations made by the 1984 Minnesota Legislature. It also includes several corrections of errors and omissions that were made in the 1983 Blue Book.

A revision and publication of the complete Blue Book itself is planned for 1985.

## GENERAL PROVISIONS ON THE MILL RATE LIMITATIONS

### Page 2

To determine the amount of the allowable levy under a mill rate limitation, the mill rate is applied to the assessed value of a taxing district with certain adjustments allowed. The adjustments which may be made are:

- 2) For the purpose of determining the levy limit assessed value to be used in calculating the amount of the allowable mill rate levy for taxing districts, the actual assessed value is adjusted in the following ways:
  - a) The assessed value of homesteads classified as 3b and 3c property are to be increased. For the agricultural homesteads (classification 3b), the assessed value is based on 33 1/3% of the market value instead of the current rates of 14% of the homestead base value and 19% of the excess of market value over the homestead base value. For non-agricultural homesteads (classification 3c), the assessed value is based on 40% of the market value instead of 17% of market value up to one-half of the homestead base value, 19% of the remaining market value up to the second half of the homestead base value, and 30% of the excess of market value over the homestead base value. For example, an agricultural homestead property with a market value of \$1,000,000 would have a 1984 assessed value of \$186,900 figured at 14% on a homestead base value of \$62,000 and 19% of the remaining \$938,000 of market value. Using the 33 1/3% rate, the assessed value increases to \$333,333. For a second example, a non-agricultural or residential homestead property with a market value of \$80,000 would have a 1984 assessed value of \$16,560 figured at 17% on the first \$31,000 of market value, 19% on the second \$31,000 of market value, and 30% on the remaining \$18,000 of market value. Using the 40% rate, the assessed value increases to \$32,000. (Minnesota Statutes 1982, Section 273.13, Subdivision 7a; Minnesota Statutes 1983 Supplement, Section 273.13, Subdivisions 6 and 7; and Minnesota Statutes 1983 Supplement, Section 273.1311.)

## THE OVERALL LEVY LIMITATION

### Page 4

The special levies which are defined above as exceptions are footnoted in this index. The special levies which are listed in Minnesota Statutes 1983 Supplement, Section 275.50, Subdivision 5, as amended by Laws 1984, Chapter 522, Section 5; and Minnesota Statutes 1982, Section 275.50, Subdivision 7 are summarized below and are not footnoted in this index.

- f) The costs of principal and interest on certificates of indebtedness which were issued for any purposes other than to fund current expenses, a shortage of tax receipts, or the extraordinary expenditures resulting from a public emergency. These are primarily certificates of indebtedness issued to finance the purchase of police or fire equipment, ambulance equipment, or street maintenance or construction equipment as authorized for statutory cities by Minnesota Statutes 1982, Section 412.301 and for charter cities by Minnesota Statutes 1983 Supplement, Section 410.32. It

THE OVERALL LEVY LIMITATION -- continued

also includes capital notes issued to finance the purchase of public safety, ambulance, road construction or maintenance, medical, and data processing equipment as authorized for counties by Laws 1984, Chapter 437, Subdivision 1. This does not include tax anticipation or aid anticipation certificates of indebtedness.

\$54 PER CAPITA LEVY LIMITATION

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For taxes levied in 1984, payable in 1985, the per capita limitation is \$252.18 (\$54 plus \$198.18 which is the cost-of-living adjustment).

## COUNTY TAX LEVIES

<u>General Provisions</u>	<u>Citations</u>	<u>Authorizations and Limitations</u>
<u>Page 7</u>		
Deficiency levy (in counties receiving distribution of taconite production tax.....)	L.1984,C.502 Art.7, S. 16	When actual taconite production tax distribution is less than estimate and certificates of indebtedness are issued for deficiency, a levy for certificates of indebtedness including interest may be made. **
Loss of tax receipts resulting from tax reduction for disaster to homestead property.....	L.1984,C.502 Art. 3, S. 8	Amount by which tax has been reduced. **
Loss of tax receipts resulting from tax reduction for railroads.....	L.1984,C.502 Art. 9, S. 5	Amount equal to difference between tax and interest refunded to railroad and state reimbursement to county. Levy is for taxes payable in 1985 only. **

<u>General Application</u>	<u>Citations</u>	<u>Authorizations and Limitations</u>
<u>Page 7</u>		
Agricultural land preservation and conservation program.....	L.1984,C.654 S. 45	Lesser of 1/2 mill or \$15,000 from local funds is needed to be eligible for state grant. **
Capital notes.....	L.1984,C.437 S. 1	Amount necessary to pay principal and interest on notes issued to purchase public safety, ambulance, road construction or maintenance, medical, and data processing equipment. **

<u>Special Purposes</u>	<u>Citations</u>	<u>Authorizations and Limitations</u>
<u>Page 11</u>		
Anoka		
Library buildings.....	L.1984,C.380 S. 1	3/4 mill outside any city having free public library for principal and interest on bonds. Levy is exempt from any other levy limitations. **

\*\*Levy may be made in excess of limitations in 275.50 to 275.56.

## CITY TAX LEVIES

### Except Cities of the First Class and Provisions of Home Rule Charters

<u>General Provisions</u>	<u>Citations</u>	<u>Authorizations and Limitations</u>
<u>Page 20</u>		
Deficiency levy (in cities receiving distribution of taconite production tax).....	L.1984,C.502 Art.7, S. 16 M.S. 1982 298.282	When actual taconite production tax distribution is less than estimate and certificates of indebtedness are issued for deficiency, a levy for certificates of indebtedness including interest may be made. **
Loss of tax receipts resulting from tax reduction for railroads.....	L.1984,C.502 Art. 9, S. 5	Amount equal to difference between tax and interest refunded to railroad and state reimbursement to city. Levy is for taxes payable in 1985 only. * **

<u>Special Purposes</u>	<u>Citations</u>	<u>Authorizations and Limitations</u>
<u>Page 20</u>		
Agricultural land preservation and conservation program (for cities preparing plans and controls instead of a county)..	L.1984,C.654 S. 45	Lesser of 1/2 mill or \$15,000 from local funds is needed to be eligible for state grant. **

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District heating system (for cities with over 50,000 population but not First Class Cities).....	L.1984,C.449 S. 1	Amount necessary to repay state loan for design and construction under M.S. 116J.36, Subd. 9.
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Tourist camping grounds.....	M.S. 1982 450.19; L.1984,C.562 S. 46	1/3 mill for maintenance, improvement, or operation.
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\*Levy may be made in excess of limitation in 275.11.

\*\*Levy may be made in excess of limitations in 275.50 to 275.56.

CITY TAX LEVIES -- continued

Applicable Only to Particular Cities

<u>General and Special Purposes</u>	<u>Citations</u>	<u>Authorizations and Limitations</u>
<u>Page 27</u>		
Breezy Point		
Per capita limitation, increase in.....	L.1984,C.502 Art.13, S.10	\$54 per capita levy limitation may be increased by \$125,000 for taxes payable in 1985 and subsequent years. The in- crease is subject to reverse referendum. *
<u>Page 28</u>		
Cloquet		
Public transportation, contract for.....	L.1984,C.502 Art.13, S. 8	1 mill to pay cost of contract service each year. * **
Crosby		
Croft Historical Park District.	L.1984,C.502 Art.13, S. 6	1 mill on all property within the district subject to referendum. Levy is exempt from all other mill rate and per capita levy limitations. *
Cuyuna		
Croft Historical Park District.	L.1984,C.502 Art.13, S. 6	1 mill on all property within the district subject to referendum. Levy is exempt from all other mill rate and per capita levy limitations. *
<u>Page 29</u>		
Deerwood		
Croft Historical Park District	L.1984,C.502 Art.13, S. 6	1 mill on all property within the district subject to referendum. Levy is exempt from all other mill rate and per capita levy limitations. *
<u>Page 31</u>		
Ironton		
Croft Historical Park District	L.1984,C.502 Art.13, S. 6	1 mill on all property within the district subject to referendum. Levy is exempt from all other mill rate and per capita levy limitations. *

\*Levy may be made in excess of limitations in 275.11.

\*\*Levy may be made in excess of limitations in 275.50 to 275.56.

CITY TAX LEVIES -- continued

Applicable Only to Particular Cities

<u>General and Special Purposes</u>	<u>Citations</u>	<u>Authorizations and Limitations</u>
<u>Page 33</u>		
Oakdale		
Overall Levy Limitation, increase of.....	L.1984,C.502 Art. 13 S. 12-13	Overall levy limitation base may be increased by \$100,000 for taxes payable in 1985, 1986 and 1987, subject to reverse referendum. For taxes payable in 1988, \$100,000 is to be subtracted from adjusted levy limit base for taxes payable in 1987.
Plymouth		
Port Authority, powers of.....	L.1984,C.397 S. 1	City may exercise all powers of port authority under M.S. 458 or other laws. See section on Special Taxing District Tax Levies, Port Authorities, for tax levy authorization and limitation.
<u>Page 34</u>		
Riverton		
Croft Historical Park District.	L.1984,C.502 Art.13, S. 6	1 mill on all property within the district subject to referendum. Levy is exempt from all other mill rate and per capita levy limitations. *
<u>Page 35</u>		
St. Cloud		
Port Authority, powers of.....	L.1984, C.498 S. 1	City may exercise all powers of port authority under M.S. 458 or other laws. See section on Special Taxing District Tax Levies, Port Authorities, for tax levy authorization and limitation.
<u>Page 37</u>		
Trommald		
Croft Historical Park District	L.1984,C.502 Art.13, S. 6	1 mill on all property within the district subject to referendum. Levy is exempt from all other mill rate and per capita levy limitations. *

\*Levy may be made in excess of limitations in 275.11.



# TOWN TAX LEVIES

<u>General Provisions</u>	<u>Citation</u>	<u>Authorizations and Limitations</u>
<u>Page 38</u>		
Deficiency levy (in towns receiving distribution of taconite production tax).....	M.S. 1982 298.282	When actual taconite production tax distribution is less than estimate and certificates of indebtedness are issued for deficiency, a levy for certificates of indebtedness including interest may be made. Levy is exempt from all levy limitations.
General purposes.....	L.1983,C.342 Art. 3, S. 9	Amount necessary. This 1983 law repealed the limits on town levies for general purposes under M. S. 275.09.
Loss of tax receipts resulting from tax reduction for railroads.....	L.1984,C.502 Art. 9, S. 5	Amount equal to difference between tax and interest refunded to railroad and state reimbursement to town. Levy is for taxes payable in 1985 only and is exempt from all levy limitations.
<u>Page 38</u>		
Agricultural land preservation and conservation program (for towns preparing plans and controls instead of a county)..	L.1984,C.654 S. 45	Lesser of 1/2 mill or \$15,000 from local funds is needed to be eligible for state grant.
<u>Page 39</u>		
Equipment Certificates.....	L.1984,C.562 S. 27	Amount necessary for principal and interest on certificates to purchase fire or police, ambulance, or road construction and maintenance equipment. Issuance of certificates is subject to reverse referendum.
<u>Page 41</u>		
Tourist camping grounds.....	M.S. 1982 450.19 L.1984,C.562 S. 46	1/3 mill for maintenance, improvement, or operation.

TOWN TAX LEVIES -- continued

Applicable Only to Particular Towns

<u>General and Special Purposes</u>	<u>Citations</u>	<u>Authorizations and Limitations</u>
<u>Page 42</u>		
Deerwood		
Croft Historical Park District	L.1984,C.502 Art.13, S. 6	1 mill on all property within the district subject to referendum. Levy is exempt from all other mill rate and per capita levy limitations.
<u>Page 43</u>		
Irondale		
Croft Historical Park District	L.1984,C.502 Art.13, S. 6	1 mill on all property within the district subject to referendum. Levy is exempt from all other mill rate and per capita levy limitations.
<u>Page 44</u>		
Rabbit Lake		
Croft Historical Park District	L.1984,C.502 Art.13, S. 6	1 mill on all property within the district subject to referendum. Levy is exempt from all other mill rate and per capita levy limitations.
<u>Page 45</u>		
Wolford		
Croft Historical Park District	L.1984,C.502 Art.13, S. 6	1 mill on all property within the district subject to referendum. Levy is exempt from all other mill rate and per capita levy limitations.

# SCHOOL DISTRICT LEVIES

General Provisions Initial Levy Limitations	Citations	Authorizations and Limitations
Maintenance Basic.....	M.S. 1982 275.125 Subd. 2a and L.1984,C.463 Article I Section 4 or	a) 23.5 mills times the 1983 EARC valuation (adjusted assessed valuation) of the district.  or
Maintenance Basic "Off-the Formula" Maximum.....	L.1984,C.463 Article I Section 11	b) If a) above is greater than \$1,585 times the district's estimated 1985-86 resident and AFDC pupil units, then the levy limitation equals the greater of the amount certified in 1977 under 275.125, Subd. 2a, Clause (1) plus attached machinery aid or \$1,585 times the estimated 1985-86 resident and AFDC pupil units, plus (for nonagricultural districts) the lesser of one-third of the amount off the formula or the sum of all special state aids of Chapter 124 (except state school agriculture credit and school lunch aids), less the county apportionment deduction. However, in no case may the levy be more than 23.5 mills times the previous year's EARC valuation.
Reduction for Attached Machinery Aid.....	M.S. 1982 273.138 Subd. 6	c) The limitation computed in a) or b) above is reduced by the amount of attached machinery aid due the district for 1985-86.
Reduction for Minimum Aid.....	M.S. 1982 275.125 Subd. 19	d) Districts where 60% or more of the assessed valuation is classified as agricultural are guaranteed a minimum of \$800 per resident and AFDC pupil unit from basic foundation aid, state school agricultural credit aid, homestead, taconite homestead, agricultural preserve, and disaster credits, attached machinery aid, and the wetlands and native prairie credits and reimbursements. If these sources do not provide the guaranteed amount, "minimum aid" is provided to bring the total to \$800 per resident and AFDC pupil unit. The limitation computed in a) or b) above must be reduced by the amount of the minimum aid payment.

SCHOOL DISTRICT LEVIES -- continued

General Provisions Initial Levy Limitations	Citations	Authorizations and Limitations
Basic Maintenance Levy Equity...	L.1984,C.463 Article I Section 6	When a nonagricultural district's maximum levy limitation under 275.125, Subd. 2a exceeds the district's basic foundation revenue for the corresponding fiscal year, a deduction shall be made from special state aids of Chapter 124 and from teacher retirement aids. The reduction shall be equal to the excess, once the provision is fully phased in. This provision will be phased in over six years: for FY 1985 the reduction will be 1/6 of the excess; for 1986, 1/3; for 1987, 1/3; for 1988, 2/3; and for 1989, 5/6 of the excess.
Maintenance Referendum.....	M.S.1983 Supl. 275.125 Subd. 2d	Amount approved by the voters of the district at referendum called for the purpose. This limitation is subject to revocation or reduction by a future referendum after the levy has been made at least once. A district is permitted to hold only two referendum elections for an increase to begin in any school year.
Tier Revenue Allowances.....	M.S.1983 Supl. 124A and L.1984,C.463 Article I Sections 7-10	<p>Foundation revenue limits and levy limits will be calculated on the basis of tier allowances. A district's 1985-86 revenue limit for each tier equals the tier allowance times the district's 1985-86 resident pupil units. Foundation aids will be calculated on the basis of the certified tier levies. The tier allowances are established as follows:</p> <p>Cost-differential tier allowance: the sum of a) former sparsity aid per pupil unit multiplied by two and adjusted for the percent change in the formula allowance, and</p> <p>b) a training and experience allowance which equals the lesser of zero or (training and experience index minus 1.25) times \$400.</p> <p>Second tier allowance: \$150. Third tier allowance: \$100. Fourth tier allowance: \$100 plus a training and experience allowance which equals the lesser of zero or (training and experience index minus 1.25) times \$150.</p> <p>Fifth tier allowance: the amount that the district would have received per pupil unit in 1984-85 under the previous formula, plus \$25 per pupil unit, minus the allowances from tiers 1 through 4.</p>

SCHOOL DISTRICT LEVIES -- continued

General Provisions Initial Levy Limitations	Citations	Authorizations and Limitations
Maintenance Tier Levies.....	M.S.1983 Supl 275.125 Subd. 7d	<p>Cost-differential tier: a district may levy the lesser of:</p> <p style="padding-left: 40px;">a) its cost-differential tier revenue, or</p> <p style="padding-left: 40px;">b) its cost-differential tier revenue times the ratio of the 1983 EARC valuation divided by the 1985-86 total pupil units to \$67,447. (\$67,447 is the "equalizing factor" for 1985-86.)</p> <p>Second tier: the lesser of:</p> <p style="padding-left: 40px;">a) the district's second tier revenue, or</p> <p style="padding-left: 40px;">b) the second tier revenue times the ratio of the district's 1983 EARC valuation divided by its 1985-86 total pupil units to \$67,447.</p> <p>Third tier: the lesser of:</p> <p style="padding-left: 40px;">a) the third tier revenue, or</p> <p style="padding-left: 40px;">b) the third tier revenue times the ratio of the 1983 EARC valuation divided by the 1985-86 total pupil units to \$50,585.25 (75% of the equalizing factor).</p> <p>Fourth tier: the lesser of:</p> <p style="padding-left: 40px;">a) the fourth tier revenue, or</p> <p style="padding-left: 40px;">b) the fourth tier revenue times the ratio of the 1983 EARC valuation divided by the 1985-86 total pupil units to \$33,723.50 (one-half the equalizing factor).</p> <p>Fifth tier: the lesser of:</p> <p style="padding-left: 40px;">a) the fifth tier revenue, or</p> <p style="padding-left: 40px;">b) the fifth tier revenue times the ratio of the 1983 EARC valuation by the 1985-86 total pupil units to \$33,723.50.</p>
Second Tier Levy fund balance provision.....	M.S.1983 Supl 275.125 Subd. 7e	<p>Reduces a district's second tier revenue (aid and levy) by the amount of any un-appropriated operating fund balance in excess of \$500 per total pupil unit. The reduction is made proportionally from aid and levy.</p>

SCHOOL DISTRICT LEVIES -- continued

General Provisions Initial Levy Limitations	Citations	Authorizations and Limitations
Interdistrict Cooperation Levy..	M.S.1983 Supl 275,125 Subd. 8a	Allows districts with approved cooperative programs to raise revenue equal to the least of \$50 per resident pupil unit, the approved cost of the cooperative program, or \$50,000. A district may levy for the program revenue up to 1 mill times the 1983 EARC valuation of the district.
Operating Debt Levy.....	M.S.1983 Supl 275.125 Subd. 9b	1.5 mills times the 1983 EARC valuation of the district or the amount needed to retire the deficit in the district's operating funds as of June 30, 1983, whichever is less. However, the amount of deficit recovered cannot exceed the state aid reductions in FY 1983.
Maintenance Unemployment Insurance.....	M.S.1983 Supl 275.125 Subd. 4	Amount needed to eliminate a negative balance projected for June 30, 1986 in the General Fund Account appropriated for unemployment insurance pursuant to 268.06, Subd. 25 and for payment for services provided under 268.08.
Maintenance Liability Insurance.....	M.S.1983 Supl 275,125 Subd. 4 and L.1984,C.463 Article VI Section 12	The amount necessary to pay the district's liability insurance premiums under M.S. 466.06, excluding liability insurance for the school bus fleet.
Maintenance Statutory Operating Debt (Districts in Statutory Operating Debt).....	L.1984,C.463 Article VII Section 20	1.5 mills times the 1983 EARC valuation of the district or the amount needed to retire the Statutory Operating Debt, whichever is less.
Maintenance Judgment.....	M.S.1983 Supl 275.125 Subd. 4	Amount of the judgment (including interest) the district is obliged to pay pursuant to 127.05.
Maintenance State Audit.....	M.S.1983 Supl 275.125 Subd. 4 M.S.1983 Supl 6.62 Subd. 1	Amount needed to pay for post audits by State Auditor pursuant to 6.62. (Excludes audits requested by the school board.)

SCHOOL DISTRICT LEVIES -- continued

General Provisions Initial Levy Limitations	Citations	Authorizations and Limitations
Maintenance Consolidation.....	M.S.1983 Supl 275.125 Subd. 4	Amount needed for approved reorganiza- tional expenditures pursuant to 122.533.
Summer Program Revenue (1985 and thereafter).....	L.1984,C.463 Article II Section 1 (M.S. 124.20)	A district's summer program revenue is equal to the sum of:  a) the foundation aid formula allowance for the preceding regular school year (\$1475 for 1985 summer programs) times the district's summer program pupil units, and  b) one-half of one percent of the basic foundation revenue earned for actual pupil units (not AFDC) by the district in the preceding school year.
Summer Program Levy (1985 and thereafter).....	L.1984,C.463 Article II (M.S.275.125 Subd. 2k)	A district may levy the lesser of:  a) the summer program revenue, or  b) the summer program revenue times the ratio the district's 1982 EARC valuation divided by 1984-85 total pupil units to \$61,458.
Summer Program Excess Levy (1985 only).....	L.1984,C.463 Article II Section 7	For 1985 summer programs, districts where \$1475 times the district's summer program pupil units is less than \$20 times the number of actual pupil units in the regular 1984-85 school year may levy the difference.
Transportation Basic.....	M.S.1983 Supl 275.125 Subd. 5	1.75 mills times the 1983 EARC valuation of the district.

SCHOOL DISTRICT LEVIES -- continued

General Provisions Initial Levy Limitations	Citations	Authorizations and Limitations
Transportation Nonregular.....	M.S.1983 Supl 275.125 Subd. 5c	<p>Estimated cost of nonregular transportation in 1985-86 less state nonregular transportation aid, times the 1985-86 equalizing ratio.</p> <p>a) Nonregular transportation includes the following transportation categories; handicapped, between schools, shared-time, vocational center, cooperative academic, nonpublic health and guidance, board and lodging, and to and from board and lodging facility.</p> <p>b) Nonregular basic transportation aid equals 20% of the first \$10 of 1985-86 cost per resident and AFDC pupil unit plus 40% of the next \$10 per pupil unit, plus 60% of the cost exceeding \$20 per pupil unit.</p> <p>c) The equalizing ratio is the same as the ratio used in computing the first and second tier foundation levies (the ratio of the district's 1983 EARC valuation per 1985-86 resident and AFDC pupil unit to \$67,447, the 1985-86 equalizing factor.)</p>
Transportation Bus Purchase.....	M.S.1983 Supl 275.125 Subd.5d(c)	Amount needed for pupil transportation vehicle expenditures less bus depreciation aid and other revenue. The levy limitation is equal to the amount needed to eliminate the June 30, 1986 projected negative balance in the appropriated Transportation Fund account for Bus Purchases.
Transportation Hazardous.....	M.S.1983 Supl 275.125 Subd.5d(b)	Estimated cost of transportation or crossing guards extraordinary traffic hazards for school year 1985-86.
Transportation Leased Facilities.	M.S. 1982 275.125 Subd. 5a	Amount of increased costs resulting from changes in transportation patterns required by leasing a school in another district.
Transportation Contracted Services (Districts which contract for pupil trans- portation services).....	M.S.1983 Supl 275.125 Subd.5d(d)	Amount equal to the contracted services aid subtraction for school year 1984-85 as defined in 124.225, Subd. 8k.



SCHOOL DISTRICT LEVIES -- continued

<u>General Provisions Initial Levy Limitations</u>	<u>Citations</u>	<u>Authorizations and Limitations</u>
Transportation Secondary 1 to 2 miles.....	M.S.1983 Supl 275.125 Subd.5d(a)	Estimated cost in school year 1985-86 of transporting secondary pupils to and from school who live more than one mile but less than two miles from a public school they could attend or from the nonpublic school they actually attend. (Does not include costs covered under "Transportation Hazardous" above.)
Community Service (Districts that have established community school advisory councils pursuant to 121.88 and certified compliance pursuant to 275.125, Subd. 8, Clause 7).....	L.1984,C.463 Article IV Section 5	a) The lesser of 0.8 mill times the district's 1983 EARC valuation, or the greater of 5.25 times the population of the district or \$7,000.
Revenue guarantee.....	L.1984,C.463 Article IV Section 5	b) If a district's maximum permissible revenue for fiscal year 1983 from community education aid and levy was more than the greater of \$5 per capita or \$7,000, the district may levy the amount of that excess in addition to the amount computed in a) above.
Early Childhood and Family Education (Districts providing a community education program..	L.1984,C.463 Article 4 Section 6 (M.S.275.125 Subd. 8b)	The lesser of 0.4 mill times the district's 1983 EARC valuation, or \$79.25 times the greater of 150 or the number of people under five years of age residing in the district on September 1, 1984.
Capital Expenditure Basic.....	L.1984,C.463 Article VI Section 9	a) The lesser of 7 mills times the district's 1983 EARC valuation or the sum of the allowances in b), c), and d) below, to which the district is entitled.
Initial Cap. Exp. Basic Allowance.....		b) \$90 times 1984-85 resident and AFDC pupil units.
Growth allowance (Districts whose resident pupil units for 1984-85 are greater than for 1983-84.....		c) \$5 times 1984-85 resident and AFDC pupil units.

SCHOOL DISTRICT LEVIES -- continued

General Provisions Initial Levy Limitations	Citation	Authorizations and Limitations
Allowance for districts with approved secondary vocational or senior secondary industrial arts program.....		d) \$5 times 1984-85 resident and AFDC pupil units. (To be used for equipment for these programs.)
Capital Expenditure Special-Purpose.....	L.1984,C.463 Article VI Section 10	a) The lesser of \$25 times 1984-85 resident and AFDC pupil units or 2 mills times the 1983 EARC valuation. (To be used for certain expenditures related to energy audits, follow-up to energy audits, access for the handicapped, fire code compliance, removal or encapsulation of asbestos, asbestos related repairs, and clean up and disposal of polychlorinated biphenyls.)
Capital Expenditure Hazardous Substances.....	L.1984,C.463 Article VI Section 11	The lesser of \$25 times the district's resident and AFDC pupil units or 2 mills times the 1983 EARC valuation. (To be used for expenditures necessary to remove or encapsulate asbestos, asbestos related repairs, or to clean up and dispose of polychlorinated biphenyls.)
Reduction for real estate proceeds.....	L.1984,C.463 Article VII Section 10	The special purpose and hazardous substance capital expenditure levies are reduced (not below zero) by the amount of proceeds from sale or exchange of building or property deposited in Capital Expenditure Fund pursuant to 123.36, Subd. 13, Clause (2).
Capital Expenditures Leased School Building.....	M.S. 1982 275.125 Subd. 12	Amount of the additional capital expenditure funds needed and approved by the Commissioner to lease an existing school building up to the leasing cost.
Energy Conservation (Districts receiving energy conservation loans pursuant to M.S. 116J.37 or M.S. 298.292 to 298.298).....	L.1984,C.502 Article VII Section 9	Amount needed to repay principal and interest on energy conservation loans.

SCHOOL DISTRICT LEVIES -- continued

General Provisions Initial Levy Limitations	Citations	Authorizations and Limitations
Capital Expenditure AVTI Construction (Districts main- taining a post-secondary area vocational-technical institute).	M.S. 1982 275.125 Subd. 14a	Local share of the cost of construction authorized by statute for post-secondary vocational purposes, minus the amount of any unappropriated net balance in the district's post-secondary vocational-technical building fund (subject to public notice and referendum if called for by petition). A district may levy the total amount authorized in this subdivision in one year or a proportionate amount of the total each year for up to three successive years.
General and AVTI (Area Vocational-Technical Institute) Debt Service.....	M.S. 1983 Supl 275.125 Subd. 4 and L.1984,C.463 Article IX Sections 7,8	Between 105% and 106% of the amount needed to pay principal and interest when due. Bond schedule states the amount to be levied. Levy may be reduced for surplus funds on hand or funds irrevocably appropriated to the Debt Service Fund.
AVTI Maintenance Unemployment Insurance.....	M.S. 1983 Supl 275.125 Subd. 4	The estimated amount needed for payments for unemployment insurance compensation pursuant to Minnesota Statutes 268.06, Subd. 25. The levy limitation is equal to the amount needed to eliminate the negative balance in the appropriated for AVTI General Fund account appropriated for unemployment insurance, projected for June 30, 1986.
Reorganized Districts.....	M.S. 1982 122.531 and M.S. 1983 Supl 275.125 Subd. 4	Special computations of factors in levy limitations for reorganized districts are prescribed by 122.531 and the levies are authorized by 275.125, Subd. 4.
Maintenance Severance (District 625, St. Paul).....	L.1975,C.261 Section 4	.2 mill times the most recent assessed valuation of the district with adjustments pursuant to M.S. 273.13, Subd. 7a, 275.49, and 473F.08.

SCHOOL DISTRICT LEVIES -- continued

General Provisions Initial Levy Limitations	Citations	Authorizations and Limitations
Maintenance Statutory Operating Debt (District 625, St. Paul).. Maintenance Retirement (Special District 1, Mpls.)....	L.1976, C.20 Section 4  M.S. 1982 275.125 Subd. 6a Clause 2	1.5 mills times the EARC valuation of the district reduced by the amount to be levied for certain bonds issued.  In 1979 and thereafter, the amount levied for retirement in 1978 under this clause, reduced each year by 10% of the difference between the amount levied for retirement in 1971 under M.S. 1971, 275.127 and 422.01 to 422.54 and the amount levied for retirement in 1975 under M.S. 1974, 275.127 and Chapter 422A.
Desegregation Levy (Districts under State mandated or court ordered desegregation plan).....	L.1984,C.463 Article VI Section 6	1.0 mill times the most recent EARC valuation of the district.
General Debt Service for Districts with State Loans held by the State Board of Investment.....	M.S. 1982 475.73	County Auditor levies for the school district 50% in excess of the amount certified by the State Auditor.
General Debt Service (Building Bonds for Districts 319, 692, 703 and 710).....	L.1967,C.356	A large part of the debt service funds comes from taconite companies instead of the general ad valorem levy.
AVTI Maintenance Secondary Vocational (District 287)*.....	L.1977,C.447 Article V Section 13	.7 mill times the EARC valuation of the district for the preceding year.
AVTI Maintenance Secondary Vocational (Districts 916 and 917)*.....	L.1977,C.447 Article V Sec.14 & 15	.5 mill times the EARC valuation of the district for the preceding year.
AVTI Maintenance Special Education (Districts 287,916, and 917).....	L.1977,C.447 Article V Sec.13,14 &15	.6 mill times the EARC valuation of the district for the preceding year.

\*Districts 287, 916 and 917 are intermediate area vocational-technical school districts. District 287 extends over the same territory as districts 270, 271, 272, 273, 276, 277, 278, 279, 280, 281, 283, 284 and 286. District 916 extends over the same territory as districts 12, 16, 621, 622, 623, 624, 832, 833 and 834. District 917 extends over the same territory as districts Sp. 6, 191, 192, 194, 195, 196, 197, 199 and 200.

# SCHOOL DISTRICT LEVIES - continued

<u>Initial Levy Limitations</u>	<u>Citations</u>	<u>Authorizations and Limitations</u>
Dissolved District Liabilities..	M.S.1983 Supl 275.125 Subd. 4	The county auditor pursuant to 122.45 shall levy on the territory of the dissolved district the amount of the dissolved district's net liabilities. This levy in any year shall not make up more than 1/6 of the total school district levy in the dissolved district's territory.
Special Assessment Levy (ISD #700, Hermantown).....		Up to \$50,000 for a special water and sewer assessment.
<u>General and Special Provisions Levy Limitation Adjustments</u>	<u>Citations</u>	<u>Authorizations and Limitations</u>
Abatements.....	M.S. 1982 275.48	A district may levy the amount by which school taxes have been reduced by a reduction of valuation after levy was spread, less the state aid receivable for this reduction. The abatement levy for each fund is treated as an adjustment component of the maximum levy limitation for that fund.
Taconite and Taconite Replacement Adjustment.....	M.S.1983 Supl 275.125 Subd. 9	Levy Limitations (excluding Maintenance Statutory Operating Debt, Maintenance Referendum, and debt Service) are reduced by the greater of 50% or one minus the ratio of the maintenance basic levy limitation to the total levy limitation times the previous fiscal year's taconite and taconite replacement payments. (Maintenance Basic Levy Limitation cannot be reduced below 12.5 mills times the district's EARC valuation for the preceding year by this adjustment.)
Debt Service Surplus.....	M.S. 1982 475.61 Subd. 4	Maintenance Basic Levy Limitation reduced by the amount of debt service surplus remaining when all debt service obligations were retired, that was transferred to the General Fund during the preceding fiscal year.

SCHOOL DISTRICT LEVIES -- continued

<u>General and Special Provisions Levy Limitation Adjustments</u>	<u>Citations</u>	<u>Authorizations and Limitations</u>
Transportation Off-Formula Adjustment.....	M.S.1983 Supl 275.125 Subd. 5b	Current levy adjusted for prior year Transportation Basic levy revenue greater than entitlement established by aid computations in 124.225, Subd. 8b-8h.
Excessive Levy.....	M.S. 1982 275.125 Subd. 15	Adjustments for prior levies found to be excessive because of a tax court decision or an EARC redetermination, or for any other reason.
Levy Errors and Errors of Estimation.....	M.S. 1982 275.125 Subds.10,16 and 20	Adjustments for departmental errors in the computation of levy limitations or County Auditor errors, and for errors in estimates of pupil units or approved costs used to calculate prior year limitations.

<u>General Provisions Minimum Levy Limitations</u>	<u>Citations</u>	<u>Authorizations and Limitations</u>
Maintenance For districts that will have a foundation aid entitlement for 1985-86; minimum to avoid a foundation aid penalty.....	M.S. 1982 124.2132 Subd. 1	95% of the basic maintenance levy limitation as adjusted.
For districts in Statutory Operating Debt.....	L.1984,C.463 Article VII Section 20	Minimum amount to be levied for districts in statutory operating debt equals the basic maintenance levy limitation as adjusted plus the maintenance statutory operating debt levy limitation.
For districts that qualify for foundation aids associated with the tier levies.....	L.1983,C.314 Article I Section 9 and 11-16	Minimum certified levy for maximum corresponding aid equals maximum levy limitation. (Aids are reduced pro- portionately to underlevies.)
Summer Programs.....	L.1984,C.463 Article 2 Section 1	Aids are reduced proportionately to underlevies.
Interdistrict Cooperation.....	M.S.1983 Supl 124.272 Subd. 5	Aids are reduced proportionately to underlevies.

SCHOOL DISTRICT LEVIES -- continued

General Provisions Minimum Levy Limitations	Citations	Authorizations and Limitations
Transportation Nonregular.....	M.S.1983 Supl 124.225 Subd. 8j	Aids are reduced proportionately to underlevies.
Community Education Basic.....	L.1984,C.463 Article IV Section 2	Basic Community Education Programs aid entitlement is reduced in proportion to the amount of any underlevy for community education. A district will therefore have an aid penalty if it certifies less than its maximum initial community service levy limitation.
Early Childhood and Family.....	L.1984,C.463 Article IV Section 3	Aids are reduced proportionately to underlevies.
Capital Expenditure Minimum for Basic Capital Expenditure equalization aid...	M.S. 1982 124.245 Subd. 1	If a district's basic capital expenditure levy limitation equals 7 mills times the district's EARC valuation for the previous year, it must levy the full 7 mills for basic capital expenditures to qualify for capital expenditure equalization aid.
Minimum for Special Purpose Capital Expenditure aid.....	M.S. 1982 124.245 Subd. 1a	Minimum levy to qualify for equalization-aid equals maximum Capital Expenditure Special Purpose levy limitation under 275.125, Subd. 11b.
Minimum for Hazardous Substance Capital Expenditure aid.....	M.S.1983 Supl 124.245 Subd. 1c	Minimum levy to qualify for equalization-aid equals Maximum Capital Expenditure Hazardous Substance levy limitation under 275.125, Subd. 11c.
Debt Service (Districts with Debt Service Loans or Capital Loans).....	M.S. 1982 124.42 and 124.43	Amount to be levied for districts having outstanding debt service loans or capital loans from the state. The minimum levy limitation equals the greater of the maximum effort debt service levy as defined in 124.38, or the required debt levy as defined in 124.38, or the required debt service levy as defined in 124.38 less the amount of any debt service loan in that year.
Minimum AVTI Debt Service.....	M.S. 1982 124.564	The amount of the district's 1984-85 AVTI debt service aid. (The county auditor is to reduce the levy by the aid amount.)

## SPECIAL TAXING DISTRICT LEVIES

Applicable to all Special Taxing Districts

<u>General Provisions</u>	<u>Citations</u>	<u>Authorizations and Limitations</u>
<u>Page 55</u>		
Loss of tax receipts resulting from tax reduction for rail-roads.....	L.1984,C.502 Art. 9, S. 5	Amount equal to difference between tax and interest refunded to railroad and state reimbursement to district. Levy is for taxes payable in 1985 only and is exempt from all levy limitations.

### Port Authorities

<u>General Application</u>	<u>Citations</u>	<u>Authorizations and Limitations</u>
<u>Page 57-58</u>		
General purpose (for all cities with Port Authority or powers of Port Authority).....	L.1984,C.502 Art.13, S. 1	Up to 3/4 mill on all taxable property in city. Any increase over previous levy is subject to reverse referendum administered by city.
General purpose (for First Class Cities Only)..	M.S. 1982 458.199	7/60 mill in addition to 3/4 mill limitation under L. 1984, C. 502, Art. 13, S. 1.
Bonds and interest (for First Class Cities Only)..	M.S. 1982 458.193 Subd. 5	At least 5% in excess of amount necessary to pay principal and interest.

### Watershed Districts

Applicable Only to Particular Watershed Districts

<u>General Application</u>	<u>Citations</u>	<u>Authorizations and Limitations</u>
<u>Page 60</u>		
Ramsey-Washington Metro Watershed District		
Water maintenance and repair fund.....	L.1984,C.502 Art.13, S. 3	Sufficient to raise \$30,000 in taxes payable 1985 and \$15,000 in subsequent Years.



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