



STATE OF MINNESOTA

Office of Governor Mark Dayton

130 State Capitol ♦ 75 Rev. Dr. Martin Luther King Jr. Boulevard ♦ Saint Paul, MN 55155

May 31, 2011

The Honorable Kurt Zellers
Speaker of the House
463 State Office Building
St. Paul, Minnesota 55155

Dear Mr. Speaker:

Please be advised that I have received, approved, signed, and deposited in the Office of the Secretary of State, Chapter 112, H.F. No. 1219.

Sincerely,

A handwritten signature in black ink that reads "Mark Dayton".

Mark Dayton
Governor

cc: Senator Michelle L. Fischbach, President of the Senate
Senator Amy T. Koch, Majority Leader
Senator Thomas M. Bakk, Minority Leader
Senator Julianne E. Ortman
Representative Paul Thissen, Minority Leader
Representative Greg Davids
Mr. Cal R. Ludeman, Secretary of the Senate
Mr. Albin A. Mathiowetz, Chief Clerk of the House of Representatives
The Honorable Mark Ritchie, Secretary of State
Ms. Michele Timmons, Revisor of Statutes



Minnesota House of Representatives

House | Senate | Joint Departments and Commissions | Bill Search and Status | Statutes, Laws, and Rules

KEY: stricken = removed, old language. underscored = added, new language.

[Authors and Status](#)

[List versions](#)



H.F. No. 1219, 3rd Engrossment - 87th Legislative Session (2011-2012) Posted on May 24, 2011

- 1.1 A bill for an act
- 1.2 relating to taxation; making policy, technical, administrative, and clarifying
- 1.3 changes to income, withholding, estate, property, sales and use, mortgage
- 1.4 registry, insurance, minerals, gasoline, lodging, tax increment financing, and
- 1.5 other various taxes and tax-related provisions; making changes to provisions
- 1.6 related to certain aids and delinquent tax liabilities; providing for inclusion of
- 1.7 property in a tax increment financing district in the city of Sauk Rapids; providing
- 1.8 a property tax exemption for certain fairgrounds property in St. Louis County;
- 1.9 authorizing issuance of debt by Anoka County; prohibiting certain agency
- 1.10 contracts for tax-related activities; making changes to certain tax increment
- 1.11 financing districts in the cities of Ramsey, Cohasset, and Lino Lakes; amending
- 1.12 Minnesota Statutes 2010, sections 69.031, subdivision 1; 116J.8737, subdivisions
- 1.13 1, 2, 4; 270.87; 270A.03, subdivisions 2, 7; 270A.07, subdivision 1; 270C.30;
- 1.14 270C.32, subdivision 3; 270C.34, subdivision 1; 270C.64; 270C.711; 272.02, by
- 1.15 adding a subdivision; 272.029, by adding a subdivision; 273.1231, subdivision 4;
- 1.16 273.124, subdivisions 1, 8, 14; 273.13, subdivisions 22, 23; 273.33, subdivision
- 1.17 2; 273.37, subdivision 2; 273.3711; 274.175; 278.05, subdivision 6; 282.01,
- 1.18 subdivisions 1a, 1c, 1d; 282.014; 282.12; 287.05, subdivision 2; 289A.08,
- 1.19 subdivisions 1, 7; 289A.12, by adding a subdivision; 289A.18, subdivision 3;
- 1.20 289A.25, subdivisions 1, 6, by adding a subdivision; 289A.26, subdivision
- 1.21 1; 289A.35; 289A.38, subdivision 5; 289A.50, subdivision 10; 289A.60,
- 1.22 subdivision 31; 290.01, subdivisions 19a, as amended, 19b; 290.06, subdivision
- 1.23 2c; 290.091, subdivision 2; 290.0922, subdivisions 2, 3; 290.095, subdivision
- 1.24 11; 291.03, subdivision 1b; 296A.083, by adding a subdivision; 296A.18,
- 1.25 subdivision 7, by adding a subdivision; 297A.61, subdivision 3; 297A.62, by
- 1.26 adding a subdivision; 297A.63, by adding a subdivision; 297A.668, subdivision
- 1.27 7, by adding a subdivision; 297A.71, subdivision 23; 297A.89, subdivision 2;
- 1.28 297B.08; 297I.15, by adding a subdivision; 298.28, subdivision 2; 383C.16,
- 1.29 subdivision 1; 383E.21; 469.176, subdivisions 4c, 4m; 469.1763, subdivision
- 1.30 2; 469.319, subdivision 5; Laws 1986, chapter 462, section 31, as amended;
- 1.31 Laws 2010, chapter 389, article 7, section 22; proposing coding for new law in
- 1.32 Minnesota Statutes, chapters 16C; 270C; 383C; repealing Minnesota Statutes
- 1.33 2010, sections 272.02, subdivision 34; 273.124, subdivision 10; 281.37; 289A.38,
- 1.34 subdivision 3; 290.06, subdivision 10; 290A.27; 296A.18, subdivision 9.
- 1.35 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

2.1

ARTICLE 1

2.2

DEPARTMENT POLICY: INDIVIDUAL INCOME AND WITHHOLDING TAXES

2.3

Section 1. Minnesota Statutes 2010, section 270C.34, subdivision 1, is amended to read:

2.4

Subdivision 1. **Authority.** (a) The commissioner may abate, reduce, or refund any

75.33 (ii) if the expenditures are used to pay the cost of site acquisition, relocation,
 75.34 demolition of existing structures, site preparation, and pollution abatement on one or
 75.35 more parcels, if the parcel contains a residence containing one to four family dwelling
 75.36 units that has been vacant for six or more months and is in foreclosure as defined in
 76.1 section 325N.10, subdivision 7, but without regard to whether the residence is the owner's
 76.2 principal residence, and only after the redemption period stated in the notice provided
 76.3 under section 580.06 has expired.

76.4 (e) For a district created within a biotechnology and health sciences industry zone
 76.5 as defined in section 469.330, subdivision 6, or for an existing district located within
 76.6 such a zone, tax increment derived from such a district may be expended outside of the
 76.7 district but within the zone only for expenditures required for the construction of public
 76.8 infrastructure necessary to support the activities of the zone, land acquisition, and other
 76.9 redevelopment costs as defined in section 469.176, subdivision 4j. These expenditures are
 76.10 considered as expenditures for activities within the district.

76.11 (f) The authority under paragraph (d), clause (4), expires on December 31, 2016.
 76.12 Increments may continue to be expended under this authority after that date, if they are
 76.13 used to pay bonds or binding contracts that would qualify under subdivision 3, paragraph
 76.14 (a), if December 31, 2016, is considered to be the last date of the five-year period after
 76.15 certification under that provision.

76.16 **EFFECTIVE DATE.** This section is effective for any district that is subject to the
 76.17 provisions of section 469.1763, regardless of when the request for certification of the
district was made.

76.18 Sec. 16. Laws 2010, chapter 389, article 7, section 22, is amended to read:

76.19 Sec. 22. **CITY OF RAMSEY; TAX INCREMENT FINANCING DISTRICT;** *
 76.20 **SPECIAL RULES.**

76.21 (a) If the city of Ramsey or an authority of the city elects upon the adoption of a tax
 76.22 increment financing plan for a district, the rules under this section apply to a redevelopment
 76.23 tax increment financing district established by the city or an authority of the city. The
 76.24 redevelopment tax increment district includes parcels within the area bounded on the east
 76.25 by Ramsey Boulevard, on the north by Bunker Lake Boulevard as extended west to Llama
 76.26 Street, on the west by Llama Street, and on the south by a line running parallel to and
 76.27 600 feet south of the southerly right-of-way for U.S. Highway 10, but including Parcels
 76.28 28-32-25-43-0007 and 28-32-25-34-0002 in their entirety, and excluding the Anoka
 76.29 County Regional Park property in its entirety. A parcel within this area that is included in
 76.30 a tax increment financing district that was certified before the date of enactment of this act
 76.31 may be included in the district created under this act if the initial district is decertified.

76.32 (b) The requirements for qualifying a redevelopment tax increment district under
 76.33 Minnesota Statutes, section 469.174, subdivision 10, do not apply to the parcels located
 76.34 within the district.

77.1 (c) ~~In addition to the costs permitted by Minnesota Statutes, section 469.176,~~
 77.2 ~~subdivision 4j, does not apply to the district.~~ Eligible expenditures within the district
 77.3 include but are not limited to (1) the city's share of the costs necessary to provide for
 77.4 the construction of the Northstar Transit Station and related infrastructure, including
 77.5 structured parking, a pedestrian overpass, and roadway improvements, (2) the cost of
 77.6 land acquired by the city or the housing and redevelopment authority in and for the city
 77.7 of Ramsey within the district prior to the establishment of the district, and (3) the cost
 77.8 of public improvements installed within the tax increment financing district prior to the
 77.9 establishment of the district.

77.10 (d) The requirement of Minnesota Statutes, section 469.1763, subdivision 3, that
 77.11 activities must be undertaken within a five-year period from the date of certification of a
 77.12

tax increment financing district, is considered to be met for the district if the activities were undertaken within ten years from the date of certification of the district.

(e) Except for administrative expenses, the in-district percentage for purposes of the restriction on pooling under Minnesota Statutes, section 469.1763, subdivision 2, for this district is 100 percent.

(f) The requirement of Minnesota Statutes, section 469.177, subdivision 4, does not apply to Parcels 28-32-25-42-0021 and 28-32-25-41-0014, where development occurred after enactment of Laws 2010, chapter 389, article 7, section 22, and prior to adoption of the tax increment financing plan for the district.

EFFECTIVE DATE. This section is effective upon approval by the governing body of the city of Ramsey, and upon compliance by the city with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 17. CITY OF COHASSET; USE OF TAX INCREMENTS.

The authority operating tax increment financing districts No. 2-1 and No. 3-1 in the city of Cohasset may transfer tax increments from each of those districts to the city in an amount equal to the advances made by the city from its general fund to finance expenditures under Minnesota Statutes, section 469.176, subdivision 4, for the benefit of that district.

EFFECTIVE DATE. This section is effective the day following final enactment, upon approval by the governing body of the city of Cohasset and compliance with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 18. CITY OF LINO LAKES; TAX INCREMENT FINANCING.

Subdivision 1. Duration of district. Notwithstanding the provisions of Minnesota Statutes, section 469.176, subdivision 1b, the city of Lino Lakes may collect tax increments from tax increment financing district No. 1-10 through December 31, 2023, subject to the conditions in subdivision 2.

Subd. 2. Conditions for extension. All tax increments remaining in the account for the district after February 1, 2011, and all tax increments collected thereafter, must be used only to pay debt service on bonds issued to finance the interchange of Anoka County Highway 23 and marked Interstate Highway 35W, bonds issued to finance public improvements serving the development known as Legacy at Woods Edge, and any bonds issued to refund those bonds. Minnesota Statutes, sections 469.176, subdivision 4c, and 469.1763, do not apply to expenditures made under this section.

EFFECTIVE DATE. This section is effective upon compliance by the governing body of the city of Lino Lakes with the requirements of Minnesota Statutes, sections 469.1782, subdivision 2, and 645.021, subdivision 3.

Sec. 19. CITY OF SAUK RAPIDS TAX INCREMENT FINANCING DISTRICT; INCLUSION OF PARCELS.

Minnesota Statutes, section 469.176, subdivision 7, that restricts inclusion of parcels qualifying under Minnesota Statutes, section 273.111, in a tax increment financing district, does not apply to parcels located in the city of Sauk Rapids with the following parcel identification numbers: 19.04173.00, 19.04174.00, and 19.04176.00, if these parcels have been withdrawn from the program under Minnesota Statutes, section 273.111, by June 30, 2011.

EFFECTIVE DATE. This act is effective the day following final enactment after compliance by the governing body of the city of Sauk Rapids with the requirements of Minnesota Statutes, section 645.021, subdivision 3.