

Senate Property Taxes
Tuesday, May 3, 2022
8:30am

Agenda:

[SF 3706 \(Weber\)](#): Senate Property Tax Division Report

Committee Documents:

[CUC Letter on SF 3641 In Division Report \(PDF\)](#)

[AMC Input on Senate Property Tax Subcommittee Report 2022 \(PDF\)](#)

[UFJ Property tax fact sheet 2022 \(PDF\)](#)

[MBP Letter_SF3706DEamendment_050322 \(PDF\)](#)

[Fresh Energy Letter of Support Transition Aid_SF3706 \(PDF\)](#)

[LMC Comments - SF 3706 - A1 - Senate Property Tax Division Report_ \(PDF\)](#)

[CGMC Letter re Property Tax Report 05.03.22 \(PDF\)](#)

[MCGA_PropertyTaxesReportLetter \(PDF\)](#)

[SF 3706 A-1 \(Property Tax Subcommittee Report\) \(PDF\)](#)

[MN Budget Project letter Senate File 3706 \(PDF\)](#)

[SF3706 A1_MICA Comments \(PDF\)](#)

[SF3706Letter \(PDF\)](#)

[Sign on letter on PTR expansion 5.2.22 Senate property tax subdivision \(PDF\)](#)

[Testimony on SF3692 - Renters Credit Simplification \(PDF\)](#)

[Property Tax Agenda 5.02.22 \(PDF\)](#)

[SF 3706 A-2 \(PDF\)](#)

[SENATE FISCAL TRACKING, SF 3706, As Proposed to be Amended SCS3706 A-1 DE Amendment 5-2 4pm \(PDF\)](#)

Sen Weber:

- A2 Amendment. Adopted
 - Technical changes
- Updated spreadsheet

Testimony:

Beth Kadoun, Vice President Tax and Fiscal Policy – MN Chamber

- Strongly supports reducing the state levy and phasing out the regressive tax
- Supports the property tax refund tool
- Encourages tax accountability and transparency

Jill S. Larson, Deputy Executive Director – MN Business Partnership

- Echoes the MN Chamber comments
- Appreciates the state levy tax reduction and phase out
 - This provision will make MN more competitive with remote work

John Reynolds, NFIB

- Supports the state levy tax reduction and phase out
- Supports the agricultural riparian buffer credit

Ward Einess – Einess Strategies

- Emphasized the importance of updating 4D housing done this year

Paul Eger, Senior Vice President Governmental Affairs – MN Realtors

- Supports direct relief to property owners
 - Property tax refund to homeowners
 - Market value threshold
 - Senior citizen property tax deferral program
- Supports the state levy tax reduction and phase out
- Encourages to minimize the shift of property tax

Eric Bernstein, Policy Director – We Make MN

- Opposes state levy tax phase out – would lose \$4.2 billion during the phase-out
 - It impacts more out-of-state shareholders rather than Minnesotans

Joel Carlson, Legal Research - Government Affairs

- Supports property tax tiers for homestead resort

Assistant Commissioner John Klockziem – Dept. of Revenue

- Supports the property tax refund program
- Supports the senior citizen property tax referral
- Concerns about the cost to state and local government

Member Discussion:

Sen Klein:

- The Committee agreed the most urgent concern is the rapidly rising home property taxes
- Appreciates the homestead market value inclusion
 - 4D provisions are good and will do positive change
- TIF projects were the rights one
- Concerns with large cost of the elimination of the state levy phase-out since it is not fully included in the spreadsheet
 - Concerns with lack of local government and county aid

Sen Murphy:

- Why is the state levy change completely off the spreadsheet?
 - Sen Weber: Programs that continue for multiple years typically go off the spreadsheet. The point is to set up the framework for future years and the spreadsheets don't include years and years in the future
- Worries about the total tax cuts and spending this will result in and this is a significant thing to take on
 - Sen Weber: There have been other tax initiatives that have not fully shown up on spreadsheets but have been transparent and good for Minnesotans

Sen Weber: Last week, there were suggestions thrown around in response to property value statement reactions from the public and in response to a property tax freeze. One benefit would

be an education to the public about what goes into their real estate tax statement. Over the past few years, the Legislature has passed many costs to local governments. The Legislature needs to be aware of the net effect of tax initiatives

Sen Chamberlain: This bill pleases everyone and everyone is happy with one piece of the bill

Moves SF3706, as amended, to Taxes. Passed