

March 16, 2009

PROPOSED AMENDMENTS TO REENGROSSED SENATE BILL NO. 2199

Page 1, line 1, after "Act" insert "to create a property tax relief sustainability fund;"

Page 1, line 5, after the second semicolon insert "to provide for transfers;"

Page 2, line 22, after "4." insert "The authority for a levy of up to a specific number of mills under this section approved by electors of a school district before July 1, 2009, is terminated effective for taxable years after 2012. If the electors of a school district subject to this subsection have not approved a levy for taxable years after 2012 of up to a specific number of mills under this section by December 31, 2012, the school district levy limitation for subsequent years is subject to the limitations under section 57-15-01.1 or this section.

5."

Page 2, line 23, replace "2010" with "2012"

Page 2, line 24, after "of" insert "up to"

Page 2, line 25, replace "2010" with "2012"

Page 6, after line 6, insert:

"57-64-05. Tax increment financing district revenue replacement grants.

1. A city in which a tax increment financing district was established before January 1, 2009, is entitled to a grant, subject to legislative appropriation, to reimburse the district for the loss of tax increments attributable to the mill levy reduction under this chapter for the school district in which the tax increment financing district property is located. The grant to which a city is entitled under this section is equal to the combined education mill rate reduction under this chapter for the school district for the taxable year times the incremental value of property that had a tax increment value before January 1, 2009, as determined under section 40-58-20, discounted by five percent as allowed for taxpayers under section 57-20-09.
2. Applications for grants under this section must be filed with the tax commissioner by January thirty-first immediately following the taxable year of the combined education mill rate reduction under this chapter. Applications must be filed on a form prescribed by the tax commissioner. The tax commissioner shall audit applications, make corrections as required, and certify grant amounts and recipients to the state treasurer for payment of grants by March thirty-first following receipt of applications.

SECTION 5. Property tax relief sustainability fund. The property tax relief sustainability fund is a special fund in the state treasury. Moneys in the fund may be spent, pursuant to legislative appropriations, for property tax relief programs."

Page 6, line 8, replace "permanent oil tax trust" with "general"

Page 6, after line 11, insert:

"SECTION 7. APPROPRIATION. There is appropriated out of any moneys in the permanent oil tax trust fund in the state treasury, not otherwise appropriated, the sum of \$1,720,000, or so much of the sum as may be necessary, to the state treasurer for the purpose of allocation of revenue replacement grants to tax increment financing districts under section 57-64-05, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 8. TRANSFER - PERMANENT OIL TAX TRUST FUND - GENERAL FUND. The office of management and budget shall transfer the sum of \$295,000,000 from the permanent oil tax trust fund to the general fund on July 1, 2009.

SECTION 9. TRANSFER - PERMANENT OIL TAX TRUST FUND - PROPERTY TAX RELIEF SUSTAINABILITY FUND. The office of management and budget shall transfer the sum of \$295,000,000 from the permanent oil tax trust fund to the property tax relief sustainability fund on July 1, 2010."

Renumber accordingly