



H.B. 485
123rd General Assembly
(As Introduced)

Rep. Logan

BILL SUMMARY

- Requires the recalculation of state base cost funding to a school district when federal property that makes up at least 10% of the total taxable value of property located in the district becomes tax exempt.
- Declares an emergency.

CONTENT AND OPERATION

The bill provides for the state's share of a school district's base cost funding to increase during a fiscal year in the event of a major loss of taxable property valuation in the district due to federal property becoming tax exempt. The federal property in question can be real estate or tangible personal property, and must be used exclusively for a public purpose. If the assessed valuation of the exempted property equals at least 10% of the total taxable property value certified for the district that fiscal year, the district is entitled to the recalculation of its state funding.

The Tax Commissioner must certify the assessed valuation of the exempted property to the Department of Education. The Department must then recalculate the district's state base cost funding by deducting the amount certified from the adjusted total taxable value of property in the district that was used in the original calculation. This will cause the district's share of the base funding amount to decrease and the state's share to increase. The Department must adjust the remainder of the payments it makes to the district that fiscal year so that by the end of the year the district has received the entire excess of the recalculated amount over the amount originally calculated.

HISTORY

ACTION	DATE	JOURNAL ENTRY
Introduced	10-20-99	p. 1313

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