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State of Minnesota  
**HOUSE OF REPRESENTATIVES**

EIGHTY-SIXTH  
SESSION

**HOUSE FILE No. 1427**

March 9, 2009

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The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act  
1.2 relating to taxation; increasing border city enterprise allocations; amending  
1.3 Minnesota Statutes 2008, section 469.169, by adding a subdivision.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. Minnesota Statutes 2008, section 469.169, is amended by adding a  
1.6 subdivision to read:

1.7 Subd. 19. **Additional border city allocations; 2009.** (a) In addition to tax  
1.8 reductions authorized in subdivisions 7 to 18, the commissioner shall allocate \$750,000  
1.9 for tax reductions to border city enterprise zones in cities located on the western border  
1.10 of the state. The commissioner shall make allocations to zones in cities on the western  
1.11 border on a per capita basis. Allocations made under this subdivision may be used for  
1.12 tax reductions as provided in section 469.171 or for other offsets of taxes imposed on  
1.13 or remitted by businesses located in the enterprise zone, but only if the municipality  
1.14 determines that the granting of the tax reduction or offset is necessary in order to retain a  
1.15 business within or attract a business to the zone. The city alternatively may elect to use  
1.16 any portion of the allocation provided in this paragraph for tax reductions under section  
1.17 469.1732 or 469.1734.

1.18 (b) The commissioner shall allocate \$750,000 for tax reductions under section  
1.19 469.1732 or 469.1734 to cities with border city enterprise zones located on the western  
1.20 border of the state. The commissioner shall allocate this amount among the cities on a per  
1.21 capita basis. The city alternatively may elect to use any portion of the allocation provided  
1.22 in this paragraph for tax reductions as provided in section 469.171.

1.23 **EFFECTIVE DATE.** This section is effective the day following final enactment.