

Fiscal Estimate Narratives
DOR 2/20/2006

LRB Number	05-4128/1	Introduction Number	AB-1022	Estimate Type	Original
Description Exempting a city, town, village, or school district from the county library tax					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, a county board may levy a property tax for library services. A municipality or school district in the county is exempt from the county library tax if it levies its own tax for library services at a rate equal or greater than the county tax rate for library services.

Under the bill, a municipality or school district would be exempt from the county library tax if it levies its own tax for library services at a rate equal or greater than the county tax rate for library services, excluding the portion of the county levy used for library capital expenditures.

In addition, the bill would allow a county board to exempt a municipality or school district from the county library tax if the municipality or school district levies a tax for library services, excluding levies for capital expenditures, and spends for a library fund an amount that is not less than the average of the previous three years.

The bill may increase the number of municipalities and school districts that would be exempt from the county library tax. Data on county library taxes reported to the Department of Revenue do not identify the portion used for capital purposes. Municipalities and school districts do not separately report the portion of their levies used for library services. As a result, it is not possible to reasonably estimate the number of municipalities and school districts that could be exempt from the county tax levy for library services under the bill.

There is no state fiscal impact.

Long-Range Fiscal Implications