

Fiscal Estimate Narratives
DOR 4/25/2005

LRB Number 05-0623/1	Introduction Number AB-312	Estimate Type Original
Subject Distribution of the penalty for converting agricultural land		

Assumptions Used in Arriving at Fiscal Estimate

Under current law, a person who converts agricultural land to a different use pays a penalty to the county in which the land is located. The county distributes 50 percent of the amount of the penalty to the taxation district in which the land is located and retains the rest.

Under the bill, the county would be required to distribute the taxation district's share of the penalty by August 20 of each year.

The specific date for distribution of penalties provided by the bill may result in more predictable cash flows for municipalities. The department does not have data on the amounts of penalties since these data are not reported to the department.

Long-Range Fiscal Implications