

HB 1799 -- REDUCTIONS OF LOCAL TAX RATES

SPONSOR: Matthiesen

This bill establishes the "Taxation Oversight and Reduction Act".

A taxpayer may submit a petition to the local election authority with jurisdiction over a political subdivision for the reduction of the political subdivision's property tax rate, excluding any tax rate set to pay for bonds or debt services.

Petitioners must notify the political subdivision's local election authority of their intent to submit a petition and provide the local election authority with a copy of the petition.

Upon notification, the local election authority must notify the taxpayer of the minimum required number of signatures to approve the petition, the estimated cost for signature verification, and the date by which the petition will be due in order for the question to be placed on the ballot.

The minimum signature requirement to place a tax reduction on the ballot will be 5% percent of the number of registered voters who voted in the most recent election of the political subdivision's governing body. The local election authority must verify that signatures are from registered voters of the political subdivision in question. Election authorities may charge petitioners a fee for signature verification, provided that the fee does not exceed \$0.50 per signature.

If petitioners meet all requirements, the local election authority will place the tax reduction on the ballot of the next general municipal election. The form of the ballot question is specified in the bill.

If a majority of the registered voters of the political subdivision approve the reduction, the political subdivision must reduce the property tax rate by the percentage approved by the voters.

The reduction must not exceed 5% of the tax rate in effect on the day the question is submitted to voters, unless the maximum authorized levy is more than 5% higher than the current tax rate ceiling, in which case the reduction may be equal to the percentage necessary to reduce the maximum authorized levy to equal the tax rate ceiling.

A reduction of the same political subdivision's property tax rate may be submitted to voters no more than once every four years.

This bill is similar to HB 515 (2025).