



**Independent
Community Bankers
of Minnesota**
Always with you. Always for you.

Capitol Link

Judge Orders Funding for Legislature

Ramsey County Chief Judge John H. Guthmann today ordered that funding for the Minnesota Legislature continue through October 1, as Governor Mark Dayton and legislative leaders requested last week.

The Star Tribune posted an article on the ruling at 10:30 this morning. In it, the judge concluded that if the legislature were to shut down, "the state would be irreparably harmed."

The Governor's Veto and Impact on ICBM Members

Why should ICBM members care that the governor vetoed funding for the Minnesota Legislature in an attempt to force them to reconsider several provisions he already signed into law? Answer: Because two provisions Governor Dayton wants to amend or repeal completely, were top ICBM priorities in 2017.

The two priorities are: a reduction in Minnesota's estate tax and the provision that freezes the state property tax levy on businesses at the 2018 level.

- **Estate Taxes**--The tax bill passed in special session (HF1 SS) included language that increases the amount of an estate that is exempt from Minnesota's estate tax to \$3 million (from \$2 million under present law). This increase is phased in and fully effective for estates of decedents dying in 2020. ICBM hoped to pass language conforming Minnesota's estate tax law to Federal estate tax law, which currently allows an exemption of over \$5 million with an automatic inflator. However, the language that passed will increase the exclusion by 50 percent, which is a good step forward.
- **State Business Property Tax Levy**--The tax bill signed by the governor exempts the first \$100,000 in value of business property from the state general business property tax. Smaller businesses will benefit the most and the governor does not object to this change. However, the tax has an automatic inflator. The tax bill freezes that inflator at the 2018 level and Governor Dayton strongly opposes this freeze. The inflator has slowly increased this tax so that today, it equals approximately one-third of the total property taxes businesses pay. One ICBM member determined this portion of the bank's total annual

David Skilbred
VP of Government Relations
ICBM

dskilbred@icbm.org
(651) 789-3983

*Manage Your ICBM E- Publications



If you would like to update your e-publication deliveries from ICBM, please contact Kristi Ploeger at kploeger@icbm.org or 651-789-3997.

ICBM QUICK LINKS

[ICBM Home](#)

[Complimentary Webinars](#)

ICBM hosts a number of webinars each year and makes them available to members on demand.

[Online Education](#)

Find information on all of ICBM's education offerings here.

[More About ICBM](#)

Learn more about your association.

[Bank Directory](#)

Find general information on any of our bank members. Available

property tax bill was just over \$135,000. The governor does not want this tax frozen because it produces a significant amount of revenue today and over time, that revenue will continue to increase. The governor argues losing those future revenue increases will jeopardize the budget.

When the session started, ICBM and other advocates working to reduce the state's business property tax levy hoped we might be successful in exempting some portion of property value from this tax, or freeze the automatic inflator. We did not think we could be successful on both issues the same year, but we were. It is a significant victory for the coalition working together on this issue. Most importantly, it's a positive change that will help all Minnesota businesses.

Update on Hiring a Deputy Commissioner

According to staff at the Minnesota Department of Commerce, the job posting for the position of Deputy Commissioner for Financial Institutions was extended, but is now closed and applications have been received. There is no further information on when interviews will begin.

Sarah Butler was appointed as Acting Deputy Commissioner mid-session, but when the Legislature adjourned, she returned to Kentucky where she regulates financial institutions.

Stay linked with ICBM's *CapitolLink!*

Manage Your ICBM E-Publications

If you would like to update your e-publication deliveries from ICBM, please contact Kristi Ploeger at kploeger@icbm.org or 651-789-3997.

to members only.

[B2B Directory](#)

Public listing of every ICBM Associate Member. Searchable by company, city, and business category.

[Bank Locator](#)

Get a map and directions to any one of our member banks or branches.

[ATM Locator](#)

Find an ATM located on the In Balance® Network.

Like Capitol Link?

See what else we publish

[Learn More](#)

We want to hear from you!

Do you know of any banking news happening in your region? Let us know. Email Joel Runck at jrunck@icbm.org or call 651-789-3988.