

The levy limit law requires a municipality to reduce its allowable levy by the estimated amount of fee revenue it collects for providing garbage collection, fire protection, snow plowing, street sweeping, or storm water management if those services were funded in 2013 by property tax levy.

Similarly, a municipality must reduce its allowable levy by any payment in lieu of taxes it receives that is designated to pay for any of the 5 services listed above if the service was funded in 2013 by the levy.

The total amount of the levy reduction implemented by a municipality, including prior year reductions, is statutorily capped and may not exceed the amount funded by tax levy in 2013 to provide the covered service.