

Minnesota House of Representatives - House Fiscal Analysis Department

2022 REGULAR SESSION - TAX POLICY AND TAX AIDS & CREDITS - SUMMARY

Updated: 4/26/22 10:09 AM

HF 3669 - 1E with the A23 amendment, House Omnibus Tax Bill, As Referred to The Ways and Means Committee

ALL FUNDS, DOLLARS IN THOUSANDS

TAX POLICY & NON GENERAL FUND CHANGE ITEMS: Positive amounts indicate revenue increase

AIDS & CREDITS: Positive amounts indicate expenditure

LINE		Actual	HF 3669 -1E	
		FY 2021-22	FY 2022-23	FY 2024-25
1	<u>GENERAL FUND FORECAST:</u>			
2	TAX POLICY (REVENUE) ¹	47,737,661	54,594,416	58,105,887
3	PROPERTY TAX REFUNDS, AIDS, & CREDITS (EXPENDITURES) ¹	3,892,681	4,153,638	4,342,803
4				
5	<u>GENERAL FUND - CHANGE ITEMS:</u>			
6	TAX POLICY		(1,477,230)	(1,629,040)
7	LESS PROPERTY TAX REFUNDS, AIDS, & CREDITS		167,727	(29,956)
8	SUBTOTAL: GENERAL FUND CHANGE ITEMS		(1,644,957)	(1,599,084)
9				
10	<u>NON-GENERAL FUND - CHANGE ITEMS:</u>			
11	LEGACY FUNDS		(7,130)	(1,960)
12	ENVIRONMENTAL FUND		3,100	6,400
13	SPECIAL REVENUE FUND		290	640
14	RESTRICTED MISCELLANEOUS SPECIAL REVENUE FUND		(5)	20
15	HOUSING DEVELOPMENT FUND		-	-
16	IRON RANGE SCHOOL CONSOLIDATION FUND		-	2,775
17	TACONITE ENVIRONMENTAL PROTECTION FUND		-	(1,850)
18	DJJ ECONOMIC PROTECTION FUND		-	(926)
19	SUBTOTAL: NON-GENERAL FUND CHANGE ITEMS		(13,740)	(14,921)

(1) General Fund state tax revenues are based on the February 2022 Forecast

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2022 Legislature - HF 3669 - 1E, Omnibus Tax Bill

General Fund Changes to Tax Policy Provisions Compared to Current Law, General Fund Tax Revenues based on the February 2022 Forecast (all dollars in thousands)

Note: Positive numbers = revenue gains, negative numbers = revenue reduction, bracketed numbers and are not included in the total

HF #	NON DEDICATED TAX REVENUE	EFFECTIVE	HOUSE FY2022	HOUSE FY2023	HOUSE FY2022-23	HOUSE FY2024	HOUSE FY2025	HOUSE FY2024-25
1	TOTAL - Non Dedicated General Fund Tax Revenue, Current Law Forecast		26,552,098	28,042,318	54,594,416	28,768,606	29,337,281	58,105,887
2								
3	HF 3669 - Tax Policy - Change Items - Summary							
4	Tax Policy - Change Items		-	(1,396,400)	(1,396,400)	(789,120)	(805,120)	(1,594,240)
5	Tax Policy - Federal Conformity - Change Items		-	(80,830)	(80,830)	(18,260)	(16,540)	(34,800)
6	Total - General Fund, Tax Policy - HF 3669, All Change Items		-	(1,477,230)	(1,477,230)	(807,380)	(821,660)	(1,629,040)
7								
8	TOTAL - Non Dedicated Tax Revenue Forecast + Change Items		26,552,098	26,565,088	53,117,186	27,961,226	28,515,621	56,476,847
9								
10	INDIVIDUAL INCOME TAX							
11								
12	Current Law, Forecast							
13	Receipts		17,453,368	17,624,161	35,077,529	18,206,210	18,827,020	37,033,230
14	Refunds		(2,976,195)	(1,927,036)	(4,903,231)	(1,806,195)	(2,087,341)	(3,893,536)
15	Subtotal - Current Law		14,477,173	15,697,125	30,174,298	16,400,015	16,739,679	33,139,694
16								
17	Change Items - Federal Conformity							
18	*FCAA: Expansion of Section 529 Plans	Retro, TY 19	-	(530)	(530)	(160)	(160)	(320)
19	*CARES: Increase Limitation on Charitable Deduction Limit for Food Inventory from 15% to 25%	TY 20 only	-	(190)	(190)	40	10	50
20	*CARES: Exclusion of Certain Employer Student Loan Payments	TY 20 only	-	(5,000)	(5,000)			
21	*CAA: Exclusion, Discharge of Indebtedness - Qual. Principle Residence (Full Retroactive	TY 21-25	-	(2,800)	(2,800)	(1,600)	(1,600)	(3,200)
22	*CAA: Exclusion of Benefits for Volunteer Firefighters & Emergency Medical Responders	TY 21 only	-	(590)	(590)	(400)	(400)	(800)
23	*CAA: Exclusion of Certain Employer Student Loan Payments	TY 21-25	-	(14,300)	(14,300)	(7,300)	(7,400)	(14,700)
24	*CAA: Special disaster-related rules for use of retirement funds (Full Retroactive Conformity)	TY 21 only	-	(10)	(10)	10	-	10
25	*CAA: Temporary increase in limitation on qualified contributions	TY 21-22	-	(900)	(900)	(400)	(400)	(800)
26	*CAA: Exclusion of SBA Loan Assistance (Full Retroactive Conformity)	TY 21	-	(2,800)	(2,800)	(300)	(100)	(400)
27	*CAA: Exclusion of Shuttered Venue Grants (Full Retroactive Conformity)	TY 21	-	(2,400)	(2,400)	(400)	(200)	(600)
28	*CAA: Accelerated Depreciation for Business Property on Indian Reservation	TY21	-	(80)	(80)	(10)	(Negli.)	(10)
29	*CAA: Depreciation of Certain Residential Rental Property over 30 years	Retro, TY18	-	(8,200)	(8,200)	(1,100)	(900)	(2,000)
30	*CAA: Special Expensing Rules for Certain Film, Television and Live Theatrical Productions	TY 21-25	-	(3,300)	(3,300)	(600)	(600)	(1,200)
31	*CAA: Energy-Efficient Commercial Building Deduction	Begins TY 21	-	(410)	(410)	(200)	(200)	(400)
32	*CAA: Special Rule for the Production Period for Beer, Wine and Distilled Spirits	Begins TY 21	-	(120)	(120)	(40)	(40)	(80)
33	*ARPA: Employer-Provided Dependent Care Assistance, Exclusion Increased	TY 21 only	-	(760)	(760)			-
34	*ARPA: Discharged Student Loans, Exclusion Provided (Fully Retroactive Conformity)	TY 21-25	-	(200)	(200)	(100)	(100)	(200)
35	*ARPA: Increase maximum unearned income for Working Family Credit	TY 21	-	(900)	(900)	(500)	(500)	(1,000)
37	*ARPA: Exclusion of EIDL Loan Advances (Full Retroactive Conformity)	TY 21 only	-	(6,300)	(6,300)	(600)	(300)	(900)
38	*ARPA: Exclusion of Restaurant Revitalization Grants (Full Retroactive Conformity)	TY 21 only	-	(4,400)	(4,400)	(400)	(200)	(600)

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HF #	NON DEDICATED TAX REVENUE	EFFECTIVE	HOUSE FY2022	HOUSE FY2023	HOUSE FY2022-23	HOUSE FY2024	HOUSE FY2025	HOUSE FY2024-25
39	*IIJA: Private Activity Bonds for Qualified Broadband Projects	Beginning TY22	-	(80)	(80)	(170)	(290)	(460)
40	*IIJA: Tax Exempt Bonds for Qualified Carbon Dioxide Capture Facilities	Beginning TY22	-	(20)	(20)	(20)	(40)	(60)
41					-			-
42	Subtotal - Change Items - Federal Conformity		-	(54,290)	(54,290)	(14,250)	(13,420)	(27,670)
43								
44	Change Items							
45	HF3558 Renters Income Tax Credit to Replace Renters Credit (refundable)	TY 2022	-	(372,600)	(372,600)	(378,200)	(386,100)	(764,300)
46	Repeal of Renter Property Tax Credit (Reference Only - See Property Tax Expenditure Section)^A	Pay 2023	-	-	-	[231,600]	[234,700]	[466,300]
47								
48	HF 3072 Student Loan Tax Credit: Credit Size Modified and Made Refundable	TY 22-28	-	(32,000)	(32,000)	(32,600)	(33,300)	(65,900)
49	HF1456, HF3713 Beginning Farmer Tax Management & Incentive Credits: Eligibility Modified	TY 2022	-	(3,700)	(3,700)	(4,000)	-	(4,000)
50	HF118 Stillborn Tax Credit Modifications	Retro TY 16	Negli.	Negli.	Negli.	Negli.	Negli.	Negli.
51	HF1373 K-12 Education Tax Credit: Phaseout \$70,000 FAGI, Phaseout Threshold Increased	TY 2022	-	(13,300)	(13,300)	(14,000)	(14,200)	(28,200)
52	K-12 Education Tax Credit Interaction: K-12 Subtraction		-	1,100	1,100	1,100	1,100	2,200
53	HF3283 Great Start Child & Dependent Care Tax Credit: Increased Credit, Income Phaseout & Other Change	TY 22-28	-	(196,600)	(196,600)	(202,300)	(204,100)	(406,400)
54	Child & Dependent Care Tax Credit Interaction: Addition for Dependent Care Expenses		-	14,300	14,300	14,700	14,800	29,500
55	HF3669 Rebate Credit, Children under Age 17, \$140,000 FAGI Phaseout (refundable)	Retro TY 21 only	-	(308,000)	(308,000)	-	-	-
56	HF 3944 Polar Vortex Response Tax Credit (refundable)	TY2021 only	-	(14,700)	(14,700)	-	-	-
57	Polar Vortex Response Tax Credit Interaction: Addition for Deducted Excess Energy Costs		-	300	300			
58	HF3669 Working Family Tax Credit: Expand Eligibility to Include ITIN Taxpayers	TY 2022	-	(9,800)	(9,800)	(10,400)	(10,400)	(20,800)
59	HF3669 Small Business Investment (Angel) Tax Credit: Allocation Increase	TY 22 only	-	(7,000)	(7,000)			-
60	HF 4318 Credit for Taxes Paid to Another State, Disregarded LLCs	TY 2022	-	-	-	-	-	-
61	HF4590 Film Production Tax Credit, Modifies the Minimum Expense for Eligibility	TY 2022	-	-	-	-	-	-
62	HF3967 Pass-Through Entity (PTE), Various Modifications	Retro TY 2021	(Unknown)	(Unknown)	(Unknown)	(Unknown)	(Unknown)	(Unknown)
63			-		-			
64	HF2765 Unemployment Insurance Subtraction, \$10,200 Maximum Subtraction, \$150,000 FAGI Phaseout	TY2021 only	-	(160,900)	(160,900)			-
65	HF3846 Social Security Subtraction, Modified Subtraction and Phaseout	TY 2022	-	(114,200)	(114,200)	(127,500)	(134,900)	(262,400)
66	HF4689 Covid Business Assistance Aid, Subtraction	Retro TY 2020	-	(11,500)	(11,500)			-
67	HF2091 Military Pension Subtraction, Eligibility Expanded	Retro TY 2021	-	(1,300)	(1,300)	(700)	(700)	(1,400)
68	HF3776 Emergency Assistance Post-Secondary Grants, Subtraction	TY 2022-29	-	(10)	(10)	(10)	(10)	(20)
69	HF4446 Workforce Grant Payment Subtraction	TY 2022-29	-	-	-	-	-	-
70					-			-
71	Interaction with Property Taxes: Local Government Aid				-	350	350	700
72	Interaction with Property Taxes: County Program Aid				-	130	130	260
73	Interaction with Property Taxes: School LOR Levy				-	690	850	1,540
74	Interaction with Property Taxes: School Building Bond Agricultural Aid, 85%				-	-	580	580
75	Interaction with Property Taxes: School District LTFM Levy				-	(10)	(10)	(20)
76	Interaction with Property Taxes: Payment-in-Lieu of Taxes (PILT)				-	90	100	190

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77	Interaction with Property Taxes: Local Affordable Housing Aid		-			340	370	710
78	Interaction with Property Taxes: Ely School Bond Debt Service		-			(10)	(10)	(20)
79	Interaction with Property Taxes: Local Homeless Prevention Aid for tribal governments					(20)	(20)	(40)
80	Subtotal - Other Change Items		-	(1,229,910)	(1,229,910)	(752,350)	(765,470)	(1,517,820)
81								
82	TOTAL - INDIVIDUAL INCOME TAX		14,477,173	14,412,925	28,890,098	15,633,415	15,960,789	31,594,204
83								
84	CORPORATE FRANCHISE TAX							
85	Current Law, Forecast							
86	Receipts		2,519,619	2,239,017	4,758,636	2,041,332	1,999,605	4,040,937
87	Refunds		(143,787)	(187,872)	(331,659)	(191,399)	(195,469)	(386,868)
88	Subtotal - Current Law		2,375,832	2,051,145	4,426,977	1,849,933	1,804,136	3,654,069
89								
90	Change Items - Federal Conformity							
91	*FCAA: Seven-Year Recovery Period for Motorsports Entertainment Complexes	TY18-20	-	(360)	(360)	(40)	(20)	(60)
92	*CARES: Increase Limitation on Charitable Deduction Limit for Food Inventory from 15% to 25%	TY 20 only	-	(90)	(90)	30	-	30
93	*CAA: Exclusion of SBA Loan Assistance (Full Retroactive Conformity)	TY 21	-	(2,600)	(2,600)	(100)	(100)	(200)
94	*CAA: Exclusion of Shuttered Venue Grants (Full Retroactive Conformity)	TY 21	-	(2,400)	(2,400)	(400)	(200)	(600)
95	*CAA: Seven-Year Recovery Period for Motorsports Entertainment Complexes	TY 21-25	-	(190)	(190)	(100)	(110)	(210)
96	*CAA: Accelerated Depreciation for Business Property on Indian Reservation	TY 21	-	(60)	(60)	(10)	-	(10)
97	*CAA: Depreciation of Certain Residential Rental Property over 30 years	2018	-	(4,100)	(4,100)	(500)	(400)	(900)
98	*CAA: Special Expensing Rules for Certain Film, Television and Live Theatrical Productions	TY 21-25	-	(3,800)	(3,800)	(700)	(700)	(1,400)
99	*CAA: Energy-Efficient Commercial Building Deduction	Begins TY 21	-	(660)	(660)	(320)	(320)	(640)
100	*CAA: Special Rule for the Production Period for Beer, Wine and Distilled Spirits	Begins TY 21	-	(180)	(180)	(70)	(70)	(140)
101	*ARPA: Exclusion of EIDL Loan Advances (Full Retroactive Conformity)	TY 21 only	-	(6,100)	(6,100)	(600)	(300)	(900)
102	*ARPA: Exclusion of Restaurant Revitalization Grants (Full Retroactive Conformity)	TY 21 only	-	(4,300)	(4,300)	(400)	(200)	(600)
103	*ARPA: Worldwide Interest Allocation Rules, Repeal	TY21	-	Unknown	Unknown	Unknown	Unknown	Unknown
104	*IIJA: Modification of Tax Treatment of Contributions to the Capital of a Corporation	TY21	-	(1,700)	(1,700)	(800)	(700)	(1,500)
105			-					
106	Subtotal - Change Items - Federal Conformity		-	(26,540)	(26,540)	(4,010)	(3,120)	(7,130)
107								
108	Change Items							
109	HF3688 Historic Rehabilitation Tax Credit: Timing of Credit & Sunset Delayed	DFE to TY30		(31,800)	(31,800)	(14,600)	(19,700)	(34,300)
110	HF4689 Covid Business Assistance Aid, Subtraction	Retro TY 2020		(9,400)	(9,400)	(900)	(900)	(1,800)
111					-			-
112	Subtotal - Other Change Item Changes		-	(41,200)	(41,200)	(15,500)	(20,600)	(36,100)
113								
115	TOTAL - CORPORATE FRANCHISE TAX		2,375,832	1,983,405	4,359,237	1,830,423	1,780,416	3,610,839
115								

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HF #	NON DEDICATED TAX REVENUE	EFFECTIVE	HOUSE FY2022	HOUSE FY2023	HOUSE FY2022-23	HOUSE FY2024	HOUSE FY2025	HOUSE FY2024-25
116	SALES AND USE TAXES							
117	Current Law, Forecast							
118	Receipts		7,146,730	7,408,092	14,554,822	7,598,071	7,820,946	15,419,017
119	Refunds		(206,547)	(186,800)	(393,347)	(176,801)	(176,801)	(353,602)
120	Indian Sales Tax Refunds		(11,000)	(12,500)	(23,500)	(12,700)	(12,900)	(25,600)
121	Transfer Sales Tax on Motor Vehicle Leases							
122	City of Minneapolis Sales Tax to MSFA		-	-	-	1,590	1,798	3,388
123	MPLS Sales Tax Repayment, NFL Stadium		21,215	21,704	42,919	22,148	22,551	44,699
124	Elim. June Sales Tax Shift Requirement		(347,600)	(10,900)	(358,500)	(10,500)	(13,700)	(24,200)
125	Subtotal - Current Law		6,602,798	7,219,596	13,822,394	7,421,808	7,641,894	15,063,702
126								
127	Change Items							
128	HF 3669 Exemption by Refund, Construction Mats. Purchased by a Contractor, Local Govts & Nonprofits	12/31/22	-	(95,500)	(95,500)			-
129	HF 2189 Construction Exemption, Duluth - I.S.D. 709	various	-	(240)	(240)	(250)		(250)
130	HF 2092 Construction Exemption, Ely - I.S.D. 696	various	-	(320)	(320)			-
131	HF 2786 Construction Exemption, Various School Building Projects	various	-	(1,400)	(1,400)	(3,180)	(1,320)	(4,500)
132	HF 1960 Construction Exemption, Itasca County Courts & Courthouses	various	-	-	-	(250)	(250)	(500)
133	HF 4114 Construction Exemption, North Metro Regional Public Safety Training Facility - Maple Grove	various	-	(290)	(290)			-
134	HF 2262 Construction Exemption, City of Wayzata, Various Projects	various	-	-	-	(520)	-	(520)
135	HF 921 Capital Equipment Exemption, Expansion to Restaurant Food Service	7/1/2022	-	(7,700)	(7,700)	(8,600)	(8,800)	(17,400)
136	HF 4422 Exemption Expanded, Fiber & Conduit by Internet/Broadband Service Providers	Retro 7/1/2017	-	(13,150)	(13,150)	(2,900)	(3,050)	(5,950)
137	HF 4318 Exemption for Sole Member of Disregarded LLC and the Disregarded LLCs	7/1/2022	-	(660)	(660)	(710)	(760)	(1,470)
138	HF 3307 Exemption, Agricultural Fencing	Retro 7/1/21	-	(2,580)	(2,580)	(1,310)	(1,320)	(2,630)
139	HF 3167 Exemption, National Sports Center- Blaine, Amateur Sports Comm	7/1/2022	-	(290)	(290)	(320)	(320)	(640)
140	HF 3104 Exemption, Pre-sales by Agricultural Societies	DFE	(Negli.)	(30)	(30)	(30)	(30)	(60)
141	HF 4678 Exemption Extended, MN State High School League To Tax Year 2030	DFE	-	-	-	-	-	-
142	HF 2756 Construction Exemption Extended, City of Mazeppa - Properties Destroyed by Fire	Retro 3/11/18	-	(20)	(20)			-
143					-			-
144	Subtotal - Change Items		-	(122,180)	(122,180)	(18,070)	(15,850)	(33,920)
145								
146	TOTAL - SALES AND USE TAXES		6,602,798	7,097,416	13,700,214	7,403,738	7,626,044	15,029,782
147								
148	ESTATE TAX							
149	Current Law, Forecast							
150	Receipts		217,600	222,500	440,100	232,400	248,300	480,700
151	Refunds		(7,000)	(7,100)	(14,100)	(7,400)	(7,800)	(15,200)
152	Subtotal - Current Law		210,600	215,400	426,000	225,000	240,500	465,500
153								
154	Tax Law Recommended Changes							
155	HF 759 Special Ag Homestead Market Value Credit	various	-	-	-	(Unknown)	(Unknown)	(Unknown)

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156								
157	<i>Tax Law Changes - subtotal</i>		-	-	-	(Unknown)	(Unknown)	(Unknown)
158								
159	TOTAL - ESTATE TAX		210,600	215,400	426,000	225,000	240,500	465,500
160								
161	<u>STATEWIDE PROPERTY TAX (STATE GENERAL LEVY)</u>							
162	Current Law, Forecast							
163	Receipts		771,915	764,133	1,536,048	748,456	748,637	1,497,093
164	Refunds				-			-
165	Subtotal - Current Law		771,915	764,133	1,536,048	748,456	748,637	1,497,093
166								
167	<i>Change Items</i>							
168	HF 4400 Indian Tribe Owned Property - State General Levy Refund	Pay 2022	-	(10)	(10)			-
169					-			-
170	Subtotal - Change Items		-	(10)	(10)	-	-	-
171								
172	TOTAL - STATEWIDE PROPERTY TAX		771,915	764,123	1,536,038	748,456	748,637	1,497,093
173								
174	<u>CIGARETTE AND TOBACCO PRODUCT TAXES</u>							
175	Current Law, Forecast							
176	Receipts		609,040	610,830	1,219,870	609,830	608,980	1,218,810
177	Refunds		(10,800)	(10,500)	(21,300)	(10,600)	(10,600)	(21,200)
178	Subtotal - Current Law		598,240	600,330	1,198,570	599,230	598,380	1,197,610
179								
180	TOTAL - CIGARETTE & TOBACCO TAXES		598,240	600,330	1,198,570	599,230	598,380	1,197,610
181								
182	<u>LIQUOR, WINE AND BEER TAXES</u>							
183								
184	Current Law, Forecast							
185	Receipts		105,790	108,580	214,370	111,140	113,780	224,920
186	Refunds		(1,240)	(880)	(2,120)	(890)	(900)	(1,790)
187	Subtotal - Current Law		104,550	107,700	212,250	110,250	112,880	223,130
188								
189	TOTAL - LIQUOR, WINE AND BEER TAXES		104,550	107,700	212,250	110,250	112,880	223,130
190								
191								

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192	<u>LAWFUL GAMBLING (CHARITABLE GAMBLING) TAXES</u>							
193	Current Law , Forecast							
194	Receipts		165,000	173,300	338,300	181,900	191,000	372,900
195	Refunds		(250)	(250)	(500)	(250)	(250)	(500)
196	2012 Feb. Base [not included totals]		[36,900]	[36,900]	[73,800]	[36,900]	[36,900]	[73,800]
197	Amount Over 2012 Base [not included totals]		[127,850]	[136,150]	[264,000]	[144,750]	[153,850]	[298,600]
198	Subtotal - Current Law		164,750	173,050	337,800	181,650	190,750	372,400
199								
200	TOTAL - LAWFUL GAMBLING TAXES		164,750	173,050	337,800	181,650	190,750	372,400
201								
202	<u>INSURANCE GROSS EARNINGS AND FIRE MARSHALL TAXES</u>							
203	Current Law - Subtotal							
204	Receipts		451,673	462,211	913,884	473,292	484,229	957,521
205	Refunds		(2,500)	(2,500)	(5,000)	(2,500)	(2,500)	(5,000)
206	Subtotal - Current Law		449,173	459,711	908,884	470,792	481,729	952,521
207								
208	TOTAL - INSURANCE GROSS EARNINGS & FIRE MARHALL TAX		449,173	459,711	908,884	470,792	481,729	952,521
209								
210	<u>OTHER NET TAX REVENUE</u>							
211	Current Law, Forecast							
212	Taconite Occupation Tax		56,900	27,800	84,700	27,100	24,000	51,100
213	Mortgage Registry Tax		215,957	180,954	396,911	173,785	169,384	343,169
214	Deed Transfer Tax		200,936	201,538	402,474	199,666	206,558	406,224
215	Controlled Substance Tax		5	5	10	5	5	10
216	Other Gross Earnings		50	50	100	50	50	100
217	Medical Assistance Surcharges		330,772	348,984	679,756	366,069	383,902	749,971
218	Other Tax Refunds		(7,553)	(5,203)	(12,756)	(5,203)	(5,203)	(10,406)
219	Subtotal - Current Law		797,067	754,128	1,551,195	761,472	778,696	1,540,168
220								

Minnesota House of Representatives - House Fiscal Analysis Department

updated: 10:10 AM

2022 Legislature - HF 3669 - 1E, Omnibus Tax Bill

General Fund Changes to Tax Policy Provisions Compared to Current Law, General Fund Tax Revenues based on the February 2022 Forecast (all dollars in thousands)

Note: Positive numbers = revenue gains, negative numbers = revenue reduction, bracketed numbers and are not included in the total

HF #	NON DEDICATED TAX REVENUE	EFFECTIVE	HOUSE FY2022	HOUSE FY2023	HOUSE FY2022-23	HOUSE FY2024	HOUSE FY2025	HOUSE FY2024-25
221	Change Items							
223	HF 2367 Solid Waste Mgmt. Tax - Reallocation of Tax Revenue, Environmental Fund to General Fund	DFE	-	(3,100)	(3,100)	(3,200)	(3,200)	(6,400)
224	HF 3827 Repeal June Acceleration Requirement, Budget Reserve (see appendix A)	7/1/2022						
225								
226	Subtotal - Change Items		-	(3,100)	(3,100)	(3,200)	(3,200)	(6,400)
227								
228	TOTAL - OTHER NET REVENUE		797,067	751,028	1,548,095	758,272	775,496	1,533,768
229								
230	ADDITIONAL ANALYSIS							
231								
232	TOTAL - Non Dedicated General Fund Tax Revenue, Current Law Forecast		26,552,098	28,042,318	54,594,416	28,768,606	29,337,281	58,105,887
233	Percentage Change from Prior Biennium				14.36%			6.43%
234								
235	TOTAL - Non Dedicated Tax Revenue Forecast + Change Items		26,552,098	26,565,088	53,117,186	27,961,226	28,515,621	56,476,847
236	Percentage Change from Prior Biennium				11.27%			6.32%
237	Percentage Change from Current Law, Forecast Tax Revenue		0.00%	-5.27%	-2.71%	-2.81%	-2.80%	-2.80%

* Federal Conformity Act Acronyms:

FCAA: Further Consolidated Appropriations Act (Public law 11-94)
 CARES: Coronavirus, Aid, Relief and Security Act (Public Law 116-127)
 CAA: Consolidated Appropriations Act (Public Law 116-260)
 ARPA: American Rescue Plan (Public Law 117-2)
 IIJA: Infrastructure, Investment and Jobs Act (Public Law - 117-58)

Other spreadsheet acronyms:

"Negli." denotes negligible cost/savings
 "Feb-22" denotes current law estimates based on MMB's February 2022 Forecast
 ^^ The estimates in brackets "[]" are not included in the total.
 "DFE" denotes a provision is effective day following enactment

Minnesota House of Representatives - House Fiscal Analysis Department

2022 Legislature - HF 3669 -1E Omnibus Tax Bill

4/26/2022

Changes to General Fund Tax Aids, Credits & Refunds - 2021 February Forecast

Dollars in Thousands

Note: Positive numbers are program expenditures/revenue losses, negative numbers are cost savings/revenue gains.

HF	Change Item Description	Effective Date	HOUSE	HOUSE	HOUSE	% Chg FY 22-23 v FY 20-21	HOUSE	HOUSE	HOUSE	% Chg FY 24-25 v FY 22-23
			FY2022	FY2023	FY2022-23		FY2024	FY2025	FY2024-25	
GENERAL FUND SUMMARY										
Property Tax Aids, Credits and Refunds										
February 2022 forecast			2,075,125	2,078,513	4,153,638	6.7%	2,151,796	2,191,007	4,342,803	4.6%
HF 3669 OTB -Total Proposed GF Changes			0	167,727	167,727		(33,168)	3,212	(29,956)	
Property Tax Aids, Credits and Refunds - February 2022 + HF 3669 OTB Chgs			2,075,125	2,246,240	4,321,365	11.0%	2,118,628	2,194,219	4,312,847	-0.2%
PROPERTY TAX REFUNDS										
Homestead Credit State Refund (HCSR) PTR changes										
HF 3518	Homeowner PTR - Incrs max refund \$200, reduce thrshds 0.1% incm \$21.8K-\$32.8K, reduce copays 5% incm \$33K-\$77K	2022 Rfds/ Pay 2023	0	0	0		35,200	36,800	72,000	
HF 3669	Expand Homestead to Indiv taxpayer ID number (ITIN)	App filed 2022	0	0	0		1,800	1,800	3,600	
HF 1095	Manufactured home park classification modified. PTR interaction	Pay 2024	0	0	0		0	270	270	
HF 3629	Homestead Market Value Exclusion changes PTR interaction	Assmt 2023	0	0	0		0	(1,610)	(1,610)	
HF 2300	Community land trust property class 4d(2) rate @ 0.75% - PTR	Pay 2023	0	0	0		(180)	(180)	(360)	
HF 3384	Senior citizens' property tax deferral requirements: lower occupancy req to 5 yr, incrs HH incm to \$96K - PTR	Pay 2023	0	0	0		270	660	930	
HF 1661	Elderly living facilities exempted from taxation - PTR	Assmt 2023	0	0	0		0	10	10	
HF 3782	Energy storage system exemption established - PTR	Assmt 2022	0	0	0		20	20	40	
HF 3678	Airport property - exempt "manufacture" of aircraft - PTR	Pay 2023	0	0	0		20	20	40	
HF 3224	School District levy - Long-term Facilities Revenue - PTR	FY 2024	0	0	0		20	20	40	
HF 498										
HF 4042	Ely School Bond debt service - PTR	Local appvl + file	0	0	0		30	30	60	
HF 1429	Class 2a land ag product def include hemp - PTR	Assmt 2023	0	0	0		0	30	30	
HF 4591	Cooperative utility distribution line chg - PTR	Assmt 2023	0	0	0		0	520	520	
HF 4305	Solar energy production tax exemption created - PTR	DFE	0	0	0		30	30	60	
HF 2865	Disabled veterans' homestead market value exclusion application	Assmt 2022	0	0	0		(Negligible)	(Negligible)	(Negligible)	
HF 3066	deadline extended for qualifying spouses PTR									
HF 2181	Solar generating system real property class clarified - PTR	Pay 2023	0	0	0		(Negligible)	(Negligible)	(Negligible)	
HF 4400	Indian tribe-owned property extnd p tax exmptn - PTR	Pay 2022	0	0	0		Negligible	Negligible	Negligible	
HF 759	Special Ag Hmstd- qualifying relatives expanded PTR	App filed 2022/ Pay 2023	0	0	0		Unknown	Unknown	Unknown	
Other HCSR Aid/Credit change related PTR interactions										
HF 4064	PTR interaction - LGA approp increase	Pay 2023	0	0	0		(900)	(900)	(1,800)	

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2022 Legislature - HF 3669 -1E Omnibus Tax Bill

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Changes to General Fund Tax Aids, Credits & Refunds - 2021 February Forecast

Dollars in Thousands

Note: Positive numbers are program expenditures/revenue losses, negative numbers are cost savings/revenue gains.

HF	Change Item Description	Effective Date	HOUSE	HOUSE	HOUSE	% Chg FY 22-23 v FY 20-21	HOUSE	HOUSE	HOUSE	% Chg FY 24-25 v FY 22-23
			FY2022	FY2023	FY2022-23		FY2024	FY2025	FY2024-25	
29	HF 4399	PTR interaction - CPA approp increase	Pay 2023	0	0		(340)	(340)	(680)	
30	HF 3073	PTR interaction - PILT valuation increase	Pay 2023	0	0		(240)	(260)	(500)	
31	HF3982	PTR interaction - Local Affordable Hsg Aid	Pay 2023	0	0		(870)	(950)	(1,820)	
32	HF 3224	PTR interaction - School Equalization LOR levy/aid	FY 2024	0	0		(3,320)	(4,080)	(7,400)	
32	HF 3906									
33	HF 2929	PTR interaction - Increase SBB Ag Credit 85%	Pay 2024	0	0		0	680	680	
34		PTR interaction -Earmark \$2.2M of Local Homeless Prevention Aid for tribal governments	Pay 2023/ FY 2024	0	0		60	60	120	
35		Subtotal - Homestead Credit State Refund PTR changes		0	0		31,600	32,630	64,230	
36		<u>Renter / Targeting Property Tax Refund changes</u>								
37	HF 3558	Renters Credit - Convert to Income Tax Credit								
38	HF 4226	Repeal Renter PTR, sunset rent paid 2022, taxes filed in 2023	Rnt Pd 2022	0	0		(231,600)	(234,700)	(466,300)	
39	HF 3725	Special (Targeting) PTR -Thrshd to 10%, max rfnd to \$2,000	2022 Rfnds/ Pay 2023	0	0		1,900	2,000	3,900	
40		Subtotal - Renter / Targeting PTR changes		0	0		(229,700)	(232,700)	(462,400)	
41										
42		AIDS AND CREDITS								
43		<u>Local Aid changes</u>								
44	HF 4064	Local Government Aid formula chg/approp increase	Pay 2023	0	0		34,220	34,220	68,440	
45	HF 2810	City of Echo 2021 LGA penalty forgiveness, file by 6/1/22	DFE	0	0		0	0	0	
46	HF3586	City of Morton 2021 LGA penalty forgiveness, file by 6/1/22	DFE	0	0		0	0	0	
47										
48	HF 4064	City of Mahnommen Property Tax Reimbursement Aid incrs	Pay 2023	0	0		160	160	320	
49										
50	HF4399	County Program Aid appropriation increase	Pay 2023	0	0		13,000	13,000	26,000	
51										
52	HF 4198	County grants - Community Career Workforce Academies	FY 2023 only	0	40,000	40,000	0	0	0	
53										
54	HF 4689	County Pandemic Business Aid / report to DOR by 7/1/23	FY 2023 only	0	50,000	50,000	0	0	0	
55	HF 4689	County Pandemic Rental Assistance / report to DOR by 7/1/23	FY 2023 only	0	25,000	25,000	0	0	0	
56										

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2022 Legislature - HF 3669 -1E Omnibus Tax Bill

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Changes to General Fund Tax Aids, Credits & Refunds - 2021 February Forecast

Dollars in Thousands

Note: Positive numbers are program expenditures/revenue losses, negative numbers are cost savings/revenue gains.

HF	Change Item Description	Effective Date	HOUSE	HOUSE	HOUSE	% Chg FY 22-23 v FY 20-21	HOUSE	HOUSE	HOUSE	% Chg FY 24-25 v FY 22-23
			FY2022	FY2023	FY2022-23		FY2024	FY2025	FY2024-25	
57	HF 3982	Establish Local Affordable Housing Aid program								
58		LAHA to Counties	0	0	0		25,600	28,000	53,600	
59		LAHA to Cities with population of at least 10,000	0	0	0		7,400	8,000	15,400	
60		LAHA to MHFA - Local Affordable Housing grants	0	0	0		4,000	4,000	8,000	
61		Subtotal Local Affordable Housing Aid	0	0	0		37,000	40,000	77,000	
62	HF 2928	Stronger Community Aid Program created, replaces Performance Measurement								
63		Sunset Performance Measurement Aid	0	0	0		0	(497)	(497)	
64		Stronger Community Aid Program	0	0	0		0	497	497	
65	HF3719	Soil and Water Conservation District Aid created	0	22,000	22,000		22,000	22,000	44,000	
66	HF 3669									
67	HF 3073	Increase Payments in Lieu of Taxes (PILT) valuation/report	0	0	0		9,200	9,800	19,000	
68	HF 3224	School District Equalization Aid - Local Option Rev levy/aid	0	0	0		38,740	51,950	90,690	
69	HF 3906									
70		Subtotal - Local Aid changes	0	137,000	137,000		154,320	171,130	325,450	
71		Property Tax Credit changes								
72	HF 1429	Ag Homestead Market Value Credit intct - Class 2a incld hemp	0	0	0		0	10	10	
73	HF 759	Special Ag Hmstd- qualifying relatives expanded Ag MVC	0	0	0		Unknown	Unknown	Unknown	
74	HF 2929	Increase School Building Bond Agricultural Credit to 85%	0	0	0		0	21,800	21,800	
75	HF 3224	School Bldg Bond Ag Credit intct - LTFM chg	0	0	0		10	10	20	
76	HF 498									
77	HF4042	School Bldg Bond Ag Credit intct - Ely School bond debt serv	0	0	0		30	30	60	
78	HF 1429	School Bldg Bond Ag Credit intct - Class 2a land, hemp	0	0	0		0	30	30	
79	HF 4305	School Bldg Bond Ag Credit intct - Solar engy tax exmptn	0	0	0		20	20	40	
80		Subtotal - Property Tax Credit changes	0	0	0		60	21,900	21,960	
81		Other changes								
82	HF 998	Housing Development Fund, Workforce & Affordable Homeownership account	0	10,000	10,000		10,000	10,000	20,000	
83	HF 3944	Polar Vortex - Rebate to municipal utilities avail til Dec 31, 2022	0	20,000	20,000		0	0	0	
84	HF 1795	Revenue Recapture, Hospital Claims disallowed		252	252		252	252	504	
85	HF 376	Free Filing Report		175	175		0	0	0	
86	HF 4513	Legislative Auditor admin - Review county costs child protection	0	0	0		0	0	0	
87		Begin Farmer Credit - Rural Finance Authority admin		300	300		300	0	300	

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2022 Legislature - HF 3669 -1E Omnibus Tax Bill

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Changes to General Fund Tax Aids, Credits & Refunds - 2021 February Forecast

Dollars in Thousands

Note: Positive numbers are program expenditures/revenue losses, negative numbers are cost savings/revenue gains.

HF	Change Item Description	Effective Date	HOUSE	HOUSE	HOUSE	% Chg FY 22-23 v FY 20-21	HOUSE	HOUSE	HOUSE	% Chg FY 24-25 v FY 22-23
			FY2022	FY2023	FY2022-23		FY2024	FY2025	FY2024-25	
88	HF 3827	Aid Payment Shift, Budget Reserve								
89										
90		Subtotal - Other changes	0	30,727	30,727		10,552	10,252	20,804	
91										
92		Total General Fund Changes, Property Tax Aids & Credits	\$0	\$167,727	\$167,727		(\$33,168)	\$3,212	(\$29,956)	

93										
94		GF Summary PTAC	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2022-23</u>		<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2024-25</u>	
95		Subtotal - Homestead Credit State Refund PTR changes	0	0	0		31,600	32,630	64,230	
96		Subtotal - Renter / Targeting PTR changes	0	0	0		(229,700)	(232,700)	(462,400)	
97		Subtotal - Local Aid changes	0	137,000	137,000		154,320	171,130	325,450	
98		Subtotal - Property Tax Credit changes	0	0	0		60	21,900	21,960	
99		Subtotal - Other changes	<u>0</u>	<u>30,727</u>	<u>30,727</u>		<u>10,552</u>	<u>10,252</u>	<u>20,804</u>	
100		TOTAL GF Changes, Property Tax Aids & Credits	0	167,727	167,727		(33,168)	3,212	(29,956)	

2022 Legislature - HF 3669 1E - Non General Fund Tax Revenue - February (Feb 2022) Forecast

Note: Positive numbers = revenue gains, negative numbers = revenue reduction, bracketed numbers and are not included in the total

HF		EFFECTIVE	HOUSE FY2022	HOUSE FY2023	HOUSE FY2022-23	HOUSE FY2024	HOUSE FY2025	HOUSE FY2024-25
	Total Non General Fund		-	(13,740)	(13,740)	(7,541)	(7,380)	(14,921)
	Total - Legacy Funds:		-	(7,130)	(7,130)	(1,060)	(900)	(1,960)
HF 3669	Exemption by Refund, Construction Mats. Purchased by a Contractor, Local Govts & Nonprofit	12/31/22		(5,510)	(5,510)			-
HF 2189	Construction Exemption, Duluth - I.S.D. 709	Varous		(10)	(10)	(20)		(20)
HF 2092	Construction Exemption, Ely - I.S.D. 696	Varous		(20)	(20)			-
HF 2786	Construction Exemption, Various School Building Projects	Varous		(70)	(70)	(180)	(70)	(250)
HF 1960	Construction Exemption, Itasca County Courts & Courthouses	Varous		-	-	(10)	(10)	(20)
HF 4114	Construction Exemption, North Metro Regional Public Safety Training Facility - Maple Grove	Varous		(20)	(20)			-
HF 2262	Construction Exemption, City of Wayzata, Various Projects	1/1/2024		-	-	(30)		(30)
HF 921	Capital Equipment Exemption, Expansion to Restaurant Food Service	7/1/2022		(460)	(460)	(500)	(500)	(1,000)
HF 4422	Exemption Expanded, Fiber/Conduit by Internet/Broadband Service Providers	Retro 7/1/2017		(850)	(850)	(200)	(200)	(400)
HF 4318	Exemption for Sole Member of Disregarded LLC and the Disregarded LLCs	7/1/2022		(40)	(40)	(40)	(40)	(80)
HF 3307	Exemption, Agricultural Fencing	Retroactive 7/1/21		(150)	(150)	(80)	(80)	(160)
HF 3167	Exemption, National Sports Center- Blaine, Amateur Sports Comm	7/1/2022	-	-	-	-	-	-
HF 3104	Exemption, Pre-sales by Agricultural Societies	DFE	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)
HF 4678	Exemption Extended, MN State High School League To Tax Year 2030	DFE	-	-	-	-	-	-
HF 2756	Construction Exemption Extended, City of Mazeppa - Properties Destroyed by Fire	retro 3/11/18		(Negli.)	(Negli.)	-	-	-
	Total - Environmental Fund:		-	3,100	3,100	3,200	3,200	6,400
HF 2367	Solid Waste Management - Reallocation of Tax Revenue	DFE		3,100	3,100	3,200	3,200	6,400
	Total - Special Revenue Fund:		-	290	290	320	320	640
HF 3167	Exemption, National Sports Center- Blaine, Amateur Sports Comm	DFE		290	290	320	320	640
	Total - Restricted Miscellaneous Special Revenue Fund		-	(5)	(5)	10	10	20
HF 1795	Revenue Recapture; Certain Nonprofit Hospitals Claims Disallowed	DFE		(5)	(5)	10	10	20
	Total - Housing Development Fund			-	-		-	-
HF 998	Workforce & Affordable Homeownership from general fund (REV)	FYs 23-30		(10,000)	(10,000)	(10,000)	(10,000)	(20,000)
	Workforce & Affordable Homeownership program	FYs 23-30		10,000	10,000	10,000	10,000	20,000
	Total - Iron Range School Consolidation		-	-	-	925	1,850	2,775
HF 4042	Extend 10 cnt/ton distribution to 2043, then 5 cnt/ton in 2044 and beyond	DFE				925	1,850	2,775
	Total - Taconite Environmental Protection Fund:		-	-	-	(617)	(1,233)	(1,850)
HF 4042	Extend 10 cnt/ton distribution to 2043, then 5 cnt/ton in 2044 and beyond	DFE				(617)	(1,233)	(1,850)
	Total - DJJ Economic Protection Fund:		-	-	-	(309)	(617)	(926)
HF 4042	Extend 10 cnt/ton distribution to 2043, then 5 cnt/ton in 2044 and beyond	DFE				(309)	(617)	(926)

(1) Amounts in the Legacy funds aggregate the revenue changes that affect these funds: outdoor heritage; arts and cultural heritage; clean water and parks and trails.

2022 Legislature - HF 3669 -1E Omnibus Tax Bill
Tax and Property Tax No Cost Change Items

HF	Author	Change Item Description	Effective date
Tax changes - Miscellaneous (no state fund impact)			
1 2 3	HF 3083 Marquart	Tax Expenditure purpose statements DOR Policy and Technical, including HCSR eligibility date extension to 12.31 and Renter CRP e-filing reqmts	DFE various
Property tax changes - Miscellaneous (no state fund impact)			
4	HF 2800 Hertaus	Delinquent Property Tax interest rate	Jan 1, 2023
5	HF 3042 Davnie	Tourism Improvement Special Taxing Districts	DFE
6	HF 4577 Marquart	Local Government debt financing (Public Finance, Art 9)	DFE
7	HF 4022 Lislegard	City of Virginia exempted from net debt limit	DFE
Property tax changes for Tax Increment Financing (TIF)			
8 9	HF 4281 Youakim	Tax Increment Financing - Various pooling provisions clarified, administrative expense limitations clarified, and application of violations and remedies expanded.	DFE +1
10	HF 2775 Klevorn	Plymouth TIF district spec rules (10yr extnd,uses)	Local appvl + file
11	HF 4082 Youakim	Hopkins TIF District 2-11 amd special rules (30% incmnt, uses)	Local appvl + file
12	HF4127 Hanson, J	Savage TIF district special rules (5-6yr) extended	Local appvl + file
13	HF 2700 Sandell	Woodbury TIF District 13 special rules amended, Central Park	Local appvl + file
14	HF4297 Bernardy	Fridley TIF district 20 special rules established, housing uses	Local appvl + file
Local Lodging / Food & Beverage Taxes (no state fund impact)			
15 16	HF 3074 Ecklund	Cook County local 1% lodging tax extended from 15 to 30 yrs	Local appvl + file
17	HF 551 Klevorn	Plymouth 3% local lodging, eliminate 10-yr sunset	DFE
18	HF 1676 Sandell	Woodbury 3% local lodging tax (current authority), allow 2/3 use	Local appvl + file
Local Option Sales Taxes (no state fund impact)			
19 20	HF 3381 Youakim	Local taxes; resolution submission and referendum requirements clarified for modifying new & existing local sales tax	Local appvl + file
21	HF 3107 Igo	Grand Rapids modify 0.5% local sales for \$10.6M/12y IRA Cvc Cntr	Local appvl + file
22	HF 3443 Gruenhagen	Henderson new 0.5% local sales for \$240K Allanson Pk Cmpgrnd	Local appvl + file
23	HF 3716 Murphy	Proctor addl 0.5% to exst 1.0% local sales for \$3.85M/ 20y	Local appvl + file
24	HF 2923 Pelowski	Winona County new 0.25% local sales for \$28M / 25y Corrcn Facy	Local appvl + file
25	HF3748 Lippert	Rice County new 3/8% for \$77M/ 30y public sfty facy	Local appvl + file
26	HF 3606 Carlson	Bloomington addl 0.5% local sales for \$135M/ 20y Ice Gdn/Well Cntr+	Local appvl + file
27	HF2702 Edelson	Edina expand 0.5% local sale rev to \$46.9M/17y Braemar Pk + impvmts	Local appvl + file
28	HF3760 Vang	Brooklyn Center new 0.5% local sales for \$55M/20y for Com Cntr	Local appvl + file
29	HF 3194 Becker-Finn	Roseville new 0.5% local sales for \$65M/ 16y Maintnc Facy/Psspt Cntr+	Local appvl + file
30	HF 3829 Lueck	Aitkin new 1.0% local sales for \$9.3M/ 20y Muny Bldg/pk impvmts	Local appvl + file
31	HF 3473 Freiberg	Golden Valley new 0.75% local sales for \$73M/ 30y Public Wks +Safety	Local appvl + file
32	HF 3703 Grossell	Blackduck new 0.5% local sales for \$1.0M/ 20y 4 projcts	Local appvl + file
33	HF 3763 Kiel	East Grand Forks new 1.25% local sales for \$21.5M/20y CvcCntr/VFW	Local appvl + file
34	HF 3822 Liebling	Rochester extnd 0.5% local sales \$155M/16.5y St constr/flood contrl/Rec	Local appvl + file
35	HF 3969 Swedzinski	Marshall extnd 0.5% for \$16M/ 30y for aquatic cntr	Local appvl + file

APPENDIX A

PRELIMINARY FISCAL IMPACT OF HF 3669: Estimated Fiscal Impact

Note: Positive numbers = revenue gain, negative numbers = revenue reduction

	FY 2022	FY 2023	FY 2022-23	FY 2024	FY 2025	FY 2024-25
Priority #6: June Accelerated Requirement in 16A.152 (Assumes: June 2023 liabilities)						
Repeal of Payment Requirement for Remaining Tax Types - General Fund Subtotal		(70,100)	(70,100)	(600)	-	(600)
Repeal of Payment Requirement for Remaining Tax Types - Penalty Impact - General Fund Subtotal		(9)	(9)	(9)	(9)	(18)
Repeal of Payment Requirement for Remaining Tax Types - Legacy Funds Subtotal		(4,100)	(4,100)	-	100	100
			-			-
Total All Funds - Priority #6	-	(74,209)	(74,209)	(609)	91	(518)
Priority #7: Aid Payment Shifts			-			-
Selected State Aid Payments in Article 10, Section 26 - General Fund Subtotal			-	(488,813)	-	(488,813)
			-			-
Total General Fund - Priority #7	-	-	-	(488,813)	-	(488,813)
			-			-
(a) Estimated Total Net Change to the General Fund for Priority 6-7	-	(74,209)	(74,209)	(489,422)	91	(489,331)
(b) Estimated Total Net Change to the Legacy Funds for Priority 6	-	(4,100)	(4,100)	-	100	100

Note (a) reflects the estimated amount of a positive unrestricted general fund balance that would need to be allocated in the November 2022 forecast to address priorities 6 & 7 in Minnesota Statute 16A.152.

Note (b) reflects the estimated impact to the Legacy Funds: Outdoor Heritage (33%), Arts and Cultural Heritage (19.75%), Clean Water (33%), and Parks and Trails (14.25%)

Source:

HF 3827 - Revenue Estimate by MN Dept. of Revenue, Published on March 2, 2022

HF 3827 Fiscal Note, Legislative Budget Office, Published on March 28, 2022

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		Feb 2022 fcst	HF 3669-1E			HF 3669-1E		
		FY2020-21	FY2022	FY2023	FY2022-23	FY2024	FY2025	FY2024-25
	General Fund Expenditures							
	REFUNDS	\$1,657,309	\$845,270	\$873,380	\$1,718,650	\$709,240	\$736,750	\$1,445,990
1	Homestead Credit property tax refund	1,107,857	\$588,100	\$610,900	\$1,199,000	\$640,200	\$665,300	\$1,305,500
2	HCSR - Incrs max refund \$200, reduce thrshds 0.1% incm \$21.8K-\$32.8K, reduce copays 5% incm \$33K-\$77K		0	0	-	35,200	36,800	72,000
3	Expand Homestead to Indiv taxpayer ID number (ITIN)		0	0	-	1,800	1,800	3,600
4	Manufactured home park class mod'fy PTR interaction		0	0	-	0	270	270
5	Homestead Market Value Exclusion chg PTR interaction		0	0	-	0	(1,610)	(1,610)
6	Community land trust property class 4d(2) rate @ 0.75%		0	0	-	(180)	(180)	(360)
7	Senior citizens' property tax deferral occupancy reduce to 5 yr, incrs HH incm to \$96K - PTR interaction		0	0	-	270	660	930
8								
9	Elderly living facilities exempted from taxation		0	0	-	0	10	10
10	Energy storage system exemption establshd PTR interctn		0	0	-	20	20	40
11	Airport property - exempt "manufacture" of aircraft		0	0	-	20	20	40
12	School District levy - Long-term Facilities Revenue PTR int		0	0	-	20	20	40
13	Ely School Bond debt service - PTR		0	0	-	30	30	60
14	Class 2a land agr product -include hemp PTR intctn		0	0	-	0	30	30
15	Cooperative utility distribution line chg - PTR		0	0	-	0	520	520
16	Solar energy production tax exemption created - PTR		0	0	-	30	30	60
17	Disabled veterans' homestead market value exclusion application deadline extended for qualifying spouses PTR		0	0	-	(Negligible)	(Negligible)	(Negligible)
18	Solar generating system class clarified - PTR interctn		0	0	-	(Negligible)	(Negligible)	(Negligible)
19	Indian tribe-owned property extnd p tax exmptn - PTR		0	0	-	Negligible	Negligible	Negligible
20								
21	PTR interaction - LGA approp increase		0	0	-	(900)	(900)	(1,800)
22	PTR interaction - CPA approp increase		0	0	-	(340)	(340)	(680)
23	PTR interaction - PILT valuation increase		0	0	-	(240)	(260)	(500)
24	PTR interaction - Local Affordable Hsg Aid		0	0	-	(870)	(950)	(1,820)
25	Property Tax Refund interaction - School LOR levy		0	0	-	(3,320)	(4,080)	(7,400)
25	Property Tax Refund interactions- SBB to 85%		0	0	-	0	680	680

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		FY2020-21	FY2022	FY2023	FY2022-23	FY2024	FY2025	FY2024-25
26	Property Tax Refund interactions- Earmark \$2.2M Local		0	0	-	60	60	120
27	Homeless Prev Aid for Tribal Govts							
28	Subtotal - Homestead Credit PTR changes		0	0	-	31,600	32,630	64,230
29	Renters property tax refund	455,624	223,500	225,900	449,400	231,600	234,700	466,300
30	Repeal Renter PTR, sunset rent pd 2022, taxes filed 2023		0	0	0	(231,600)	(234,700)	(466,300)
31	Subtotal Renter PTR converted to Incm Tax Credit		223,500	225,900	449,400	0	0	0
32								
33	Targeting	21,599	3,010	6,500	9,510	5,300	5,400	10,700
34	Reduce thrshld 12% to 10%; Incs max refnd to \$2,000		0	0	0	1,900	2,000	3,900
35								
36	Forest Land Credits (SFIA)	24,384	13,110	13,830	26,940	14,390	14,970	29,360
37	Subtotal - Property Tax Refunds	1,609,464	827,720	857,130	2,134,250	693,390	720,300	1,477,920
38								
39	Political Contribution Refund	5,927	2,700	3,500	6,200	3,000	3,500	6,500
40	Tax Refund Interest	41,918	14,850	12,750	27,600	12,850	12,950	25,800
41								
42	LOCAL AIDS	1,692,272	918,751	1,060,951	1,979,702	1,098,328	1,114,947	2,213,275
43	Local Government Aid (LGA)	1,018,490	564,398	569,914	1,134,312	564,398	564,398	1,128,796
44	LGA appropriation increase		0	0	-	34,220	34,220	68,440
45	LGA forgiveness City of Morton		0	0	-	0	0	-
46	LGA forgiveness City of Echo		0	0	-	0	0	-
47	Subtotal- Local Government Aid (LGA)	1,018,490	564,398	569,914	1,134,312	598,618	598,618	1,197,236
48								
49	County Program Aid	494,174	263,971	264,012	527,983	264,374	263,954	528,328
50	CPA appropriation increase		0	0	-	13,000	13,000	26,000
51	Public Defense Bd, Public Defender Aid	0	500	500	1,000	500	500	1,000
52	Local Impact Notes (LBO/MDE)	0	214	214	428	214	214	428
53	Subtotal- County Program Aid (CPA)	494,174	264,685	264,726	529,411	278,088	277,668	555,756
54								
55	Township Aid	19,997	10,000	10,000	20,000	10,000	10,000	20,000

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		FY2020-21	FY2022	FY2023	FY2022-23	FY2024	FY2025	FY2024-25
56								
57	Payment in Lieu of Taxes (PILT) for DNR Owned Lands	72,030	36,581	36,806	73,387	40,567	40,792	81,359
58	<i>PILT appropriation increase, valuation/report</i>		0	0	-	9,200	9,800	19,000
59	Aquatic Invasive Species Prevention Aid	20,000	10,000	10,000	20,000	10,000	10,000	20,000
60	Riparian Protection Aid to BWSR	1,490	745	745	\$1,490	745	745	\$1,490
61	Riparian Protection Aid to Counties	14,510	7,255	7,255	14,510	7,255	7,255	14,510
62	Subtotal- Riparian Protection Aid	16,000	8,000	8,000	\$16,000	8,000	8,000	\$16,000
63	<i>Soil and Water Conservation District Aid - new</i>		-	22,000	\$22,000	22,000	22,000	\$44,000
64								
65	Indian Family Out-of-Home Placement Aid	10,000	4,337	3,549	7,886	5,000	5,000	10,000
66	Casino Aid to Counties	\$2,749	1,400	1,614	\$3,014	1,614	1,614	\$3,228
67	Local Homeless Prevention Aid		0	0	0	20,000	20,000	40,000
68								
69	<i>County grants - Community Career Workforce Academies</i>		0	40,000	40,000	0	0	-
70	<i>County Pandemic Business Aid / report</i>		0	50,000	50,000	0	0	-
71	<i>County Pandemic Rental Assistance / report</i>		0	25,000	25,000	0	0	-
72	<i>Local Affordable Housing Aid</i>		0	0	0	37,000	40,000	77,000
73								
74	Production Property Transition Aid	80	0	0	0	0	0	0
75	Utility Transition Aid (cities and towns)	8	11	9	20	8	12	20
76	DRA School	16,045	8,029	8,023	16,052	8,023	8,023	16,046
77	DRA Non-School	20,299	10,110	10,110	20,220	10,110	10,110	20,220
78	Disparity Reduction Aid (DRA)	36,344	18,139	18,133	36,272	18,133	18,133	36,266
79								
80	Mahnomen City Reimbursement Aid	320	160	160	320	160	160	320
81	<i>Mahnomen Property Tax Reimbursement Aid</i>		0	0	-	160	160	320
82	Mahnomen County Aid	1,800	900	900	1,800	900	900	1,800
83	Mahnomen ISD #432 Aid	280	140	140	280	140	140	280
84	Mahnomen Reimbursement Aid	2,400	1,200	1,200	2,400	1,360	1,360	2,720
85								
86	<i>School Equalization Aid - Local option revenue levy</i>		0	0	-	38,740	51,950	90,690

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		FY2020-21	FY2022	FY2023	FY2022-23	FY2024	FY2025	FY2024-25
87								
88	<u>PROPERTY TAX CREDITS</u>	195,317	113,010	118,987	231,997	132,764	158,891	291,655
89	Agr MVC School	17,064	7,794	7,411	15,205	7,376	7,376	14,752
90	Agr MVC Non-School	57,360	28,849	27,543	56,392	27,543	27,543	55,086
91	<i>Ag Homestead Market Value Credit - Class 2a hemp</i>		<u>0</u>	<u>0</u>	-	<u>0</u>	<u>10</u>	<u>10</u>
92	Agricultural Market Value Credit	74,424	36,643	34,954	71,597	34,919	34,929	69,848
93								
94	School Building Bond Agricultural Credit	93,690	62,109	69,716	\$131,825	83,045	86,893	169,938
95	<i>Increase School Building Bond Agricultural Credit to 85%</i>		0	0	0	0	21,800	21,800
96	<i>School Building Bond Agr Credit-School District LTFM</i>		0	0	-	10	10	20
97	<i>School Bldg Bond Ag Credit - Ely School bond debt serv</i>		0	0	-	30	30	60
98	<i>School Building Bond Agriculture Credit-Class 2a hemp</i>		0	0	-	0	30	30
99	<i>School Building Bond Ag Credit-Solar engy tax exmpt</i>		0	0	-	20	20	40
100								
101	Agriculture Preservation Credit -School (w/o State Con Fnd)	132	5	0	5	0	0	-
102	Agriculture Preservtn Credit -NonSchool (w/o State Con Fnd)	319	0	0	-	0	0	-
103								
104	Border City Disparity -School	5,452	3,236	3,287	6,523	3,380	3,485	6,865
105	Border City Disparity -Non-School	<u>20,427</u>	<u>10,848</u>	<u>11,027</u>	<u>21,875</u>	<u>11,360</u>	<u>11,694</u>	<u>23,054</u>
106	Border City Disparity Credit	25,879	14,084	14,314	28,398	14,740	15,179	29,919
107								
108	Prior Year Credit -School	72	104	3	107	0	0	-
109	Prior Year Credit- Non-School	<u>801</u>	<u>65</u>	<u>0</u>	<u>65</u>	<u>0</u>	<u>0</u>	<u>0</u>
110	Prior Year Credits	873	169	3	172	-	-	-
111								
112	<u>TACONITE TAX RELIEF AREA AIDS & CREDITS</u>	28,006	13,747	13,832	27,579	14,244	14,604	28,848
113	State Taconite Aid to IRRR (Non-School)	7,517	3,643	3,755	7,398	4,041	4,272	8,313
114	State Taconite Aid Local Distribution	8,579	<u>4,135</u>	<u>4,055</u>	<u>8,190</u>	<u>4,126</u>	<u>4,200</u>	<u>8,326</u>
115	Subtotal State Taconite Aid	16,096	7,778	7,809	15,587	8,167	8,472	16,639
116	Taconite Reimbursement (School)	1,122	561	561	1,122	561	561	1,122
117	Supplemetal Taconite Homestead Credit (Non-School)	10,788	5,408	5,462	10,870	5,516	5,571	11,087

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LOCAL PENSION AIDS	292,540	142,736	147,682	290,418	152,749	158,021	310,770
Police Aid (includes only local; DNR & DPS aid in State Gov)	165,425	82,181	85,920	168,101	89,790	93,830	183,620
Fire Aid	62,945	34,191	35,240	69,431	36,270	37,330	73,600
Fire Insurance Surcharge Aid	8,386	5,404	5,566	10,970	5,733	5,905	11,638
Police & Fire Retirement Aid Supplement	30,995	15,500	15,500	31,000	15,500	15,500	31,000
Police/Fire Amorization Aid (Open)	5,458	2,729	2,729	5,458	2,729	2,729	5,458
Redirected Amortization Aid - St Paul + TRFA	4,188	2,094	2,094	4,188	2,094	2,094	4,188
Firefighters Supplemental Benefits Reimbursements	1,243	637	633	1,270	633	633	1,266
Public Employees Retirement Assoc. (PERA) Aid	13,900	0	0	0	0	0	0
OTHER AIDS & ONE-TIME APPROPRIATIONS	16,237	41,611	31,408	73,019	11,303	11,006	22,309
Disaster Credit -School	32	437	49	486	28	31	59
Disaster Credit- Non-School	74	<u>1,453</u>	<u>5</u>	1,458	<u>94</u>	<u>94</u>	188
Disaster Credit	106	1,890	54	1,944	122	125	247
Local Option Disaster Credits	-			-			-
Local Option Disaster Abatement reimb (school)	337	45	23	68	25	25	50
Local Option Disaster Abatement reimb (non school)	1,396	<u>4</u>	<u>75</u>	79	<u>75</u>	<u>75</u>	150
Local Option Disaster Abatement Reimbursement	1,733	49	98	147	100	100	200
Border City Reimbursement	97	32	32	64	32	32	64
Performance Measuremt Reimbursement	924	497	497	994	497	497	994
<i>Performance Measurement sunset</i>		0	0	-	0	(497)	(497)
<i>Stronger Community Aid established</i>		0	0	-	0	497	497
City of Minneapolis Library debt service	7,730	3,374	0	3,374	0	0	-
Wadena County Aid (2 years only)	1,200	-	-	-	-	-	-
Local Government grants (19 SS1 CH 6, and 21 SS1 CH 14)	4,447	6,414	0	6,414	0	0	-

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		FY2022	FY2023	FY2022-23	FY2024	FY2025	FY2024-25
150 21 SS1, CH 14 Local gov't assistance to counties- one time		29,355					
151 20 CH 71 - Tribal Nations Grants	11,000	0	0	-	0	0	-
152 20, SS7, CH 2 - Small Business Assistance to Bars, Restaurants, Breweries, Fitness Centers, etc.	-	0	0	-	0	0	-
153 <i>Housing Development Fund, Workforce & Affordable Homeownership account</i>		0	10,000	10,000	10,000	10,000	20,000
154 <i>Polar Vortex - Rebate to muny utilities avail til 12/31/22</i>		0	20,000	20,000	0	0	-
155 <i>Revenue Recapture, Hospital Claims disallowed</i>		0	252	252	252	252	504
156 <i>Free Filing Report</i>		0	175	175	0	0	-
157 <i>Legislative Auditor admin - Review county costs child protection</i>		0	0	-	0	0	-
158 <i>Begin Farmer Credit - Rural Finance Authority admin</i>		0	300	300	300	0	300
159 <i>Aid Payment Shift, Budget Reserve</i>		0	0	-	0	0	-
160							
161 Property Tax Aids and Credits, GF TOTAL	\$3,892,681	\$2,075,125	\$2,246,240	\$4,321,365	\$2,118,628	\$2,194,219	\$4,312,847
162 Percentage Change FY 2022-23 vs FY 2020-21		11.0%					
162 Percentage Change FY 2024-25 vs FY 2022-23		-0.2%					

164	Other Fund Expenditures							
166	State Conservation Fund (SR) Agriculture Preservation Credit	259	338	340	678	340	340	680
167	State Conservation Fund (GF) Ag Presv Credit (lines 101-102)	451	5	0	5	0	0	0
168	Total State Conservation Fund	710	343	340	683	340	340	680
170	Net Loan activity							
171	Senior Deferral loan receipts (REV)	[-1037]	[-1236]	[-1375]	[-2576]	[-1375]	[-1375]	[-2576]
172	Senior Deferral loans issuances (Reimbursements to Counties)	[1311]	[1775]	[1814]	[2418]	[1853]	[1893]	[2418]
173	Senior Deferral occupancy, HH income chgs (line 7)	101	101	101	101	270	660	930
174	Total Senior Deferral (net)	299	539	439	978	748	1,178	1,926
181	Coronavirus Relief (Federal)							
182	COVID-19 Aid to Local Governments - Counties	467,254	-	-	-	-	-	-
183	COVID-19 Aid to Local Governments - Cities and Towns	370,475	0	0	0	0	0	0
184	Total COVID-19 to Local Governments	837,729	0	0	-	0	0	-