

**JOINT TRACKING OF TAX FINANCE AND POLICY AGREEMENT**

**2023 LEGISLATIVE SESSION - CHAPTER 64 (CCR-HF1938A)**

**7/31/2023**

**CHANGE SUMMARY - ALL FUNDS, DOLLARS IN THOUSANDS**

**9:50 AM**

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

**AIDS & CREDITS:** Positive amounts indicate expenditure

**STADIUM FINANCE:** Positive amounts indicate revenue increase (savings)

LINE	ITEM	Forecast	CHAPTER 64		
		FY 2022-23	FY 2023	FY 2024-25	FY 2026-27
1	<b><u>GENERAL FUND FORECAST:</u></b>				
3	TAX POLICY (REVENUE) <sup>1</sup>	58,023,319	28,632,906	58,319,607	62,994,919
4	PROPERTY TAX REFUNDS, AIDS, & CREDITS (EXPENDITURES) <sup>1</sup>	4,641,358	2,588,446	4,434,615	4,554,597
5					
6	<b><u>GENERAL FUND / NET LOAN ACTIVITY - CHANGE ITEMS:</u></b>				
7	TAX POLICY			(2,009,246)	(1,242,946)
8	LESS GENERAL FUND PROPERTY TAX REFUNDS, AIDS, & CREDITS		14,172	959,422	55,764
9	LESS NET LOAN ACTIVITY (Senior Deferral)		-	260	1,290
10	SUBTOTAL PROPERTY TAX REFUNDS, AIDS CREDITS + NET LOAN ACTIVITY		14,172	959,682	57,054
11	STADIUM FINANCE/RESERVE CHANGES			(367,355)	(397,527)
12	<b>TOTAL: GENERAL FUND / NET LOAN ACTIVITY</b>		<b>(14,172)</b>	<b>(2,968,928)</b>	<b>(1,300,000)</b>
13	<b>TOTAL: GENERAL FUND, FY 2023-2025 TOTAL</b>			<b>(2,983,100)</b>	
14	<b>TOTAL: GENERAL FUND, FY 2023-2025 TOTAL (WITH STADIUM CHANGES)</b>			<b>(2,615,745)</b>	<b>(902,473)</b>
15					
16	<b><u>STADIUM RESERVE ACCOUNT</u></b>				
17	CURRENT LAW		366,179	678,315	1,020,617
18	PROPOSED CHANGE		(366,179)	(678,315)	(1,020,617)
19	<b>SUBTOTAL BUDGET RESERVE + PROPOSED CHANGES</b>			-	-
20					
21	<b><u>NON-GENERAL FUND - CHANGE ITEMS:</u></b>				
22	LEGACY FUNDS			(2,075)	(670)
23	ENVIRONMENTAL FUND			6,900	7,300
24	SPECIAL REVENUE FUND			5	10
25	HOUSING DEVELOPMENT FUND			40,000	-
26	IRON RANGE SCHOOL CONSOLIDATION			9,600	10,460
27	TACONITE COUNTY ROAD AND BRIDGE FUND			(2,540)	(3,380)
28	TACONITE ENVIRONMENTAL PROTECTION FUND			(30)	90
29	DOUGLAS J JOHNSON ECONOMIC PROTECTION FUND			(13,630)	(20,190)
30	TACONITE PROPERTY TAX RELIEF ACCOUNT			(6,000)	90
31	IRON RANGE RESOURCE AND REHABILITATION ACCOUNT			12,600	13,740
32					
33	<b>SUBTOTAL: NON-GENERAL FUND CHANGE ITEMS</b>			<b>44,830</b>	<b>7,450</b>

(1) General Fund state tax revenues and expenditures are based on the Minnesota Management & Budget February 2023 Forecast

# 2023 LEGISLATIVE SESSION - CHAPTER 64 (CCR-HF1938A)

## CHANGES TO GENERAL FUND TAX PROVISIONS - February 2023 Forecast

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

HF#/Author	NON-DEDICATED TAX REVENUE (\$ IN THOUSANDS)	EFFECTIVE	Chapter 64			Chapter 64		
			FY2024	FY2025	FY2024-25	FY2026	FY2027	FY2026-27
1	<b>Tax Policy -Change Items - Summary</b>							
2	<i>Tax Policy - Change Items</i>		(1,381,003)	(628,243)	(2,009,246)	(613,813)	(629,133)	(1,242,946)
2								
3	<b>Total - General Fund, Tax Policy - All Change Items</b>		<b>(1,381,003)</b>	<b>(628,243)</b>	<b>(2,009,246)</b>	<b>(613,813)</b>	<b>(629,133)</b>	<b>(1,242,946)</b>
3								
4	<b>INDIVIDUAL INCOME TAX</b>							
5	<b>Change Items</b>							
6								
7	HF1938/ Gomez Fed. Conformity: Limitation on Excess Business Losses (ARPA)	TY26	-	-	-	20,700	48,300	69,000
8	HF1938/ Gomez Fed. Conformity: Extend Limitation on Excess Business Losses (IRA)	TY27-28			-		21,400	21,400
9	HF1938/ Gomez Fed. Conformity: Modify Nonresident Adjustment Calculation (Ch. 1, 2023 Session)	Various	4,400	(700)	3,700	(1,000)	(1,400)	(2,400)
10	HF2581/ Gomez Fed. Conformity: Secure Act 2.0 - Def. Sales, Stock to An Empl. Stock Ownership Plan (see note "#")	TY28	-	-	-	-	-	-
11	HF2581/ Gomez Fed. Conformity: Secure Act 2.0 - Retirement Account Withdrawals Emergency Exp.	TY24	-	(1,300)	(1,300)	(1,300)	(1,300)	(2,600)
12	HF2581/ Gomez Fed. Conformity: Secure Act 2.0 - Simplified Employee Pension Plans	TY 23	(100)	(100)	(200)	(100)	(100)	(200)
13	HF2581/ Gomez Fed. Conformity: Secure Act 2.0 - Distributions 529 Plans to a Roth IRAs	TY24	-	(1,200)	(1,200)	(1,200)	(1,300)	(2,500)
14	HF2581/ Gomez Fed. Conformity: Secure Act 2.0 - Qualified Charitable Contrib. from IRA	TY23	(500)	(1,000)	(1,500)	(1,000)	(1,200)	(2,200)
15	HF2581/ Gomez Fed. Conformity: Secure Act 2.0 - Exclusion, First Responder Retirement Benefits (see note "#")	TY 27	-	-	-	-	-	-
16	HF2581/ Gomez Fed. Conformity: Secure Act 2.0 - Distributions from IRA for Federal Disasters	1/26/2021	(900)	(500)	(1,400)	-	-	-
17	HF2581/ Gomez Fed. Conformity: Secure Act 2.0 - Limit Deduction for Charitable Conserv. Easements	12/29/2022	4,200	3,300	7,500	2,800	1,900	4,700
18	HF 2883/ Hornstein Fed. Conformity - GILTI with 50% Dividend Received Deduction, No Section 250 Deduction	TY23	3,500	2,800	6,300	2,900	3,100	6,000
19								
20	Standard/Itemized Deduction Phaseout Modifications (10% >\$304,970/20% > \$1.0 million AGI)	TY 23	173,800	180,500	354,300	187,600	197,800	385,400
21	Net Investment Income Tax (1% above \$1m, excluding gains from agricultural land sales)	TY24	-	86,200	86,200	87,700	88,800	176,500
22								
23	HF1938/ Gomez Direct Pymt - Advanced Refundable Credit (\$520 MJ Filers, \$260 Single Filers, \$260 Dependent)	Retro TY 21	(1,130,900)		(1,130,900)			-
24					-			-
25	HF1938/ Gomez Child Tax Credit (\$1,750 per child, phaseout at \$35,000/\$29,500)	TY23	(455,400)	(438,000)	(893,400)	(434,600)	(480,400)	(915,000)
26	HF1369/ Kotyza-Wit Child Tax Credit for Newly Eligible Filers	TY23	(58,400)	(58,600)	(117,000)	(58,800)	(60,100)	(118,900)
27	HF1400/ Lee Changing the Working Family Credit	TY23	150,000	150,000	300,000	150,300	150,600	300,900
28	Interaction - ITIN		(44,900)	(42,100)	(87,000)	(41,100)	(45,600)	(86,700)
29	subtotal		(408,700)	(388,700)	(797,400)	(384,200)	(435,500)	(819,700)
30								
31	HF1938/ Gomez Modify Child & Dependent Care Credit, Newborn Credit to Unmarried Filers	TY23	(1,600)	(1,600)	(3,200)	(1,600)	(1,600)	(3,200)
32	HF1400/ Lee Working Family Credit - ITIN Filers	TY23	(9,800)	(10,000)	(19,800)	(10,200)	(10,400)	(20,600)
33	HF915/ Norris Modify K-12 Education Credit, FAGI Phaseout threshold \$70K, credit increased	TY 23	(12,100)	(12,700)	(24,800)	(13,000)	(13,300)	(26,300)
34	Interaction with K-12 Education Credit: K-12 Education Subtraction		1,000	1,000	2,000	1,000	1,100	2,100
35	HF1938/ Gomez Modify Military Tax Credit	TY23	(200)		(200)			-
36	HF300/ Lislegard Modify Social Security Subtraction, 100% Subtr. for MJ Filers w/ FAGI below \$100K (phased out by \$140K)	TY23	(235,800)	(260,400)	(496,200)	(279,500)	(297,300)	(576,800)
37	HF300/ Lislegard Public Pension Subtraction, \$25K Max. Subtraction for MJ Filer with FAGI below \$100K	TY23	(41,300)	(41,100)	(82,400)	(41,000)	(40,800)	(81,800)
38	Interaction - Social Security & Public Pension (Senate)		1,000	1,000	2,000	1,000	1,000	2,000
39	HF754/ Her Modify Subtraction, Qualified Student Loan Discharges	TY23	-	-	-	-	(100)	(100)
40	HF2059/ Lislegard Modify Film Production Credit	TY23 - TY30	(8,500)	(10,100)	(18,600)	(12,700)	(13,000)	(25,700)
41	HF2277/ Vang Modify Beginning Farmer's Credit - Sales of Agricultural Assets	TY23 - TY30	(4,000)	(4,000)	(8,000)	(4,000)	(4,000)	(8,000)
42	HF1056/ Edelson Subtraction, Certain Sexual Harassment/Abuse Settlements	TY23	(100)	(100)	(200)	(100)	(100)	(200)
43	HF2022/ Norris Manufacturing Home Park Tax Credit to Cooperatives (Non Refundable)	TY23 - TY30	(350)	(380)	(730)	(400)	(430)	(830)

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HF#/Author	NON-DEDICATED TAX REVENUE (\$ IN THOUSANDS)	EFFECTIVE	Chapter 64			Chapter 64		
			FY2024	FY2025	FY2024-25	FY2026	FY2027	FY2026-27
44	HF1938/ Gomez	Reinstate Angel Tax Credit						
		TY23 - TY24	(5,000)	(5,000)	(10,000)			
45	HF1717/ Elkin	Shortline Railroad Modernization Tax Credit						
		TY23	(1,400)	(1,400)	(2,800)	(1,400)	(1,400)	(2,800)
46	HF2730/ Anderson,	Subtraction, Unemployment Compensation Received by Teenagers						
		TY21	(10)	-	(10)	-	-	-
47	HF2256/ Davids	Pass-through Entity Tax Modifications						
		TY23	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown
48	HF1653/ Coulter	Renter's Income Tax Credit (Refundable)						
		TY24	-	(378,600)	(378,600)	(382,300)	(386,000)	(768,300)
49								
50		Interactions with Property Tax, Aids and Credits ^						
			-	850	850	770	750	1,520
51								
52								
53		Subtotal -Income Tax Change Items						
			(1,673,360)	(843,230)	(2,516,590)	(830,530)	(845,080)	(1,675,610)
54								
55		CORPORATE FRANCHISE TAX						
56		Change Items						
56		Fed. Conformity - GILTI with 50% DRD, No Section 250 Deduction						
		TY23	249,200	181,500	430,700	184,500	188,600	373,100
57		Reduced Deduction for Dividends Received (50%/40%)						
		TY23	74,100	54,000	128,100	54,900	56,100	111,000
58		Corporate Net Operating Loss Modifications (80% to 70%)						
		TY23	22,100	17,300	39,400	17,600	17,900	35,500
59	HF 1938/ Gomez	Reinstate the Historic Rehabilitation Tax Credit						
		TY22 - TY30	(700)	(3,100)	(3,800)	(8,100)	(14,700)	(22,800)
60								
61		Interactions with Property Tax, Aids and Credits ^						
			-	1,010	1,010	910	910	1,820
62			-		-			-
63		Subtotal - Corporate Franchise Tax, Change Items						
			344,700	250,710	595,410	249,810	248,810	498,620
64								
65		SALES AND USE TAXES**						
66		Change Items						
67		City of Minneapolis, Retained Local Sales Tax Revenue Reduced, Eliminate Interest on Construction						
		7/1/2023	(6,172)	(6,172)	(12,344)	(6,172)	(6,172)	(12,344)
68	HF1746/ Agbaje	Exemption, Certain Natural Gas Fees to Residential Customers						
		7/1/2021 - 12/31/2026	(7,560)	(2,380)	(9,940)	(2,380)	(1,310)	(3,690)
69	HF526/ Agbaje	Exemption, Disregarded Single Member Entities						
		7/1/2023	(710)	(760)	(1,470)	(810)	(860)	(1,670)
70	HF1510/ Brand	Exemption Modified, County Fair Sales						
		DFE	(30)	(30)	(60)	(30)	(30)	(60)
71	SF1444/ Rest	Exemption, Purchases of Firearm Storage Units						
		7/1/2023	(20)	(20)	(40)	(20)	(20)	(40)
72	HF2230/ Lislegard	Exemption Modified, Suite Licenses						
		7/1/2022	(1,350)	(690)	(2,040)	(690)	(700)	(1,390)
73	HF2230/ Lislegard	Exemption Modified, Amenities Included in Admission to Athletic Events						
		7/1/2022-6/30/30	(490)	(260)	(750)	(260)	(270)	(530)
74	HF2949/ Davids	Exemption, Sales to Nonprofit Blood Centers						
		1/1/2020 - 12/30/27	(1,400)	(300)	(1,700)	(300)	(300)	(600)
75	HF351/ Jacobs	Exemption, Const. Materials Modified, Mazeppa Fire						
		3/12/18 - 12/31/24	(20)		(20)			-
76	HF152/ Bahner	Exemption, Const. Materials Modified, Maple Grove, Reg. Public Safety Ctr.						
		9/1/21-12/31/23	(290)	-	(290)			
77	HF1870/ Rehm	Exemption, Construction Materials, City of Chanhassen						
		2/1/24 - 1/31/27	-	(260)	(260)	(260)	(260)	(520)
78	HF414/ Lislegard	Exemption, Construction Materials, Chisholm Public Schools						
		1/1/22 - 12/31/24	(420)	(420)	(840)	-	-	-
79	HF414/ Lislegard	Exemption, Construction Materials, Duluth Public Schools						
		7/1/21 - 12/31/24	(510)	-	(510)			-
80	HF1786/ Edelson	Exemption, Construction Materials, City of Edina, Community Health Center						
		1/1/24 - 12/31/25	-	-	-	(910)	-	(910)
81	HF414/ Lislegard	Exemption, Construction Materials, Ely Public Schools						
		5/2/19 - 12/31/23	(360)	-	(360)			-
82	HF414/ Lislegard	Exemption, Construction Materials, Hibbing Public Schools						
		5/2/19 - 12/31/24	(260)	-	(260)			-
83	HF2575/ Youakim	Exemption, Construction Materials, Minneapolis - St. Paul Airport						
		7/1/23 - 6/30/24	(7,560)	-	(7,560)			-
84	HF2482/ Keeler	Exemption, Construction Materials, City of Moorhead						
		3/1/24 - 3/31/27	-	(240)	(240)	(240)	(240)	(480)
85	HF414/ Lislegard	Exemption, Construction Materials, Nashauk-Keewatin Public Schools						
		1/1/22 - 12/31/24	(620)	(620)	(1,240)			-
86	HF414/ Lislegard	Exemption, Construction Materials, Northern Lights Academy						
		1/1/22 - 12/31/24	(160)	(160)	(320)			-
87	HF414/ Lislegard	Exemption, Construction Materials, Northland Learning Center						
		1/1/22 - 12/31/24	(190)	(190)	(380)			-

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## CHANGES TO GENERAL FUND TAX PROVISIONS - February 2023 Forecast

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HF#/Author	NON-DEDICATED TAX REVENUE (\$ IN THOUSANDS)	EFFECTIVE	Chapter 64			Chapter 64		
			FY2024	FY2025	FY2024-25	FY2026	FY2027	FY2026-27
88	HF2417/ Lillie	Exemption, Construction Materials, City of Oakdale, New Public Works Facility	-	(250)	(250)	(250)	(250)	(500)
89	HF1177/ Niska	Exemption, Construction Materials, Ramsey Water Treatment Center	(350)	(350)	(700)	(350)	(350)	(700)
90	HF2804/ Kiel	Exemption, Construction Materials, Red Lake County ISD 2906	-	(400)	(400)			-
91	HF414/ Lislegard	Exemption, Construction Materials, Rock Ridge Public Schools	(3,050)	-	(3,050)			-
92	HF2655/ Torkelson	Exemption, Construction Materials, Red Rock & Springfield Central School Districts	(900)	(900)	(1,800)			-
93	HF2819/ Davids	Exemption, Construction Materials & Capital Equipment, Spring Grove Fire Rem.	(130)	-	(130)	-	-	-
94	HF1534/ Acomb	Exemption, Construction Materials, City of Wayzata	(1,080)	-	(1,080)			-
95	HF1623/ Cha	Exemption, Construction Materials, City of Woodbury Central Park	-	(520)	(520)	(520)		(520)
96								
97		<b>Subtotal - Sales &amp; Use Tax, Change Items</b>	<b>(33,632)</b>	<b>(14,922)</b>	<b>(48,554)</b>	<b>(13,192)</b>	<b>(10,762)</b>	<b>(23,954)</b>
98								
99		<b>LAWFUL GAMBLING TAXES</b>						
100		<b>Change Items</b>						
101	HF1938/ Gomez	Combined Net Receipt Tax, Rate Reduction	(13,600)	(15,600)	(29,200)	(16,100)	(16,600)	(32,700)
102								
103		<b>Subtotal - Lawful Gambling Taxes, Change Items</b>	<b>(13,600)</b>	<b>(15,600)</b>	<b>(29,200)</b>	<b>(16,100)</b>	<b>(16,600)</b>	<b>(32,700)</b>
104								
105		<b>OTHER TAX &amp; NON TAX REVENUE</b>						
106		<b>Change Items</b>						
107	HF1938/ Gomez	Repeal \$50 Fee for Payment Agreement Plan	(1,500)	(1,500)	(3,000)	(1,500)	(1,500)	(3,000)
108	HF1487/Reyer	Revenue Recapture, Disallow Nonprofit Hospitals	(201)	(201)	(402)	(201)	(201)	(402)
109	HF1785/ Hornstein	Solid Waste Tax, Reallocation of Receipts between General Fund/Environ. Fund at 3%	(3,400)	(3,500)	(6,900)	(3,600)	(3,700)	(7,300)
110	HF2012/ Lislegard	Gross Proceeds Tax, Non Ferrous Mining (see note "####")	-	-	-	1,500	1,400	2,900
111	HF2012/ Lislegard	State Distribution of Gross Proceeds Tax	-	-	-	-	(1,500)	(1,500)
112	HF875/ Becker-Finn	State General Levy, Tribal Land Exemption	(10)		(10)			-
113					-			-
114		<b>Subtotal - Other Tax &amp; Non Tax Revenue, Change Items</b>	<b>(5,111)</b>	<b>(5,201)</b>	<b>(10,312)</b>	<b>(3,801)</b>	<b>(5,501)</b>	<b>(9,302)</b>

Commonly used spreadsheet acronyms and other notations:

Federal Conformity "ARPA" denotes American Rescue Plan and Federal Conformity "IRA" denotes

"DFE" is a provision is effective day following enactment, "Negli." is negligible cost/savings of plus or minus \$5,000, and "Feb-23" is current law estimates based on MMB's Feb 2023 Forecast.

\*\* Indicates provision has a non general fund revenue impacts, see non general fund tracking

^ Interactions with Property Taxes, Fiscal Impact in Appendix B

"#" These provisions have fiscal impact outside the budget forecast window: (1) Secure Act; Exclusion of First Responder Retirement Benefits starting in FY29; (2) Secure Act: Sales of Employee Stock to an Employer Stock Ownership Plan starting in FY 28;

"####" The gross proceeds tax replaces a net proceeds tax anticipated to generate revenue beginning in FY29; both House and Senate positions repeal the net proceeds tax.

## 2023 LEGISLATIVE SESSION - CHAPTER 64 (CCR-HF1938A)

### CHANGES TO GENERAL FUND TAX AIDS, CREDITS & REFUNDS - 2023 February Forecast

Dollars in Thousands

Note: Positive numbers are program expenditures/revenue losses, negative numbers are cost savings/revenue gains. [] brackets are for reference only and not included in totals.

HF	Author	Change Item Description	Effective Date	CHAPTER 64				CHAPTER 64		
				FY2023	FY2024	FY2025	FY2024-25	FY2026	FY2027	FY2026-27
		<b>GENERAL FUND SUMMARY</b>								
		Property Tax Aids, Credits and Refunds								
		February 2023 forecast		2,588,446	2,197,802	2,236,813	4,434,615	2,263,356	2,291,241	4,554,597
		<b>HF 1938 Tax Bill -Total Proposed GF Changes</b>		14,172	630,052	329,370	959,422	(3,388)	59,152	55,764
		<b>HF 1938 Tax Bill -Total Proposed Net Loan Activity Changes</b>		0	0	260	260	640	650	1,290
		<b>Subtotal GF + Net Loan Activity Proposed Changes</b>		14,172	630,052	329,630	959,682	(2,748)	59,802	57,054
		Property Tax Aids, Credits and Refunds - February 2023 + HF 1938 Chgs		2,602,618	2,827,854	2,566,183	5,394,037	2,259,968	2,350,393	4,610,361
		<b>PROPERTY TAX REFUNDS</b>								
		<b>Homestead Credit State Refund (HCSR) PTR changes</b>								
HF 1938	Gomez	Expand Homestead to Indiv taxpayer ID number (ITIN)	App filed 2023, cty data 2024		0	2,000	2,000	2,000	2,000	4,000
HF 1506	Lislegard	Homeowner PTR - Reduce all eligible homeowner copays 3%	2023 Rfds / Pay 2024		0	25,400	25,400	25,700	25,900	51,600
		Additional One-Time 20.6% PTR payment								
HF 1938	Gomez	Homestead Credit State Refund (HCSR), taxes payable 2023			137,466	0	137,466			
HF 1323	Agbaje	Renter Credit PTR, base rent paid 2022			48,259	0	48,259			
		Subtotal - Additional One-Time 20.6% PTR payment			185,725	0	185,725			
HF 1938	Gomez	Enhanced Taxpayer Assistance for PTR, WFC	7/1/2023		1,000	1,000	2,000	1,000	1,000	2,000
HF 2725	Norris	Targeting PTR - One-time threshold reduction from 12% to 6% incrs property tax, max refund increase from \$1,000 to \$2,500	Pay 2023 only		23,100	200	23,300			0
HF 1504	Norris	Homestead Market Value Exclusion changes \$95,000 threshold, maximum exclusion \$38,000, maximum market value \$517,200 PTR interaction	Assmt 2024		0	0	0	(6,080)	(6,080)	(12,160)
HF 307	Richardson	Community land trust property class 4d(2) rate @ 0.75% - PTR interaction	Assmt 2024		0	0	0	(260)	(260)	(520)
HF 307	Richardson	Class 4d low-income rental housing; remove tier, set rate at 0.25%	Assmt 2024					2,920	2,920	5,840
HF 1029	Anderson	Agricultural homesteads, first tier valuation increase	Assmt 2024					640	640	1,280
HF 561	Nelson, M	Green acres determent modification for certain property (eminent domain)	Assmt 2024					Negligible	Negligible	Negligible
HF 1099	Anderson	Solar generating system real property class clarified - PTR interaction	Assmt 2024		0	0	0	(Negligible)	(Negligible)	(Negligible)
HF 875	Becker-Finn	Indian tribe-owned property (Minneapolis), extend property tax exemption	Pay 2023-34		0	Negligible	Negligible	Negligible	Negligible	Negligible
HF 259	Olson, L	Elderly living facilities (St. Ann's) exempted from property tax - PTR interaction	Pay 2023		0	10	10	10	10	20
HF 236	Freiberg	Spouses disabled veterans' homestead MVE - application deadline eliminated /allowed to reapply	Assmt 2023		0	(30)	(30)	(40)	(40)	(80)
HF 858	Norris									
HF 1060	Demuth									
HF 1331	Elkins	Metropolitan revenue distribution (fiscal disparities program) changes	Pay 2024			(Negligible)	(Negligible)	(Negligible)	(Negligible)	(Negligible)
HF 3216	Demuth	Property tax exemption ISD #745 Albany (Stearns County) FY 2023	FY 2023	46	0	0	0			
		<b>Other HCSR Aid/Credit change related PTR interactions</b>								
		PTR interaction - LGA approp increase	Pay 2024			(2,180)	(2,180)	(2,180)	(2,180)	(4,360)
		PTR interaction - CPA approp increase	Pay 2024			(2,180)	(2,180)	(2,180)	(2,180)	(4,360)
		PTR interaction - Class 4d Transition Aid	Pay 25-26 only					(20)	(20)	(40)
		PTR interaction - PILT valuation increase	Pay 2024		0	(250)	(250)	(280)	(300)	(580)

## 2023 LEGISLATIVE SESSION - CHAPTER 64 (CCR-HF1938A)

### CHANGES TO GENERAL FUND TAX AIDS, CREDITS & REFUNDS - 2023 February Forecast

Dollars in Thousands

Note: Positive numbers are program expenditures/revenue losses, negative numbers are cost savings/revenue gains. [] brackets are for reference only and not included in totals.

HF	Author	Change Item Description	Effective Date	CHAPTER 64				CHAPTER 64		
				FY2023	FY2024	FY2025	FY2024-25	FY2026	FY2027	FY2026-27
37		PTR interaction - Electric Generation Transition Aid	Pay 2024		0	(70)	(70)	(110)	(40)	(150)
38		PTR interaction - Statewide Local Housing Aid	Pay 2023		0	(540)	(540)	(240)	(240)	(480)
39	HF 1938 Gomez	PTR interaction - Local Homeless Prevention Aid 12% for Tribal governments	Assmt 2024		0	70	70	70	70	140
40	HF 1393 Fischer	PTR interaction - Watershed Districts Levy Authority increase	Assmt 2024		0	0	-	340	340	680
41										
42		<b>Subtotal - Homestead Credit State Refund PTR changes</b>		<b>46</b>	<b>209,825</b>	<b>23,430</b>	<b>233,255</b>	<b>21,290</b>	<b>21,540</b>	<b>42,830</b>
43		<b><u>Renter Property Tax Refund changes</u></b>								
44	HF 1653 Coulter	Renters Credit - Convert to Income Tax Credit								
45		Renter Income Tax credit, eff rent pd 2024, tax filed 2025 [REV loss reference only]				[378,600]	[378,600]	[382,300]	[386,000]	[768,300]
46		Repeal Renter PTR, sunset rent paid 2024, taxes filed in 2025	Rent Pd 2024		0	0	0	(245,500)	(247,300)	(492,800)
47		<b>Subtotal - Renter / Targeting PTR changes</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(245,500)</b>	<b>(247,300)</b>	<b>(492,800)</b>
48										
49		<b><u>AIDS AND CREDITS</u></b>								
50		<b><u>Local Aid changes</u></b>								
51	HF 1377 Lislegard	Local Government Aid approp increase	Pay 2024	0	0	80,000	80,000	80,000	80,000	160,000
52	--	Local Government Aid prepay Pay 2025	Pay 2025			60,586	60,586	(60,586)	0	(60,586)
53	HF 2239 Swedzinski	City of Echo 2021 LGA penalty forgiveness (\$46,060)	DFE	46	0	0	0			0
54	HF 1802 Urdahl	City of Morton 2021 LGA penalty forgiveness (\$79,476)	DFE	79	0	0	0			0
55										
56	HF 1377 Lislegard	Mahnomen City/County Property Tax Reimbursement Aid increase	Pay 2023	0	0	160	160	160	160	320
57	HF 2982 Davids	City of Spring Grove fire remediation grant, one-time	FY 2024		250	0	250	0	0	0
58	--	City of Northfield (infrastructure grant) one-time	FY 2024		300	0	300	0	0	0
59	--	Windom Relief - City Aid	FY 2023	13,000	0	0	0			
60	--	Windom Relief - Windom ISD #177	FY 2024		1,000	0	1,000			
61	HF 763 Skraba	Crane Lake Water and Sanitary District Debt Service Relief	7/1/2023		1,294	0	1,294			
62	HF 1938 Gomez	City of Minneapolis - Acquisition of property at 28th St. E. and Longfellow Ave.	7/1/2023		2,000	0	2,000			
63	HF 1938 Gomez	City of Minneapolis - Lake Street Corridor	7/1/2023		8,000	0	8,000			
64										
65	HF 1377 Lislegard	County Program Aid appropriation increase	Pay 2024	0		80,000	80,000	80,000	80,000	160,000
66										
67	HF 825 Lislegard	Increase Payments in Lieu of Taxes (PILT) valuation \$1 per acre/ Lakeshore report	Pay 2024 Study DFE	0	0	9,300	9,300	10,200	11,000	21,200
68										
69	HF 1419 Howard	Establish Statewide Local Housing Aid program	Pay 2023							
70		SLHA to Counties	Pay 2023		13,050	13,050	26,100	5,800	5,800	11,600
71		SLHA to Tribes	Pay 2023		2,700	2,700	5,400	1,200	1,200	2,400
72		SLHA to Cities with population of at least 10,000	Pay 2023		4,500	4,500	9,000	2,000	2,000	4,000
73		SLHA to MHFA - Local Housing Aid grants to Small Cities	Pay 2023		<u>2,250</u>	<u>2,250</u>	<u>4,500</u>	<u>1,000</u>	<u>1,000</u>	<u>2,000</u>
74		<b>Subtotal Statewide Local Housing Aid</b>			<b>22,500</b>	<b>22,500</b>	<b>45,000</b>	<b>10,000</b>	<b>10,000</b>	<b>20,000</b>
75										
76	HF 1427 Hill	Electric Generation Transition Aid to Local Governments	Pay 2024		0	2,120	2,120	3,430	1,420	4,850
77	HF 1427 Hill	Repeal Utility Valuation Transition Aid	Pay 2024		0	(17)	(17)	(18)	(19)	(37)
78										
79	HF 1938 GOV	Public Safety Aid to Local Governments	FY 2024		300,000		300,000			0
80	HF 735 Reyer	Soil and Water Conservation District Aid	Pay 2023	0	15,000	15,000	30,000	12,000	12,000	24,000
81	HF 1808 Howard	Class 4d Transition Aid	Pay 2025		0	0	0	580	580	1,160

# 2023 LEGISLATIVE SESSION - CHAPTER 64 (CCR-HF1938A)

## CHANGES TO GENERAL FUND TAX AIDS, CREDITS & REFUNDS - 2023 February Forecast

Dollars in Thousands

Note: Positive numbers are program expenditures/revenue losses, negative numbers are cost savings/revenue gains. [] brackets are for reference only and not included in totals.

HF	Author	Change Item Description	Effective Date	CHAPTER 64				CHAPTER 64		
				FY2023	FY2024	FY2025	FY2024-25	FY2026	FY2027	FY2026-27
82		<b>Subtotal - Local Aid changes</b>		<b>13,126</b>	<b>350,344</b>	<b>269,649</b>	<b>619,993</b>	<b>135,766</b>	<b>195,141</b>	<b>330,907</b>
83		<b>Property Tax Credit changes</b>								
86		SBB interaction - Reduction from Ag homestead 1st tier valuation increase	Assmt 2024					(1,250)	(1,420)	(2,670)
87		<b>Subtotal - Property Tax Credit changes</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,250)</b>	<b>(1,420)</b>	<b>(2,670)</b>
88		<b>Other changes</b>								
89	HF 3068 Gomez	Tribal Nations Aid	Pay 2024		0	35,000	35,000	35,000	35,000	70,000
90	HF 1635 Norris	Housing Development Fund, Workforce & Affordable Homeownership account	7/1/2023		40,000	0	40,000			
91	HF 705 Youakim	Free Filing Report, 1.15.2024	FY 2024		175	0	175	0	0	0
92	HF 231 Davids	Interactive taxpayer receipt website begin w/taxes payable 2023- MMB admin	DFE		144	47	191	47	47	94
93	HF1938 Gomez	Problem Gambling (interaction with Charitable Gambling)	7/1/2023		(136)	(156)	(292)	(161)	(166)	(327)
94	HF 1489 Coulter	Increase Political Contribution Refund to \$75 individual / \$150 married joint filer	7/1/2023		700	1,400	2,100	1,400	1,400	2,800
95	HF 1938 Gomez	IRS Tax Filing Modernization Account	7/1/2023		5,000	0	5,000	0	0	0
96	HF 3294 Wolgamott	TRA / St. Paul TRFA - School Pension Adjustment Aid	7/1/2025		0	0	0	47,020	54,910	101,930
97	HF 1938 GOV	MN Department of Revenue Administration of Refundable Credit	DFE	<u>1,000</u>	21,000	0	21,000			
98	HF 1938 GOV	MN Department of Revenue Administration of 2023 Tax Act	DFE		<u>3,000</u>	<u>0</u>	<u>3,000</u>	<u>3,000</u>	<u>0</u>	<u>3,000</u>
99		<b>Subtotal - Other changes</b>		<b>1,000</b>	<b>69,883</b>	<b>36,291</b>	<b>106,174</b>	<b>86,306</b>	<b>91,191</b>	<b>177,497</b>
100										
101		<b>Total General Fund, Tax Aids, Credits &amp; Refunds</b>		<b>\$14,172</b>	<b>\$630,052</b>	<b>\$329,370</b>	<b>\$959,422</b>	<b>(\$3,388)</b>	<b>\$59,152</b>	<b>\$55,764</b>
102		<b>Net Loan Activity</b>								
103	HF 1727 Wolgamott	Senior citizens' property tax deferral requirements: lower occupancy requirement to 5 years, increase HH income to \$96K - PTR interaction	Pay 2024		0	260	260	640	650	1,290
104		<b>Total GF + Net Loan Activity, Tax Aids, Credits &amp; Refunds</b>		<b>14,172</b>	<b>630,052</b>	<b>329,630</b>	<b>959,682</b>	<b>(2,748)</b>	<b>59,802</b>	<b>57,054</b>
106										
107		<b>GF Summary PTAC</b>								
108		<b>Subtotal - Homestead Credit State Refund PTR changes</b>		46	209,825	23,430	233,255	21,290	21,540	42,830
109		<b>Subtotal - Renter / Targeting PTR changes</b>		0	0	0	0	(245,500)	(247,300)	(492,800)
110		<b>Subtotal - Local Aid changes</b>		13,126	350,344	269,649	619,993	135,766	195,141	330,907
111		<b>Subtotal - Property Tax Credit changes</b>		0	0	0	0	(1,250)	(1,420)	(2,670)
112		<b>Subtotal - Other changes</b>		1,000	69,883	36,291	106,174	86,306	91,191	177,497
113		<b>TOTAL GF Changes, Property Tax Aids &amp; Credits</b>		<b>14,172</b>	<b>630,052</b>	<b>329,370</b>	<b>959,422</b>	<b>(3,388)</b>	<b>59,152</b>	<b>55,764</b>

# 2023 LEGISLATIVE SESSION - CHAPTER 64 (CCR-HF1938A)

## NON GENERAL FUND CHANGES - February 2023 Forecast

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

	HF#/Author		EFFECTIVE	CHAPTER 64			CHAPTER 64		
				FY2024	FY2025	FY2024-25	FY2026	FY2027	FY2026-27
1		Total Non General Fund		41,810	3,020	44,830	3,200	4,250	7,450
2		Total - Legacy Funds:		(1,590)	(485)	(2,075)	(405)	(265)	(670)
2	HF1938, Gomez	Remove Exemption for Edible Cannabinoid Products, Exempt Entities	7/1/2023						
3	HF1746, Agbaje	Temporarily Exempts Certain Natural Gas Fees to Residential Customers	Various	(440)	(140)	(580)	(140)	(80)	(220)
4	HF526, Agbaje	Sales tax Exemption, Disregarded Single Member Entities	7/1/2023	(40)	(40)	(80)	(50)	(50)	(100)
4	HF2410, Lislegard	Sales Tax Exemption, Purchases of Nonprofit Snowmobiles with Sunset	7/1/2023						
4	HF2125, Engen	Exemption Expanded, Baby Products	7/1/2023						
4	HF2719, Engen	Establish One-time Sales Tax Holiday for School Supplies	8/15/23 to 8/21/23						
4	HF152, Bahner	Exemption, Const. Mat., Maple Modified, Maple Grove, No. Metro Range Reg. Public Safety C	9/1/21-12/31/23						
5	HF1510, Brand	Exemption Modified, County Fair Sales	DFE	(negli.)	(negli.)	(negli.)	(negli.)	(negli.)	(negli.)
6	SF1444, Rest	Exemption, Purchases of Firearm Storage Units	7/1/2023	(negli.)	(negli.)	(negli.)	(negli.)	(negli.)	(negli.)
6		Exemption Modified, Fiber and Conduit for Broadband	7/1/2023	-	-	-	-	-	-
7	HF2230, Lislegard	Exemption Modified, Suite Licenses	7/1/2022	(80)	(40)	(120)	(40)	(40)	(80)
8	HF2230, Lislegard	Exemption Modified, Amenities Included in Admission to Athletic Events	7/1/2022-6/30/30	(30)	(10)	(40)	(20)	(20)	(40)
9	HF2949, Davids	Exemption, Sales to Nonprofit Blood Centers	1/1/2020 - 12/30/27	(80)	(20)	(100)	(20)	(20)	(40)
10	HF351, Jacobs	Exemption, Const. Materials, Mazeppa Fire	3/12/18 - 12/31/24	(negli.)		(negli.)			-
10	HF152, Bahner	Exemption, Const. Mat., Maple Modified, Maple Grove, No. Metro Range Reg. Public Safety C	9/1/21-12/31/23						-
11	HF152, Bahner	Exemption, Const. Mat., Maple Modified, Maple Grove, No. Metro Range Reg. Public Safety C	9/1/21-12/31/23	(20)		(20)			-
11	HF1938, Gomez	Temp. Construction Mats. Exemption - Local Gov'ts & Nonprofits	7/1/21 to 12/31/24			-			-
11	HF3218, Mekeland	Exemption, Construction Materials - Local Gov'ts & Nonprofits	7/1/21 - 12/31/24			-			-
11		Exemption, Construction Materials, Becker Public School District (see note "+")	1/1/22 - 1/31/24			-			-
11	HF1870, Rehm	Exemption, Construction Materials, Beltrami County Jail				-	-	-	-
11	HF1870, Rehm	Exemption, Construction Materials, City of Chanhassen (see note "+")	1/1/25-1/31/27			-			-
12	HF1870, Rehm	Exemption, Construction Materials, City of Chanhassen	2/1/24 - 1/31/27	-	(15)	(15)	(15)	(15)	(30)
12	HF414, Lislegard	Exemption, Construction Materials, Chisholm Public Schools (see note "+")	1/1/22 to 12/31/24			-			-
13	HF414, Lislegard	Exemption, Construction Materials, Chisholm Public Schools	1/1/22 - 12/31/24	(20)	(20)	(40)			-
13	HF414, Lislegard	Exemption, Construction Materials, Duluth Public Schools (see note "+")	7/1/21 - 12/31/24			-			-
14	HF414, Lislegard	Exemption, Construction Materials, Duluth Public Schools	7/1/21 - 12/31/24	(30)		(30)			-
14	HF1786, Edelson	Exemption, Construction Materials, City of Edina, Community Health Center (see note "+")	1/1/25 - 12/31/25			-			-
14	HF414, Lislegard	Exemption, Construction Materials, Ely Public Schools (see note "+")	5/2/19 - 12/31/23			-			-
15	HF414, Lislegard	Exemption, Construction Materials, City of Edina, Community Health Center	1/1/24 - 12/31/25	-	-	-	(50)		(50)
16	HF414, Lislegard	Exemption, Construction Materials, Ely Public Schools	5/2/19 - 12/31/23	(20)		(20)			-
16	HF414, Lislegard	Exemption, Construction Materials, Hibbing Public Schools (see note "+")	5/2/19 - 12/31/24			-			-
16	HF414, Lislegard	Exemption, Construction Materials, Hibbing Public Schools	5/2/19 - 12/31/24	(10)		(10)			-
16	HF2575, Youakim	Exemption, Construction Materials, Itasca County, Courthouse & Correctional Facility		-	-	-	-		-
16	HF2575, Youakim	Exemption, Construction Materials, Minneapolis - St. Paul Airport (see note "+")	1/1/25-12/31/27			-			-
17	HF2575, Youakim	Exemption, Construction Materials, Minneapolis - St. Paul Airport	7/1/23 - 6/30/24	(440)		(440)			-
17	HF2482, Keeler	Exemption, Construction Materials, City of Moorhead (see note "+")	1/1/25-3/31/27			-			-



## 2023 LEGISLATIVE SESSION - CHAPTER 64 (CCR-HF1938A)

### NON GENERAL FUND CHANGES - February 2023 Forecast

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

	HF#/Author		EFFECTIVE	CHAPTER 64			CHAPTER 64		
				FY2024	FY2025	FY2024-25	FY2026	FY2027	FY2026-27
18	HF2482, Keeler	Exemption, Construction Materials, City of Moorhead	3/1/24 - 3/31/27	-	(10)	(10)	(10)	(10)	(20)
18	HF414, Lislegard	Exemption, Construction Materials, Nashauk-Keewatin Public Schools (see note "+")	1/1/22 - 12/31/24			-			-
19	HF414, Lislegard	Exemption, Construction Materials, Nashauk-Keewatin Public Schools	1/1/22 - 12/31/24	(40)	(40)	(80)			-
19	HF414, Lislegard	Exemption, Construction Materials, Northern Lights Academy (see note "+")	1/1/22 - 12/31/24			-			-
20	HF414, Lislegard	Exemption, Construction Materials, Northern Lights Academy	1/1/22 - 12/31/24	(10)	(10)	(20)			-
20	HF414, Lislegard	Exemption, Construction Materials, Northland Learning Center (see note "+")	1/1/22 - 12/31/24			-			-
21	HF414, Lislegard	Exemption, Construction Materials, Northland Learning Center	1/1/22 - 12/31/24	(10)	(10)	(20)			-
21	HF2417, Lillie	Exemption, Construction Materials, City of Oakdale, New Public Works Facility (see note "+")	1/1/25-12/31/27			-			-
22	HF2417, Lillie	Exemption, Construction Materials, City of Oakdale, New Public Works Facility	9/1/23 - 12/31/26		(10)	(10)	(10)	(10)	(20)
22	HF1177, Niska	Exemption, Construction Materials, Ramsey Treatment Center (see note "+")	1/1/25-12/31/26			-			-
23	HF1177, Niska	Exemption, Construction Materials, Ramsey Water Treatment Center	1/1/2023	(20)	(20)	(40)	(20)	(20)	(40)
23	HF2804, Kiel	Exemption, Construction Materials, Red Lake County ISD 2906 (see note "+")	1/1/21 to 6/30/21			-			-
24	HF2804, Kiel	Exemption, Construction Materials, Red Lake County ISD 2906	1/1/21 - 12/31/25	-	(20)	(20)			-
24	HF414, Lislegard	Exemption, Construction Materials, Rock Ridge Public Schools (see note "+")	5/2/19 to 12/31/23			-			-
25		Exemption, Construction Materials, Rock Ridge Public Schools	5/2/19 - 12/31/23	(180)	-	(180)			-
25	HF2655, Torkelson	Exemption, Construction Materials, Red Rock & Springfield Central School Districts (see note "+")	Various			-			-
26	HF2655, Torkelson	Exemption, Construction Materials, Red Rock & Springfield Central School Districts	1/1/22 - 6/30/25	(50)	(50)	(100)			-
27	HF2819, Davids	Exemption, Construction Materials & Capital Equipment, Spring Grove Fire Rem.	12/23/22-12/31/27	(10)		(10)			-
27	HF1534, Acomb	Exemption, Construction Materials, City of Wayzata (see note "+")	4/1/20-6/30/21			-			-
28	HF1534, Acomb	Exemption, Construction Materials, City of Wayzata	4/1/20 - 12/31/24	(60)		(60)			-
29	HF1623, Cha	Exemption, Construction Materials, City of Woodbury Central Park (see note "+")	1/1/25 to 12/31/25	-		-			-
29	HF1623, Cha	Exemption, Construction Materials, City of Woodbury Central Park	7/1/23 - 12/31/25		(30)	(30)	(30)		(30)
30									
31		Total - Environmental Fund:		3,400	3,500	6,900	3,600	3,700	7,300
33	HF1785, Hornstein	Solid Waste Tax, Reallocation of Receipts between General Fund/Environ. Fund		3,400	3,500	6,900	3,600	3,700	7,300
34									

# 2023 LEGISLATIVE SESSION - CHAPTER 64 (CCR-HF1938A)

## NON GENERAL FUND CHANGES - February 2023 Forecast

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

HF#/Author		EFFECTIVE	CHAPTER 64			CHAPTER 64		
			FY2024	FY2025	FY2024-25	FY2026	FY2027	FY2026-27
35								
36								
37	HF1487, Reyer							
38								
39								
40								
41	HF1635, Norris							
42								
43								
44								
45	HF 2012, Lislegard							
46	HF 2012, Lislegard							
47								
48								
49								
50	HF 2012, Lislegard							
51								
52								
53								
54	HF 2012, Lislegard							
55	HF 2012, Lislegard							
56								
57								
58								
59	HF 2012, Lislegard							
60	HF 2012, Lislegard							
61	HF 2012, Lislegard							
62								
63								
64								
65	HF 2012, Lislegard							
66	HF 2012, Lislegard							
67								
68								
69								
70	HF 2012, Lislegard							
71	HF 2012, Lislegard							
72	HF 2012, Lislegard							

## 2023 LEGISLATIVE SESSION - CHAPTER 64 (CCR-HF1938A)

### Stadium Finance and Reserve Changes

Note: Positive numbers = revenue gains or expenditure savings, negative numbers = revenue reduction or expenditures

	EFFECTIVE	CHAPTER 64				CHAPTER 64		
		FY2023	FY2024	FY2025	FY2024-25	FY2026	FY2027	FY2026-27
1 <b>Total - Stadium Finance and Reserve Changes (Revenue + Expenditures)</b>		(26,521)	178,393	188,962	367,355	195,394	202,133	397,527
2 <b>Revenue</b>		366,179	148,241	158,811	307,052	165,242	171,976	337,218
3 Authorize the Balance in Stadium Reserve Balance for Stadium Bond Payoff in FY23	DFE	366,179			366,179			
4 Repeal Stadium Reserve Account (after Stadium Bond Payoff), Deposits to Gen. Fund	DFE		150,783	161,353	312,136	167,784	174,518	342,302
5 Repeal Minneapolis Advance Payment Reimbursement (FY16-20) Requirement, City of Mpls	7/1/2023		(2,542)	(2,542)	(5,084)	(2,542)	(2,542)	(5,084)
6 Limitation of Growth in Mpls local sales tax transferred to MSFA (limit to 3% annual growth) **	7/1/2023		-	-	-	-	-	-
7					-			
8 <b>Expenditures</b>		(392,700)	30,152	30,151	60,303	30,152	30,157	60,309
9 Payoff (Prepay) U.S. Bank Stadium Bonds	DFE	(377,000)	-	-	-	-	-	-
10 Onetime Appropriation, Secure Perimeter Around Stadium	DFE	(15,700)			-			-
11 U.S. Bank (State/Local) Debt Service Payment, Cessation, Savings to Gen. Fund	7/1/2023		30,152	30,151	60,303	30,152	30,157	60,309
12								
13 <b>Stadium Reserve - Reference Only (Current Law - Cumulative Stadium Reserve Changes)</b>		-	-	-	-	-	-	-
14 Current Law Balance		366,179	516,962	678,315	678,315	846,099	1,020,617	1,020,617
15 Changes to the Stadium Reserve (FY 23 Debt Pay off)		(366,179)						
16 Changes to the Stadium Reserve (Deposits To Gen. Fund)			(150,783)	(161,353)		(167,784)	(174,518)	
17 Cumulative Stadium Reserve Changes (Debt Payoff and Deposits to General Fund)			(516,962)	(678,315)	(678,315)	(846,099)	(1,020,617)	(1,020,617)

\*\*\*In Chapter 64, there is a limitation on the amount of retained Minneapolis' local sales tax revenue. The 3 percent limitation has no effect in FY24-FY27; forecasted retention increases by less than three percent for that time period. Revenue retained may be lower in FY 2028 relative to current law, with a corresponding reduction to the amount appropriated to the MN Sports Facility Authority.

Commonly used spreadsheet acronyms and other notations: "DFE" denotes Day Following Enactment; "MPLS" denotes Minneapolis.

## 2023 LEGISLATIVE SESSION - CHAPTER 64 (CCR-HF1938A)

### TAX AND PROPERTY TAX NO STATE COST CHANGES

HF	Author	Change Item Description	Effective date
<b>Property tax changes - Miscellaneous (no state fund impact)</b>			
1 HF 514	Lislegard	City of Virginia exempted from net debt limit	DFE
2 HF 1721	Lee	Delinquent Property Tax interest rate- county may set rate	Jan 1, 2024
3 HF 675	Agbaje	Property Tax service of petitions	July 1, 2023
4 HF 2172	Hornstein	Tourism Improvement Special Taxing Districts	DFE
5 HF 2495	Lee	Ramsey County judgment sales	Local appvl + file
6 HF 1372	Gomez	DOR Policy and Technical	various
7 HF 2089	Her	City of St. Paul bonding authority	Local appvl + file
8 HF 2905	Lislegard	Truth in Taxation	Pay 2024
9 SF 2030	Gustafson	Levy limit modification Anoka County public safety	Local appvl + file
10 HF 2012	Lislegard	Taconite Assistance Area / 2023 Transfer Production Tax Distribution	DFE +1
<b>Tax changes - Miscellaneous (no state fund impact)</b>			
12 HF 2757	Gomez	Local Government debt financing (Public Finance bill)	July 1, 2023
14 HF 1938	Gomez	Tax Expenditure Review Commission TERC	DFE
15 HF 1938	Gomez	Tax Refund Agreements with Tribes	DFE
16 HF 1938	Gomez	Financial Review of Grant & Business Subsidy	DFE
<b>Property tax changes for Tax Increment Financing (TIF)</b>			
18 HF 880	Gomez	TIF update State Auditor - Various pooling provisions clarified, administrative expense limitations clarified, and application of violations and remedies expanded.	DFE +1
19 HF 1768	Coulter	Bloomington TIF Central Station undeveloped parcels extnd 5 yr	Local appvl + file
20 HF 978	Dauids	Chatfield economic Development TIF	Local appvl + file
21 HF 1871	Olson, L	Duluth TIF district - Port Lot D, redevelopment TIF, limit 2 districts	Local appvl + file
22 HF 2412	Olson, L	Duluth TIF Medical Regional Exch, redvlpmt TIF, extd term to 2030	Local appvl + file
23 HF 1458	Koegel	Fridley TIF district 20 trnsfr incmnt to HRA, limit uses, reports in 2025 & 2027 Expires Dec 2027	Local appvl + file
24 SF 198	Latz	Hopkins TIF costs housing/redev incrs to 25%	Local appvl + file
25 HF 2118	Kiel	Northwest MN Multi-County HRA levy end date	Local appvl + file
26 HF 134	Klevorn	Plymouth TIF district spec rules (10 yr extnd, uses)	Local appvl + file
27 SF 2184	Bahr	Ramsey TIF - extend to 5 yr (2026)	Local appvl + file
28 HF 3162	Lee	St Paul HRA TIF #82, chg incmnt uses, allow for RiverCntr cap impvmt	Local appvl + file
29 HF4127	Hanson, J	Savage TIF district special rules (5-6yr) extended	Local appvl + file
30 HF 263	Tabke	Shakopee TIF soil deficiency authority til Dec 2026	Local appvl + file
31 HF 428	Clardy	West St. Paul Redevelopment TIF - spec rules, uses	Local appvl + file
32 HF 1463	Hemmngsen-Jager	Woodbury TIF District 13 spec rules amend	Local appvl + file
33 HF 1216	Putnam	Small city definition chg: pop 5,000 and < 5 miles from city >10,000 pop	Local appvl + file
<b>Local Lodging / Food &amp; Beverage Taxes (no state fund impact)</b>			
37 HF 124	Skraba	Cook County local 1% lodging tax extended from 15 to 30 yrs	Local appvl + file
38 HF 2382	Olson, L	Duluth Extnd term 0.5% lodging, incrs debt from \$18M to \$54M	Local appvl + file
39 HF 3169	Grossell	Lake of the Woods County 3% gross receipts lodging tax	Local appvl + file
<b>Local Sales Taxes (no state fund impact)</b>			
42 HF 3017	Dauids	Local taxes; resolution submission and referendum requirements clarified for modifying new & existing local sales tax (OSA)	Local appvl + file
43 HF 3069	Gomez	Local Taxes Advisory Task Force/ report January 2024	Local appvl + file
45 HF 2227	Grossell	Beltrami County incrs local sales to 0.625%, \$80M/ 30 y county jail	Local appvl + file
46 HF 2372	Fogelman	Jackson County 1.0% local sales \$39M 30y, Law/Govt Cntr	Local appvl + file
47 HF 2381	Daniels	Rice County new 3/8% for \$48M/ 30y public safety facility	Local appvl + file
48 HF 1003	Wolgammott	Stearns County 3/8% local sales \$325M/ 30 y new Justice Cntr	Local appvl + file
49 HF 1343	Pelowski	Winona County new 0.25% local sales for \$28M / 25y Corrcn Facility	Local appvl + file

## 2023 LEGISLATIVE SESSION - CHAPTER 64 (CCR-HF1938A)

### TAX AND PROPERTY TAX NO STATE COST CHANGES

	HF	Author	Change Item Description	Effective date
50	HF 2624	Demuth	Avon modify 0.5% local sales up to \$8.1M, term 2045	Local appvl + file
51	HF 2592	Bliss	Blackduck new 0.5% local sales for \$1.0M/ 20y 4 projcts	Local appvl + file
52	HF 1787	Coulter	Bloomington addl 0.5% local sales for \$155M/ 20y Ice Gdn/Well Cntr+	Local appvl + file
53	HF 1014	Vang	Brooklyn Center new 0.5% local sales for \$44M/20y for Com Cntr	Local appvl + file
54	HF 1420	Rehm	Chanhasen 0.5% local sales for \$40M/20y Cvc Cntr	Local appvl + file
55	HF 1867	Hudella	Cottage Grove new 0.5% local sales \$36M/ 25y	Local appvl + file
56	HF 2724	Joy	Detroit Lakes new 0.5% local sales \$17.3M/ 12 y Pavilion	Local appvl + file
57	HF 2217	Joy	Dilworth new 0.5% local sales, \$5.4M/ 25y Community Cntr	Local appvl + file
58	HF 2129	Kiel	East Grand Forks new 1.0% local sales for \$14.7M/20y CvcCntr/VFW	Local appvl + file
59	HF 1002	Edelson	Edina expand 0.5% local sales up to add'l \$31M (Richards/ Braemar Pk )	Local appvl + file
60	HF 1748	Myers	Excelsior extnd 0.5% local sales addl \$23M, term 25 yrs	Local appvl + file
61	HF 1295	Olson, B	Fairmont addl 0.5% local sales \$20M/ 25y	Local appvl + file
62	HF 2198	Backer	Fergus Falls extnd 0.5% local sales by \$3M, term til 2037	Local appvl + file
63	HF 2305	Harder	Henderson new 0.5% local sales \$250K/ 15y Allanson Pk Campgrd	Local appvl + file
64	HF 2136	Igo	Hibbing new 0.5% local sales \$19.6M/ 20y Public Sfty Cntr	Local appvl + file
65	HF 654	Freiberg	Golden Valley new 1.25% local sales for \$105M/ 30y Public Wks +Safety	Local appvl + file
66	HF 2830	Fogelman	Jackson City 1.0% local sales \$5.75M/ 30 y, Law/Govt Cntr	Local appvl + file
67	HF 1301	Swedzinski	Marshall extnd 0.5% for \$18.37M/ 35y for aquatic cntr	Local appvl + file
68	HF 1865	O'Neill	Monticello new 0.5% local sales \$30M/ 20 y, athletic pk/rec area	Local appvl + file
69	HF 2733	Moller	Moundsview new 1.5% local sales \$16.5M/ 20y Sports/rec facility	Local appvl + file
70	HF 565	Brand	N. Mankato extnd 0.5% local sales for 6 add'l yrs, add'l \$6M	Local appvl + file
71	HF 2417	Lillie	Oakdale modify 0.5% local sales add'l \$9M, extnd to 30y	Local appvl + file
72	HF 3143	Zelevnikar	Proctor addl 0.5% to exst 1.0% local sales for \$6.9M/ 20y	Local appvl + file
73	HF 1847	Howard	Richfield 0.5% local sales \$65M/ 20 y Community Cntr/Pk Cntr	Local appvl + file
74	HF 828	Smith	Rochester extnd 0.5% local sales \$205M/ 24y st constr/flood contrl/econ vit	Local appvl + file
75	HF 1671	Nadeau	Rogers modify 0.25% local sales for add'l \$8.5M, term 20 yrs	Local appvl + file
76	HF 1855	Becker- Finn	Roseville new 0.5% local sales for \$76.9M/ 20y Maintnc Facility/Psspt Cntr+	Local appvl + file
77	HF 2896	Demuth	St Joseph 0.5% local sales \$17M/ 17y Community Cntr/pk impv	Local appvl + file
78	HF 2449	Hollins	St Paul 1.0% local sales for \$984M/ 20y uses street impvt, cap impvt	Local appvl + file
79	HF 1959	Hill	Stillwater new 0.5% local sales \$12.5M/ 20y Riverfront Impv	Local appvl + file
80	--		Waite Park modify 0.5% local sales term one add'l yr (to 20y)	Local appvl + file
81	HF 1623	Cha	Woodbury 0.5% local sales \$50M/20y Public Safety campus	Local appvl + file

**2023 LEGISLATIVE SESSION - CHAPTER 64 (CCR-HF1938A)**

**APPENDIX - INTERACTIONS SUMMARY**

**All Numbers in Thousands**

Note: Positive numbers represent revenue gains , negative numbers or numbers in parenthesis represent revenue losses, numbers in brackets are for reference only and are not included in the total

	Effective Date	Chapter 64			Chapter 64		
		FY 2024	FY 2025	FY2024-25			
<b>Interactions with Property Taxes - Summary</b>		-	<b>1,860</b>	<b>1,860</b>	<b>1,680</b>	<b>1,660</b>	<b>3,340</b>
Individual Income Tax		-	850	850	770	750	1,520
Corporate Franchise Tax		-	1,010	1,010	910	910	1,820
<b>Interactions with Property Taxes - Detail</b>							
Individual Income Tax - Subtotal		-	850	850	770	750	1,520
Modify Local Government Aid (LGA)		-	360	360	360	360	720
Modify County Program Aid (CPA)			360	360	360	360	720
Modify PILT		-	40	40	50	50	100
Electric Generation Transition aid			10	10	20	-	20
Local Homeless Prevention aid 12% Tribal governments			(10)	(10)	(10)	(10)	(20)
Statewide Local Housing Aid			90	90	40	40	80
Modify Class 4D Transition Aid				-	10	10	20
Modify Watershed Districts Levy Authority				-	(60)	(60)	(120)
Corporate Franchise Tax - subtotal		-	1,010	1,010	910	910	1,820
Modify Local Government Aid			430	430	430	430	860
Modify County Program Aid			430	430	430	430	860
Modify PILT		-	50	50	50	60	110
Electric Generation Transition aid		-	10	10	20	10	30
Local Homeless Prevention aid 12% Tribal governments			(10)	(10)	(10)	(10)	(20)
Statewide Local Housing Aid			100	100	50	50	100
Modify Watershed Districts Levy Authority		-	-	-	(60)	(60)	(120)
* Note: Interactions - With changes to property tax, aids and credits, DOR Tax Research estimates assume that changes to property taxes, aids and credit will result in changes to income tax deductions, changing revenue to the general fund.							

# 2023 Comparison Tracking Sheet:

Governor, House, Senate and Chapter 64 - Conference Agreement

JOINT TRACKING OF TAX FINANCE AND POLICY AGREEMENT

2023 LEGISLATIVE SESSION: CHAPTER 64 (CCR-HF1938A)

7/31/2023

CHANGE ITEM SUMMARY - ALL FUNDS

11:00 AM

ALL FUNDS, DOLLARS IN THOUSANDS

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

AIDS & CREDITS: Positive amounts indicate expenditure

STADIUM FINANCE: Positive amounts indicate revenue increase (savings)

LINE	ITEM	Forecast	Governor			House			Senate			CHAPTER 64		
		FY 2022-23	FY 2023	FY 2024-25	FY 2026-27	FY 2023	FY 2024-25	FY 2026-27	FY 2023	FY 2024-25	FY 2026-27	FY 2023	FY 2024-25	FY 2026-27
1	<b>GENERAL FUND FORECAST:</b>													
2	TAX POLICY (REVENUE) <sup>1</sup>	58,023,319	28,632,906	58,319,607	62,994,919	28,632,906	58,319,607	62,994,919	28,632,906	58,319,607	62,994,919	28,632,906	58,319,607	62,994,919
3	PROPERTY TAX REFUNDS, AIDS, & CREDITS (EXPENDITURES) <sup>1</sup>	4,641,358	2,588,446	4,434,615	4,554,597	2,588,446	4,434,615	4,554,597	2,588,446	4,434,615	4,554,597	2,588,446	4,434,615	4,554,597
4														
5	<b>GENERAL FUND / NET LOAN ACTIVITY - CHANGE ITEMS:</b>													
6	TAX POLICY			(5,469,230)	(1,425,060)		(2,306,072)	(966,352)		(2,439,670)	(1,184,970)		(2,009,246)	(1,242,946)
7	LESS GENERAL FUND PROPERTY TAX REFUNDS, AIDS, & CREDITS		2,589	722,663	227,707	126	693,542	336,058	126	574,947	137,738	14,172	959,422	55,764
8	LESS NET LOAN ACTIVITY (Senior Deferral)		0	210	1,040	0	260	1,290	0	260	1,290	-	260	1,290
9	SUBTOTAL PROPERTY TAX REFUNDS, AIDS CREDITS + NET LOAN ACTIVITY		2,589	722,873	228,747	126	693,802	337,348	126	575,207	139,028	14,172	959,682	57,054
10	STADIUM FINANCE/RESERVE CHANGES		(26,521)	367,355	397,527				(26,521)	367,355	397,527		(367,355)	(397,527)
11	TOTAL: GENERAL FUND / NET LOAN ACTIVITY		(29,110)	(5,824,748)	(1,256,280)	(126)	(2,999,874)	(1,303,700)	(26,647)	(2,647,522)	(926,471)	(14,172)	(2,968,928)	(1,300,000)
12	<b>TOTAL: GENERAL FUND, FY 2023-2025 TOTAL</b>												<b>(2,983,100)</b>	
13	<b>TOTAL: GENERAL FUND, FY 2023-2025 TOTAL (WITH STADIUM CHANGES)</b>												<b>(2,615,745)</b>	<b>(902,473)</b>
14														
15	<b>STADIUM RESERVE ACCOUNT</b>													
16	CURRENT LAW		366,179	678,315	1,020,617		678,315	1,020,617	366,179	678,315	1,020,617	366,179	678,315	1,020,617
17	PROPOSED CHANGE		(366,179)	(678,315)	(1,020,617)		(14,257)	(30,195)	(366,179)	(678,315)	(1,020,617)	(366,179)	(678,315)	(1,020,617)
18	<b>SUBTOTAL BUDGET RESERVE + PROPOSED CHANGES</b>		-	-	-		<b>664,058</b>	<b>990,422</b>		-	-		-	-
19														
20	<b>NON-GENERAL FUND - CHANGE ITEMS:</b>													
21	LEGACY FUNDS			(14,750)	-		(15,740)	(860)		(2,135)	(840)		(2,075)	(670)
22	ENVIRONMENTAL FUND						11,400	12,100		-	18,400		6,900	7,300
23	SPECIAL REVENUE FUND						5	10		25,000	-		5	10
24	HOUSING DEVELOPMENT FUND						55,000	15,000		-	-		40,000	-
25	IRON RANGE SCHOOL CONSOLIDATION						9,600	10,460	-	9,600	10,460		9,600	10,460
26	TACONITE COUNTY ROAD AND BRIDGE FUND						(2,540)	(3,380)	-	(2,540)	(3,380)		(2,540)	(3,380)
27	TACONITE ENVIRONMENTAL PROTECTION FUND						(30)	90		(30)	90		(30)	90
28	DOUGLAS J JOHNSON ECONOMIC PROTECTION FUND						(13,630)	(20,190)		(13,630)	(20,190)		(13,630)	(20,190)
29	TACONITE PROPERTY TAX RELIEF ACCOUNT						(6,000)	90		(6,000)	90		(6,000)	90
30	IRON RANGE RESOURCE AND REHABILITATION ACCOUNT						12,600	13,740		12,600	13,740		12,600	13,740
31														
32	<b>SUBTOTAL: NON-GENERAL FUND CHANGE ITEMS</b>			<b>(14,750)</b>	-		<b>50,665</b>	<b>27,060</b>		<b>22,865</b>	<b>18,370</b>		<b>44,830</b>	<b>7,450</b>

(1) General Fund state tax revenues and expenditures are based on the Minnesota Management & Budget February 2023 Forecast



JOINT TRACKING OF TAX FINANCE AND POLICY AGREEMENT

2023 LEGISLATIVE SESSION: CHAPTER 64 (CCR-HF1938A)

CHANGES TO GENERAL FUND TAX PROVISIONS - February 2023 Forecast

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

			GOV	GOV	HOUSE	HOUSE	SENATE	SENATE	CHAPTER 64	CHAPTER 64
	NON-DEDICATED TAX REVENUE (\$ IN THOUSANDS)	EFFECTIVE	FY2024-25	FY2026-27	FY2024-25	FY2026-27	FY2024-25	FY2026-27	FY2024-25	FY2026-27
1	Tax Policy -Change Items - Summary									
2	Tax Policy - Change Items		(5,469,230)	(1,425,060)	(2,306,072)	(966,352)	(2,439,670)	(1,184,970)	(2,009,246)	(1,242,946)
3										
4	Total - General Fund, Tax Policy - All Change Items		(5,469,230)	(1,425,060)	(2,306,072)	(966,352)	(2,439,670)	(1,184,970)	(2,009,246)	(1,242,946)
5										
6	INDIVIDUAL INCOME TAX									
7	Change Items									
8										
9	Fed. Conformity: Limitation on Excess Business Losses (ARPA)	TY26	-	69,000	-	69,000	-	69,000	-	69,000
10	Fed. Conformity: Extend Limitation on Excess Business Losses (IRA)	TY27-28	-	21,400	-	21,400	-	21,400	-	21,400
11	Fed. Conformity: Modify Nonresident Adjustment Calculation (Ch. 1, 2023 Session)	Various	3,700	(2,400)	3,700	(2,400)	3,700	(2,400)	3,700	(2,400)
12	Fed. Conformity: Secure Act 2.0 - Def. Sales, Stock to An Empl. Stock Ownership Plan (see note "#")	TY28	-	-	-	-	-	-	-	-
13	Fed. Conformity: Secure Act 2.0 - Retirement Account Withdrawals Emergency Exp.	TY24	(1,300)	(2,600)	(1,300)	(2,600)	(1,300)	(2,600)	(1,300)	(2,600)
14	Fed. Conformity: Secure Act 2.0 - Simplified Employee Pension Plans	TY 23	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)
15	Fed. Conformity: Secure Act 2.0 - Distributions 529 Plans to a Roth IRAs	TY24	(1,200)	(2,500)	(1,200)	(2,500)	(1,200)	(2,500)	(1,200)	(2,500)
16	Fed. Conformity: Secure Act 2.0 - Qualified Charitable Contrib. from IRA	TY23	(1,500)	(2,200)	(1,500)	(2,200)	(1,500)	(2,200)	(1,500)	(2,200)
17	Fed. Conformity: Secure Act 2.0 - Exclusion, First Responder Retirement Benefits (see note "#")	TY 27	-	-	-	-	-	-	-	-
18	Fed. Conformity: Secure Act 2.0 - Distributions from IRA for Federal Disasters	1/26/2021	(1,400)	-	(1,400)	-	(1,400)	-	(1,400)	-
19	Fed. Conformity: Secure Act 2.0 - Limit Deduction for Charitable Conserv. Easements	12/29/2022	7,500	4,700	7,500	4,700	7,500	4,700	7,500	4,700
20	Fed. Conformity - GILTI with 50% Dividend Received Deduction, No Section 250 Deduction	TY23		-	-	-	-	-	6,300	6,000
21										
22	Standard/Itemized Deduction Phaseout Modifications (10% over \$304,970 /20% over \$1.0 million AGI)	TY 23	-	-	-	-	-	-	354,300	385,400
23	Net Investment Income Tax (1% above \$1m, excluding gains from agricultural land sales)	TY24	-	-	-	-	-	-	86,200	176,500
24	Fifth Tier 10.85% Rate; \$1.0 million Married-Joint Filers; \$600,000 Single Filers	TY23	-	-	529,300	500,200	-	-	-	-
25	Interactions with Fifth Tier				(Negligible)	(Negligible)				
26	Capital Gains and Dividends Income Surtax: 1.5% & 4%	TY 23	679,600	625,100	-	-	-	-	-	-
27										
28	Direct Pymt - Advanced Refundable Credit (\$2000 MJ Filers, \$1000 Single Filers, \$200 Dependent)	Retro TY 21 only	(3,902,200)	-	-	-	-	-	-	-
29	Refundable Credit Payment (\$550 MJ Filers, \$275 Single Filers, \$275 Dependent)	TY 21 only			(1,250,100)	-	-	-	-	-
30	Direct Pymt - Advanced Refundable Credit (\$558 MJ Filers, \$279 Single Filers, \$56 Dependent)	TY 23 only					(1,088,900)	-	-	-
31	Direct Pymt - Advanced Refundable Credit (\$520 MJ Filers, \$260 Single Filers, \$260 Dependent)	TY23 only							(1,130,900)	-
32									-	-
33	Child Tax Credit (\$1,000/per child)	TY 23	(1,122,800)	(1,194,900)	-	-	-	-	-	-
34	Child Tax Credit (\$620/per child)	TY 23					(648,900)	(690,500)	-	-
35	Child and Working Family Tax Credit (Refundable)	TY23			(587,600)	(611,200)			-	-
36	Child and Working Family Tax Credit - Newly Eligible Filers	TY23			(94,700)	(95,300)			-	-
37	Child and Working Family Tax Credit - ITIN Filers	TY23	-	-	(19,800)	(20,600)	-	-	-	-
38	Interaction - Child and Working Family Tax Credit				(8,700)	(10,900)			-	-
39	Subtotal				(710,800)	(738,000)			-	-

JOINT TRACKING OF TAX FINANCE AND POLICY AGREEMENT

2023 LEGISLATIVE SESSION: CHAPTER 64 (CCR-HF1938A)

CHANGES TO GENERAL FUND TAX PROVISIONS - February 2023 Forecast

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

		GOV	GOV	HOUSE	HOUSE	SENATE	SENATE	CHAPTER 64	CHAPTER 64
NON-DEDICATED TAX REVENUE (\$ IN THOUSANDS)		FY2024-25	FY2026-27	FY2024-25	FY2026-27	FY2024-25	FY2026-27	FY2024-25	FY2026-27
40	Child Tax Credit (\$1,750 per child, phaseout at \$35,000/\$29,500)	TY23						(893,400)	(915,000)
41	Child Tax Credit for Newly Eligible Filers	TY23						(117,000)	(118,900)
42	Changing the Working Family Credit	TY23						300,000	300,900
43	Interaction - ITIN							(87,000)	(86,700)
44	subtotal							(797,400)	(819,700)
45									
46	Modify Child & Dep. Care Credit w/ Great Start Child Care Credit (phases out btwn. \$200k-\$240k MJ filers)	TY23	(528,900)	(537,400)	-	-	-	-	-
47	Modify Child & Dep. Care Credit w/ Great Start Child Care Credit (phases out btwn. \$160k-\$200k MJ filers)	TY23				(470,900)	(478,400)	-	-
48	Modify Child & Dependent Care Credit, Newborn Credit to Unmarried Filers	TY23	(3,200)	(3,200)	(3,200)	(3,200)	-	(3,200)	(3,200)
49	Interaction, Expand Eligibility, Newborn Credit to Non-Married Joint Filers		(32,600)	(33,300)	-	-	-	-	-
50	Interaction, Addition for Dependent Care Expenses		25,900	26,300	-	-	20,900	21,300	-
51	subtotal							-	-
52									
53	Working Family Credit - ITIN Filers	TY23	(19,800)	(20,600)	-	-	(19,800)	(20,600)	(19,800)
54	Modify K-12 Education Credit, FAGI Phaseout begins at \$59,210	TY23	(22,300)	(23,600)	-	-	-	-	-
55	Interaction with K-12 Education Credit: K-12 Education Subtraction		1,800	1,900	-	-	-	-	-
56	Modify K-12 Education Credit, FAGI Phaseout threshold \$70K, credit increased, phaseout for 3 dependents	TY23			(31,700)	(33,600)	-	-	-
57	Modify K-12 Education Credit, FAGI Phaseout threshold \$70K, credit increased	TY 23					(24,800)	(26,300)	(24,800)
58	Interaction with K-12 Education Credit: K-12 Education Subtraction				2,500	2,600	2,000	2,100	2,000
59	Modify Military Tax Credit	TY23	(200)	-	(200)	-	(200)	-	(200)
60	Modify Social Security Subtraction, Increases Max. Subtraction, Income Phaseout Threshold Increased to \$120K	TY 23	(220,400)	(250,000)	-	-	-	-	-
61	Modify Social Security Subtraction, 100% Subtr. for MJ Filers w/ FAGI below \$100K (phased out by \$120k)	TY23			(409,200)	(478,700)	-	-	-
62	Modify Social Security Subtraction, 100% Subtr. for MJ Filers w/ FAGI below \$100K (phased out by \$140k)	TY23					(496,200)	(576,800)	(496,200)
63	Public Pension Subtraction, \$25K Max. Subtraction for MJ Filer with FAGI below \$100K	TY23			(82,400)	(81,800)	(82,400)	(81,800)	(82,400)
64	Interaction - Social Security & Public Pension (House)				1,600	1,600	-	-	-
65	Interaction - Social Security & Public Pension (Senate)						2,000	2,000	2,000
66	Modify Student Loan Credit	TY23	-	-	(45,400)	(59,000)	-	-	-
67	Modify Subtraction, Qualified Student Loan Discharges	TY23	-	-	-	(100)	-	-	(100)
68	Modify Film Production Credit	TY23	-	-	(14,040)	(25,700)	-	-	-
69	Modify Film Production Credit	TY23					(5,800)	(6,600)	-
70	Modify Film Production Credit	TY23 - TY30						(18,600)	(25,700)
71	Modify Beginning Farmer's Credit - Sales of Agricultural Assets	TY23	-	-	(15,500)	(19,900)	-	-	-
72	Modify Beginning Farmer's Credit - Sales of Agricultural Assets	TY23 - TY30					(8,000)	(8,000)	(8,000)
73	Subtraction, Certain Sexual Harassment/Abuse Settlements	TY23	-	-	(200)	(200)	-	-	(200)
74	Modify Credit for Attaining a Master's Degree in a Teacher's Licensure Field	TY23	-	-	(1,100)	(1,200)	-	-	-
75	Modify Credit for Parents of Stillborn Children	TY16	Negli.	Negli.	Negli.	Negli.	Negli.	Negli.	-
76	Manufacturing Home Park Tax Credit to Cooperatives (Non Refundable)	TY23 - TY30	-	-	(730)	(830)	(730)	(830)	(730)
77	Electric Vehicle Tax Credit	TY 23	(18,900)	(24,600)					
78	Reinstate Angel Tax Credit	TY23 - TY24	(20,000)	(20,000)	-	-	(10,000)	(10,000)	(10,000)
79	Shortline Railroad Modernization Tax Credit	TY23					(2,800)	(2,800)	(2,800)
80	New Markets Tax Credit (see note "#")	TY 24					-	(1,800)	
81	Modify Definition of Resident Trust	DFE					-	(18,800)	
82	Modify Nonresident Employee Exclusion	TY 24					-	(2,500)	
83	Subtraction, Unemployment Compensation Received by Teenagers	TY21	-	-	(10)	-	(10)	-	(10)

JOINT TRACKING OF TAX FINANCE AND POLICY AGREEMENT

2023 LEGISLATIVE SESSION: CHAPTER 64 (CCR-HF1938A)

CHANGES TO GENERAL FUND TAX PROVISIONS - February 2023 Forecast

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

NON-DEDICATED TAX REVENUE (\$ IN THOUSANDS)		GOV	GOV	HOUSE	HOUSE	SENATE	SENATE	CHAPTER 64	CHAPTER 64
		FY2024-25	FY2026-27	FY2024-25	FY2026-27	FY2024-25	FY2026-27	FY2024-25	FY2026-27
84	Pass-through Entity Tax Modifications	TY22				(Unknown)	(Unknown)		
85	Pass-through Entity Tax Modifications	TY 23		(Unknown)	(Unknown)				
86	Pass-through Entity Tax Modifications	TY23						Unknown	Unknown
87	Modify Political Contribution Increase	1/1/2024				(2,100)	(2,800)		
88	Renter's Income Tax Credit (Refundable)	TY24		(378,600)	(768,300)	-	-	(378,600)	(768,300)
89					-		-	-	-
90	Interactions with Property Tax, Aids and Credits ^		360	1,970	1,220	370	420	850	1,520
91									
92	Subtotal -Income Tax Change Items		(5,178,040)	(1,367,130)	(2,402,960)	(1,618,420)	(2,830,670)	(1,817,510)	(2,516,590)
93									
94	CORPORATE FRANCHISE TAX								
95	Change Items								
96	Worldwide Combined Reporting - Unitary	TY24	-	438,100	693,700	438,100	693,700		
97	Fed. Conformity - GILTI with 50% DRD, No Section 250 Deduction	TY23	-	-	-	-	-	430,700	373,100
98	Reduced Deduction for Dividends Received (50%/40%)	TY23	-	-	-	-	-	128,100	111,000
99	Corporate Net Operating Loss Modifications (80% to 70%)	TY23	-	-	-	-	-	39,400	35,500
100	Reinstate the Historic Rehabilitation Tax Credit	TY22 - TY30	(3,800)	(22,800)	-	(3,800)	(22,800)	(3,800)	(22,800)
101									
102	Interactions with Property Tax, Aids and Credits ^		420	550	1,430	430	490	1,010	1,820
103								-	-
104	Subtotal - Corporate Franchise Tax, Change Items		(3,380)	(22,250)	439,530	696,660	434,730	671,390	595,410
105									
106	SALES AND USE TAXES**								
107									
108	Change Items				-		-		
109	City of Minneapolis, Retained Local Sales Tax Revenue Reduced, Eliminate Interest on Construction	7/1/2023						(12,344)	(12,344)
110	Remove Exemption for Edible Cannabinoid Products, Exempt Entities	7/1/2023	20	20	20	-	-		-
111	Exemption, Certain Natural Gas Fees to Residential Customers	9/1/2021 - 12/31/2026			(9,490)	(4,140)	(9,490)	(9,940)	(3,690)
112	Exemption, Disregarded Single Member Entities	7/1/2023			(1,470)	(1,670)	-	(1,470)	(1,670)
113	Exemption, Construction Materials, Purchases of Nonprofit Snowmobiles	7/1/2023			(110)	(120)	(110)		
114	Exemption Expanded, Baby Products	7/1/2023			(3,400)	(3,700)	(3,400)		
115	Establish One-time Sales Tax Holiday for School Supplies	8/15/23 to 8/21/23			(1,160)	-	-		
116	Exemption Modified, County Fair Sales	DfE				(60)	(60)	(60)	(60)
117	Exemption, Purchases of Firearm Storage Units	7/1/2023				(40)	(40)	(40)	(40)
118	Exemption Modified, Fiber and Conduit for Broadband	7/1/2023				(4,400)	(4,650)		
119	Exemption Modified, Amenities Included in Admission to Athletic Events	7/1/2023				(1,010)	(730)		
120	Exemption Modified, Suite Licenses	7/1/2022						(2,040)	(1,390)
121	Exemption Modified, Amenities Included in Admission to Athletic Events	7/1/2022-6/30/30						(750)	(530)
122	Exemption, Sales to Nonprofit Blood Centers	1/1/2020 - 12/30/27				(1,700)	(600)	(1,700)	(600)
123	Exemption, Const. Materials Modified, Mazeppa Fire	3/12/18 - 12/31/24				(20)	-	(20)	-
124	Exemption, Const. Materials Modified, Maple Grove, Reg. Public Safety Ctr (See note "+")	9/1/21-12/31/23				-	-	-	-

JOINT TRACKING OF TAX FINANCE AND POLICY AGREEMENT

2023 LEGISLATIVE SESSION: CHAPTER 64 (CCR-HF1938A)

CHANGES TO GENERAL FUND TAX PROVISIONS - February 2023 Forecast

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

		GOV	GOV	HOUSE	HOUSE	SENATE	SENATE	CHAPTER 64	CHAPTER 64
NON-DEDICATED TAX REVENUE (\$ IN THOUSANDS)		FY2024-25	FY2026-27	FY2024-25	FY2026-27	FY2024-25	FY2026-27	FY2024-25	FY2026-27
125	Exemption, Const. Materials Modified, Maple Grove, Reg. Public Safety Ctr.					(290)		(290)	
126	Exemption, Construction Materials - Local Gov'ts & Nonprofits	(255,630)	-	(255,630)	-	-	-	-	-
127	Exemption, Construction Materials, Becker Public School District (see note "+")				-	-	-	-	-
128	Exemption, Construction Materials, Beltrami County Jail				-	-	(1,940)	-	-
129	Exemption, Construction Materials, City of Chanhassen (see note "+")				(520)	-	-	-	-
130	Exemption, Construction Materials, City of Chanhassen				-	(260)	(520)	(260)	(520)
131	Exemption, Construction Materials, Chisholm Public Schools (see note "+")				-	-	-	-	-
132	Exemption, Construction Materials, Chisholm Public Schools				-	(840)	-	(840)	-
133	Exemption, Construction Materials, Duluth Public Schools (see note "+")				-	-	-	-	-
134	Exemption, Construction Materials, Duluth Public Schools				-	(510)	-	(510)	-
135	Exemption, Construction Materials, City of Edina, Community Health Center				(910)	-	-	-	(910)
136	Exemption, Construction Materials, Ely Public Schools (see note "+")			(180)	-	-	-	-	-
137	Exemption, Construction Materials, Ely Public Schools				-	(360)	-	(360)	-
138	Exemption, Construction Materials, Hibbing Public Schools (see note "+")				-	-	-	-	-
139	Exemption, Construction Materials, Hibbing Public Schools				-	(260)	-	(260)	-
140	Exemption, Construction Materials, Itasca County, Courthouse & Correctional Facility				-	(300)	(150)	-	-
141	Exemption, Construction Materials, Minneapolis - St. Paul Airport (see note "+")				(2,490)	-	-	-	-
142	Exemption, Construction Materials, Minneapolis - St. Paul Airport					(7,560)	-	(7,560)	-
143	Exemption, Construction Materials, City of Moorhead (see note "+")			-	(480)	-	-	-	-
144	Exemption, Construction Materials, City of Moorhead					(240)	(480)	(240)	(480)
145	Exemption, Construction Materials, Nashwauk-Keewatin Public Schools (see note "+")			-	-	-	-	-	-
146	Exemption, Construction Materials, Nashwauk-Keewatin Public Schools					(1,240)	-	(1,240)	-
147	Exemption, Construction Materials, Northern Lights Academy (see note "+")			-	-	-	-	-	-
148	Exemption, Construction Materials, Northern Lights Academy					(320)	-	(320)	-
149	Exemption, Construction Materials, Northland Learning Center (see note "+")			-	-	-	-	-	-
150	Exemption, Construction Materials, Northland Learning Center					(380)	-	(380)	-
151	Exemption, Construction Materials, City of Oakdale, New Public Works Facility (see note "+")			-	(500)	-	-	-	-
152	Exemption, Construction Materials, City of Oakdale, New Public Works Facility					(250)	(500)	(250)	(500)
153	Exemption, Construction Materials, Ramsey Water Treatment Plant (see note "+")			-	(460)	-	-	-	-
154	Exemption, Construction Materials, Ramsey Water Treatment Center					(700)	(700)	(700)	(700)
155	Exemption, Construction Materials, Red Lake County ISD 2906 (see note "+")			-	-	-	-	-	-
156	Exemption, Construction Materials, Red Lake County ISD 2906					(1,060)	-	(400)	-
157	Exemption, Construction Materials, Rock Ridge Public Schools (see note "+")			(900)	-	(400)	-	-	-
158	Exemption, Construction Materials, Rock Ridge Public Schools					(3,050)	-	(3,050)	-
159	Exemption, Construction Materials, Red Rock & Springfield Central School Districts (see note " + ")			-	-	-	-	-	-
160	Exemption, Construction Materials, Red Rock & Springfield Central School Districts					(740)	-	(1,800)	-
161	Exemption, Construction Materials & Capital Equipment, Spring Grove Fire Rem.			(130)	-	(130)	-	(130)	-
162	Exemption, Construction Materials, City of Wayzata (see note "+")			(380)	-	-	-	-	-
163	Exemption, Construction Materials, City of Wayzata					(1,080)	-	(1,080)	-
164	Exemption, Construction Materials, City of Woodbury Central Park (see note "+")			-	(520)	-	-	-	-

JOINT TRACKING OF TAX FINANCE AND POLICY AGREEMENT

2023 LEGISLATIVE SESSION: CHAPTER 64 (CCR-HF1938A)

CHANGES TO GENERAL FUND TAX PROVISIONS - February 2023 Forecast

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

		EFFECTIVE	GOV	GOV	HOUSE	HOUSE	SENATE	SENATE	CHAPTER 64	CHAPTER 64
			FY2024-25	FY2026-27	FY2024-25	FY2026-27	FY2024-25	FY2026-27	FY2024-25	FY2026-27
165	NON-DEDICATED TAX REVENUE (\$ IN THOUSANDS)	7/1/23 - 12/31/25			-	-	(520)	(520)	(520)	(520)
166	Exemption, Construction Materials, City of Woodbury Central Park		-	-						
167	Subtotal - Sales & Use Tax, Change Items		(255,610)	20	(272,830)	(15,490)	(40,720)	(18,850)	(48,554)	(23,954)
168										
169	LAWFUL GAMBLING TAXES									
170	Change Items									
171	Combined Net Receipt Tax, Rate Reduction	7/1/2023	(29,200)	(32,700)	-	-	-	-	(29,200)	(32,700)
172	Combined Net Receipt Tax, Rate Reduction^^ (see note "##")	7/1/2023			[(14,400)]	[(16,100)]				
173										
174	Subtotal - Lawful Gambling Taxes, Change Items		(29,200)	(32,700)	-	-	-	-	(29,200)	(32,700)
175										
177	OTHER TAX & NON TAX REVENUE									
178	Change Items									
179	Repeal \$50 Fee for Payment Agreement Plan	DFE	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
180	Mortgage Registry Tax & Deed Tax, Dedication to Workforce & Affordable Hsg. Dev. Act.	7/1/2023			(55,000)	(15,000)	-	-	-	-
181	Solid Waste Tax, Reallocation of Receipts between General Fund/Environ. Fund at 5%	DFE			(11,400)	(12,100)	-	-		
182	Solid Waste Tax, Reallocation of Receipts between General Fund/Environ. Fund at 3%	DFE							(6,900)	(7,300)
183	Solid Waste Tax, Reallocation of Receipts between General Fund/Environ. Fund at 15%	DFE						(18,400)		
184	Revenue Recapture Modifications, Disallow Nonprofit Hospitals	DFE			(402)	(402)			(402)	(402)
185	Gross Proceeds Tax, Non Ferrous Mining (see note "####")	Assmt Yr 23			-	2,900	-	2,900	-	2,900
186	State Distribution of Gross Proceeds Tax	Dist. After 12.31.22			-	(1,500)	-	(1,500)	-	(1,500)
187	State General Levy, Tribal Land Exemption	Pay 2023			(10)	-			(10)	-
188					-	-	-	-	-	-
189	Subtotal - Other Tax & Non Tax Revenue, Change Items		(3,000)	(3,000)	(69,812)	(29,102)	(3,010)	(20,000)	(10,312)	(9,302)

Commonly used spreadsheet acronyms and other notations:

Federal Conformity "ARPA" denotes American Rescue Plan and Federal Conformity "IRA" denotes Inflation Reduction Act

"DFE" denotes a provision is effective day following enactment

"DOR" Minnesota Department of Revenue

"Negli." denotes negligible cost/savings of plus or minus \$5,000

"Feb-23" denotes current law estimates based on MMB's February 2023 Forecast

\*\* Indicates provision has a non general fund revenue impacts, see non general fund tracking

^^ The estimates in brackets "[ ]"are not included in the total.

^ Interactions with Property Taxes, Fiscal Impact in Appendix B

" + " The fiscal impact of these provisions are partially or fully covered by the temporary construction (7/1/2021 to 12/31/24) exemption for material purchases by certain entities. Any costs for purchases made outside the temporary exemption window are accounted for in the general fund and non general fund tracking sheets in HF1938-3E.

"#" These provisions have fiscal impact outside the budget forecast window: (1) Secure Act; Exclusion of First Responder Retirement Benefits starting in FY29; (2) Secure Act: Sales of Employee Stock to an Employer Stock Ownership Plan starting in FY 28;

"###" In House 1938-3E, if the conditions are satisfied in Article 12, section 11, the state would reduce the local sales taxes retained by the City of Minneapolis by \$12.8 million/year and the calculation of the balance in the reserve account would also be affected.

"####" The gross proceeds tax replaces a net proceeds tax anticipated to generate revenue beginning in FY29; both House and Senate positions repeal the net proceeds tax.

JOINT TRACKING OF TAX FINANCE AND POLICY AGREEMENT

2023 LEGISLATIVE SESSION: CHAPTER 64 (CCR-HF1938A)

6.28.23

CHANGES TO GENERAL FUND TAX AIDS, CREDITS & REFUNDS - 2023 February Forecast

1:45 PM

Dollars in Thousands

Note: Positive numbers are program expenditures/revenue losses, negative numbers are cost savings/revenue gains. [] brackets are for reference only and not included in totals.

Change Item Description		Effective Date	GOV	GOV	GOV	HOUSE	HOUSE	HOUSE	SENATE	SENATE	SENATE	CHAPTER 64	CHAPTER 64	CHAPTER 64
			FY2023	FY2024-25	FY2026-27	FY2023	FY2024-25	FY2026-27	FY2023	FY2024-25	FY2026-27	FY2023	FY2024-25	FY2026-27
GENERAL FUND SUMMARY														
1	Property Tax Aids, Credits and Refunds													
2	February 2023 forecast		2,588,446	4,434,615	4,554,597	2,588,446	4,434,615	4,554,597	2,588,446	4,434,615	4,554,597	2,588,446	4,434,615	4,554,597
3	HF 1938 OTB -Total Proposed GF Changes		2,589	722,663	227,707	126	693,542	336,058	126	574,947	137,738	14,172	959,422	55,764
4	HF 1938 OTB -Total Proposed Net Loan Activity Changes		0	210	1,040	0	260	1,290	0	260	1,290	0	260	1,290
5	Subtotal GF + Net Loan Activity Proposed Changes		2,589	722,873	228,747	126	693,802	337,348	126	575,207	139,028	14,172	959,682	57,054
6	Property Tax Aids, Credits and Refunds - February 2023 + HF 1938 Chgs		2,591,035	5,157,488	4,783,344	2,588,572	5,128,157	4,890,655	2,588,572	5,009,562	4,692,335	2,602,618	5,394,037	4,610,361
7														
8	PROPERTY TAX REFUNDS													
9	Homestead Credit State Refund (HCSR) PTR changes													
10	Expand Homestead to Indiv taxpayer ID number (ITIN)	App filed 2023, cty data 2024		2,000	4,000		2,000	4,000		2,000	4,000		2,000	4,000
11	Homeowner PTR - Reduce all eligible homeowner copays 5%	2023 Rfds / Pay 2024					41,800	84,900			0			
12	Homeowner PTR - Reduce all eligible homeowner copays 3%	2023 Rfds / Pay 2024									0		25,400	51,600
13	Additional One-Time 13.8% PTR payment							0			0			0
14	Homestead Credit State Refund (HCSR), taxes payable 2023	Pay 2023					92,300	0			0			0
15	Renter Credit PTR, based rent paid 2022	Pay 2023					32,300	0			0			0
16	Subtotal - Additional One-Time 13.8% PTR payment						124,600	0			0			0
	Additional One-Time 20% PTR payment													
	Homestead Credit State Refund (HCSR), taxes payable 2023												137,466	
	Renter Credit PTR, based rent paid 2022												48,259	
	Subtotal - Additional One-Time 20.0% PTR payment												185,725	
21	Enhanced Taxpayer Assistance for PTR, WFC	7/1/2023					7,887	5,142			0		2,000	2,000
22	Targeting PTR - One-time threshold reduction from 12% to 6% incrs property tax, max refund increase from \$1,000 to \$2,500	Pay 2023 only					23,300	0			0		23,300	0
23	Targeting PTR - Reduce threshold from 12% to 10% incrs property tax, max refund increase from \$1,000 to \$2,000	Pay 2024						0		1,900	4,700			
24	Homestead Market Value Exclusion changes \$80,300 threshold, maximum exclusion \$32,120, maximum market value \$437,100	Assmt 2024					0	(2,620)			0			
26	Homestead Market Value Exclusion changes \$95,000 threshold, maximum exclusion \$38,000, maximum market value \$517,200	Assmt 2024								0	(12,160)		0	(12,160)
27														
28	Community land trust property class 4d(2) rate @ 0.75% - PTR interaction	Assmt 2024					0	(520)			0		0	(520)
29	Class 4d low-income rental housing; remove tier, set rate at 0.25%	Assmt 2024									5,320			5,840
30	Agricultural homesteads, first tier valuation increase	Assmt 2024									1,280			1,280

JOINT TRACKING OF TAX FINANCE AND POLICY AGREEMENT

2023 LEGISLATIVE SESSION: CHAPTER 64 (CCR-HF1938A)

6.28.23

CHANGES TO GENERAL FUND TAX AIDS, CREDITS & REFUNDS - 2023 February Forecast

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Dollars in Thousands

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Change Item Description	Effective Date	GOV	GOV	GOV	HOUSE	HOUSE	HOUSE	SENATE	SENATE	SENATE	CHAPTER 64	CHAPTER 64	CHAPTER 64
		FY2023	FY2024-25	FY2026-27	FY2023	FY2024-25	FY2026-27	FY2023	FY2024-25	FY2026-27	FY2023	FY2024-25	FY2026-27
31 Green acres determent modification for certain property (eminent domain)	Assmt 2024									Negligible			Negligible
32 Class 1c homestead resorts tier limit incrs; <\$850K/ \$850K to \$3.1M/ >\$3.1M	Assmt 2024									20			
33													
34 Solar generating system real property class clarified - PTR interaction	Pay 2024					(Negligible)	(Negligible)						
35 Solar generating system real property class clarified - PTR interaction	Assmt 2024								0	(Negligible)		0	(Negligible)
36 Energy storage systems property tax exemption	Assmt 2024									40			
37 Cooperative utility distribution lines "attachments and appruenances"	Assmt 2024									60			
38													
39 Indian tribe-owned property (Mlps), extend property tax exemption	Pay 2023-34					Negligible	Negligible		Negligible	Negligible		Negligible	Negligible
40 Elderly living facilities (St. Ann's) exempted from property tax - PTR interaction	Pay 2023					10	20		10	20		10	20
41 Airport property - 50% exempt "manufacture" of aircraft - PTR interaction	Pay 2024					30	60						
42													
43 Disabled veteran homestead MVE increase \$165K 70%, \$330K 100%	Pay 2024								(290)	(650)			
44 Spouses disabled veterans' homestead MVE modifications	Assmt 2023								(Negligible)	(Negligible)			
45 Spouses disabled veterans' homestead MVE - application deadline eliminated /allowed to reapply	Assmt 2023					(30)	(80)					(30)	(80)
47 Metropolitan revenue distribution (fiscal disparities program) changes	Pay 2024					0	0		(Negligible)	(Negligible)		(Negligible)	(Negligible)
48 Property tax exemption ISD #745 Albany (Stearns County) FY 2023	FY 2023										46	0	
50													
50 <u>Other HCSR Aid/Credit change related PTR interactions</u>													
51 PTR interaction - LGA approp increase	Pay 2024		(1,090)	(2,180)		(2,730)	(6,150)		(1,090)	(2,180)		(2,180)	(4,360)
52 PTR interaction - CPA approp increase	Pay 2024		(1,090)	(2,180)		(2,730)	(5,830)		(1,090)	(2,180)		(2,180)	(4,360)
53 PTR interaction - SBB Ag Credit approp increase	Pay 2025		0	1,480		0							
54 PTR interaction - Class 4d Transition Aid	Pay 2024									(40)			(40)
55 PTR interaction - PILT valuation increase	Pay 2024					(250)	(580)		(50)	(100)		(250)	(580)
56 PTR interaction - Electric Generation Transition Aid	Pay 2024					(70)	(150)		(70)	(150)		(70)	(150)
57 PTR interaction - Local Homeless Prevention Aid	Pay 2023					(410)	(820)						
58 PTR interaction - Local Homeless Prevention Aid	Pay 2023											70	140
59 PTR interaction - Statewide Local Housing Aid	Pay 2023					(1,200)	(1,680)					(540)	(480)
60 PTR interaction - Watershed Districts Levy Authority increase	Assmt 2024									680		-	680
61 PTR interaction - Regional Transit Authority bond increase	DFE		50	1,440					50	1,440			
62													
63 Subtotal - Homestead Credit State Refund PTR changes		0	(130)	2,560	0	192,207	75,692	0	1,370	100	46	233,255	42,830

JOINT TRACKING OF TAX FINANCE AND POLICY AGREEMENT

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6.28.23

CHANGES TO GENERAL FUND TAX AIDS, CREDITS & REFUNDS - 2023 February Forecast

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Dollars in Thousands

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Change Item Description	Effective Date	GOV	GOV	GOV	HOUSE	HOUSE	HOUSE	SENATE	SENATE	SENATE	CHAPTER 64	CHAPTER 64	CHAPTER 64
		FY2023	FY2024-25	FY2026-27	FY2023	FY2024-25	FY2026-27	FY2023	FY2024-25	FY2026-27	FY2023	FY2024-25	FY2026-27
64 <b><u>Renter Property Tax Refund changes</u></b>													
65 Renters Credit - Convert to Income Tax Credit													
66     Renter Income Tax credit, eff rent pd 2024, tax filed 2025 [REV loss reference only]						[378,600]	[768,300]					[378,600]	[768,300]
67     Repeal Renter PTR, sunset rent paid 2024, taxes filed in 2025	Rent Pd 2024					0	(492,800)					0	(492,800)
68 <b>Subtotal - Renter / Targeting PTR changes</b>		0	0	0	0	0	(492,800)	0	0	0	0	0	(492,800)
69													
70 <b><u>AIDS AND CREDITS</u></b>													
71 <b><u>Local Aid changes</u></b>													
72 Local Government Aid approp increase	Pay 2024		40,000	80,000	0	100,000	225,200		40,000	80,000	0	80,000	160,000
73 Local Government Aid prepay Pay 2025	Pay 2025								74,885	(74,885)		60,586	(60,586)
74 City of Echo 2021 LGA penalty forgiveness (\$46,060)	DFE				46	0	0	46	0	0	46	0	0
75 City of Morton 2021 LGA penalty forgiveness (\$79,476)	DFE				79	0	0	79	0	0	79	0	0
76							0						0
77 City of Mahnomen Property Tax Reimbursement Aid increase	Pay 2023		160	320	0	160	320						
78 Mahnomen City/County Property Tax Reimbursement Aid increase	Pay 2023								160	320	0	160	320
79 City of Spring Grove fire remediation grant, one-time	FY 2024					250	0		250	0		250	0
80 City of St. Paul (street improvements) one-time pymt 7.15.2023	DFE					30,000	0						
81 City of Northfield (infrastructure grant) one-time	FY 2024					300	0					300	0
82 Windom Relief - City Aid	FY 2023										13,000	0	
83 Windom Relief - Windom ISD #177	FY 2024											1,000	
84 Crane Lake Watershed District Debt Service Relief	7/1/2023											1,294	
85 City of Minneapolis - Hiawatha Campus Holding Costs	7/1/2023											2,000	
86 City of Minneapolis - Lake Street Rebuilding	7/1/2023											8,000	
87													
88 County Program Aid appropriation increase	Pay 2024		40,000	80,000	0	100,000	213,700		40,000	80,000	0	80,000	160,000
89													
90 Increase Payments in Lieu of Taxes (PILT) valuation \$1 per acr/ Lakeshore report	Pay 2024 Study DFE				0	9,300	21,200				0	9,300	21,200
91 Increase Payments in Lieu of Taxes (PILT) valuation \$0.25/acre	Pay 2024								1,720	3,440			
92													
93 Local Homeless Prevention Aid - Incrs approp, earmark \$4.4 M/ year for Tribes	Pay 2023					40,000	40,000						
94 Establish Local Affordable Housing Aid program													
95     LAHA to Counties	Pay 2024				0	58,600	41,200						
96     LAHA to Tribes	Pay 2024				0	12,000	8,400						
97     LAHA to Cities with population of at least 10,000	Pay 2024				0	19,600	13,600						
98     LAHA to MHFA - Local Affordable Housing grants to Small Cities	Pay 2024				0	9,800	6,800						
99                               Subtotal Local Affordable Housing Aid					0	100,000	70,000						
100													



JOINT TRACKING OF TAX FINANCE AND POLICY AGREEMENT

2023 LEGISLATIVE SESSION: CHAPTER 64 (CCR-HF1938A)

6.28.23

CHANGES TO GENERAL FUND TAX AIDS, CREDITS & REFUNDS - 2023 February Forecast

1:45 PM

Dollars in Thousands

Note: Positive numbers are program expenditures/revenue losses, negative numbers are cost savings/revenue gains. [] brackets are for reference only and not included in totals.

Change Item Description	Effective Date	GOV	GOV	GOV	HOUSE	HOUSE	HOUSE	SENATE	SENATE	SENATE	CHAPTER 64	CHAPTER 64	CHAPTER 64
		FY2023	FY2024-25	FY2026-27	FY2023	FY2024-25	FY2026-27	FY2023	FY2024-25	FY2026-27	FY2023	FY2024-25	FY2026-27
101 Establish Statewide Local Housing Aid program													
102 SLHA to Counties	Pay 2024											26,100	11,600
103 SLHA to Tribes	Pay 2024											5,400	2,400
104 SLHA to Cities with population of at least 10,000	Pay 2024											9,000	4,000
105 SLHA to MHFA - Local Housing Aid grants to Small Cities	Pay 2024											4,500	2,000
106 Subtotal Statewide Local Housing Aid												45,000	20,000
107													
108 Electric Generation Transition Aid to Local Governments	Pay 2024					2,120	4,850		2,120	4,850		2,120	4,850
109 Repeal Utility Valuation Transition Aid (Senate uses phase-out )	Pay 2024					(17)	(37)		(4)	(23)		(17)	(37)
110													
111 Public Safety Aid to Local Governments	FY 2024		550,000	0			0		325,000			300,000	0
112 Crisis Response & Criminal Investigation Grants [Reference: Transf to SR]									[25,000]				
113 Soil and Water Conservation District Aid	Pay 2023		24,000	24,000	0	44,000	28,000		25,446	25,446	0	30,000	24,000
114 Class 4d Transition Aid	Pay 2025									1,160		0	1,160
115 Subtotal - Local Aid changes		0	654,160	184,320	126	426,113	603,233	126	509,577	120,308	13,126	619,993	330,907
116 Property Tax Credit changes													
117 Increase School Building Bond Agricultural Credit to 85%	Pay 2025		0	40,300		0	0						
118 SBB interaction - Reduction from Ag homestead 1st tier valuation increase	Assmt 2024									(2,670)			(2,670)
119 Subtotal - Property Tax Credit changes		0	0	40,300	0	0	0	0	0	(2,670)	0	0	(2,670)
120 Other changes													
121 Tribal Nations Housing and Homeless Aid	FY 2024		44,000	0			0		44,000				
122 Tribal Nations Aid	Pay 2024					75,000	150,000					35,000	70,000
123 Housing Development Fund, Workforce & Affordable Homeownership account	7/1/2023											40,000	0
124 Free Filing Report, 1.15.2024	FY 2024					175	0					175	0
125 Interactive taxpayer receipt website begin w/taxes payable 2023- MMB admin	DFE					191	94					191	94
126 Problem Gambling (interaction with Charitable Gambling)	7/1/2023					(144)	(161)					(292)	(327)
127 Increase Political Contribution Refund to \$75 individual / \$150 married joint filer	7/1/2023											2,100	2,800
128 Local Election Expense Reimbursement - Local Election Reimbursement Account	7/1/2023					0	0		12,000	12,000			
129 Local Election Expense Reimbursement - Voting Equipment & Infrastructure Grant	7/1/2023					0	0		8,000	8,000			
130 IRS Tax Filing Modernization Account	7/1/2023											5,000	0
131 TRA/ St. Paul TRFA School Pension Adjustment Aid	7/1/2025											0	101,930
132 MN Department of Revenue Administration of Refundable Credit	DFE										1,000	21,000	0
133 MN Department of Revenue Administration of 2023 Tax Act	DFE	2,589	24,633	527								3,000	3,000
134													
135 Subtotal - Other changes		2,589	68,633	527	0	75,222	149,933	0	64,000	20,000	1,000	106,174	177,497
136													
137 Total General Fund, Tax Aids, Credits & Refunds		\$2,589	\$722,663	\$227,707	\$126	\$693,542	\$336,058	\$126	\$574,947	\$137,738	\$14,172	\$959,422	\$55,764
138 Net Loan Activity													
139 Senior citizens' property tax deferral requirements: lower occupancy requirement to 5 years, increase HH income to \$75K - PTR interaction	Pay 2024		210	1,040									

Dollars in Thousands

Note: Positive numbers are program expenditures/revenue losses, negative numbers are cost savings/revenue gains. [] brackets are for reference only and not included in totals.

Change Item Description	Effective Date	GOV	GOV	GOV	HOUSE	HOUSE	HOUSE	SENATE	SENATE	SENATE	CHAPTER 64	CHAPTER 64	CHAPTER 64
		FY2023	FY2024-25	FY2026-27	FY2023	FY2024-25	FY2026-27	FY2023	FY2024-25	FY2026-27	FY2023	FY2024-25	FY2026-27
140 Senior citizens' property tax deferral requirements: lower occupancy requirement to 5 years, increase HH income to \$96K - PTR interaction	Pay 2024					260	1,290		260	1,290		260	1,290
141 Total GF + Net Loan Activity, Tax Aids, Credits & Refunds		2,589	722,873	228,747	126	693,802	337,348	126	575,207	139,028	14,172	959,682	57,054
144 GF Summary PTAC													
145 Subtotal - Homestead Credit State Refund PTR changes		0	(130)	2,560	0	192,207	75,692	0	1,370	100	46	233,255	42,830
146 Subtotal - Renter / Targeting PTR changes		0	0	0	0	0	(492,800)	0	0	0	0	0	(492,800)
147 Subtotal - Local Aid changes		0	654,160	184,320	126	426,113	603,233	126	509,577	120,308	13,126	619,993	330,907
148 Subtotal - Property Tax Credit changes		0	0	40,300	0	0	0	0	0	(2,670)	0	0	(2,670)
149 Subtotal - Other changes		2,589	68,633	527	0	75,222	149,933	0	64,000	20,000	1,000	106,174	177,497
150 Subtotal - Net Loan Activity		0	210	1,040	0	260	1,290	0	260	1,290	0	260	1,290
151 TOTAL GF Changes, Property Tax Aids & Credits + Net Loan Activity		2,589	722,873	228,747	126	693,802	337,348	126	575,207	139,028	14,172	959,682	57,054

**JOINT TRACKING OF TAX FINANCE AND POLICY AGREEMENT**

**2023 LEGISLATIVE SESSION: CHAPTER 64 (CCR-HF1938A)**  
**NON GENERAL FUND CHANGES - February 2023 Forecast**

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

		EFFECTIVE	GOV FY2024-25	GOV FY2026-27	HOUSE FY2024-25	HOUSE FY2026-27	SENATE FY2024-25	SENATE FY2026-27	CHAPTER 64 FY2024-25	CHAPTER 64 FY2026-27
1	Total Non General Fund		(14,750)	negli.	50,665	27,060	22,865	18,370	44,830	7,450
3	Total - Legacy Funds:		(14,750)		(15,740)	(860)	(2,135)	(840)	(2,075)	(670)
5	Remove Exemption for Edible Cannabinoid Products, Exempt Entities	7/1/2023	negli.	negli.	negli.	negli.				
6	Temporarily Exempts Certain Natural Gas Fees to Residential Customers	Various			(550)	(240)	(550)	(240)	(580)	(220)
7	Sales tax Exemption, Disregarded Single Member Entities	7/1/2023			(80)	(100)			(80)	(100)
8	Sales Tax Exemption, Purchases of Nonprofit Snowmobiles with Sunset	7/1/2023			(negli.)	(negli.)	(negli.)	(negli.)		
9	Exemption Expanded, Baby Products	7/1/2023			(200)	(200)				
10	Establish One-time Sales Tax Holiday for School Supplies	8/15/23 to 8/21/23			(70)	-				
11	Exemption, Const. Mat., Maple Modified, Maple Grove, No. Metro Range Reg. Public	9/1/21-12/31/23				-				
12	Exemption Modified, County Fair Sales	DFE					(negli.)	(negli.)	(negli.)	(negli.)
13	Exemption, Purchases of Firearm Storage Units	7/1/2023					(negli.)	(negli.)	(negli.)	(negli.)
14	Exemption Modified, Fiber and Conduit for Broadband	7/1/2023					(250)	(250)	-	-
15	Exemption Modified, Suite Licenses	7/1/2022					(60)	(40)	(120)	(80)
16	Exemption Modified, Amenities Included in Admission to Athletic Events	7/1/2022-6/30/30							(40)	(40)
17	Exemption, Sales to Nonprofit Blood Centers	1/1/2020 - 12/30/27					(100)	(40)	(100)	(40)
18	Exemption, Const. Materials, Mazeppa Fire	3/12/18 - 12/31/24					(negli.)	-	(negli.)	-
19	Exemption, Const. Mat., Maple Modified, Maple Grove, No. Metro Range Reg. Public	9/1/21-12/31/23						-		-
20	Exemption, Const. Mat., Maple Modified, Maple Grove, No. Metro Range Reg. Public	9/1/21-12/31/23				-	(20)	-	(20)	-
21	Temp. Construction Mats. Exemption - Local Gov'ts & Nonprofits	7/1/21 to 12/31/24	(14,750)		(14,750)	-	-	-	-	-
22	Exemption, Construction Materials - Local Gov'ts & Nonprofits	7/1/21 - 12/31/24					-	-	-	-
23	Exemption, Construction Materials, Becker Public School District (see note "+")	1/1/22 - 1/31/24					-	-	-	-
24	Exemption, Construction Materials, Beltrami County Jail						-	(120)	-	-
25	Exemption, Construction Materials, City of Chanhassen (see note "+")	1/1/25-1/31/27					-	-	-	-
26	Exemption, Construction Materials, City of Chanhassen	2/1/24 - 1/31/27					(15)	(30)	(15)	(30)
27	Exemption, Construction Materials, Chisholm Public Schools (see note "+")	1/1/22 to 12/31/24					-	-	-	-
28	Exemption, Construction Materials, Chisholm Public Schools	1/1/22 - 12/31/24					(40)	-	(40)	-
29	Exemption, Construction Materials, Duluth Public Schools (see note "+")	7/1/21 - 12/31/24					-	-	-	-
30	Exemption, Construction Materials, Duluth Public Schools	7/1/21 - 12/31/24					(30)	-	(30)	-
31	Exemption, Construction Materials, City of Edina, Community Health Center (see note "+")	1/1/25 - 12/31/25					-	-	-	-
32	Exemption, Construction Materials, Ely Public Schools (see note "+")	5/2/19 - 12/31/23					-	-	-	-
33	Exemption, Construction Materials, City of Edina, Community Health Center	1/1/24 - 12/31/25							-	(50)
34	Exemption, Construction Materials, Ely Public Schools	5/2/19 - 12/31/23					(20)	-	(20)	-
35	Exemption, Construction Materials, Hibbing Public Schools (see note "+")	5/2/19 - 12/31/24					-	-	-	-
36	Exemption, Construction Materials, Hibbing Public Schools	5/2/19 - 12/31/24					(10)	-	(10)	-
37	Exemption, Construction Materials, Itasca County, Courthouse & Correctional Facility						(20)	(10)	-	-
38	Exemption, Construction Materials, Minneapolis - St. Paul Airport (see note "+")	1/1/25-12/31/27					-	-	-	-

JOINT TRACKING OF TAX FINANCE AND POLICY AGREEMENT

2023 LEGISLATIVE SESSION: CHAPTER 64 (CCR-HF1938A)  
NON GENERAL FUND CHANGES - February 2023 Forecast

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

		GOV	GOV	HOUSE	HOUSE	SENATE	SENATE	CHAPTER 64	CHAPTER 64
	EFFECTIVE	FY2024-25	FY2026-27	FY2024-25	FY2026-27	FY2024-25	FY2026-27	FY2024-25	FY2026-27
39	Exemption, Construction Materials, Minneapolis - St. Paul Airport	7/1/23 - 6/30/24				(440)	-	(440)	-
40	Exemption, Construction Materials, City of Moorhead (see note "+")	1/1/25-3/31/27				-	-	-	-
41	Exemption, Construction Materials, City of Moorhead	3/1/24 - 3/31/27				(10)	(20)	(10)	(20)
42	Exemption, Construction Materials, Nashwauk-Keewatin Public Schools (see note "+")	1/1/22 - 12/31/24				-	-	-	-
43	Exemption, Construction Materials, Nashwauk-Keewatin Public Schools	1/1/22 - 12/31/24				(80)	-	(80)	-
44	Exemption, Construction Materials, Northern Lights Academy (see note "+")	1/1/22 - 12/31/24				-	-	-	-
45	Exemption, Construction Materials, Northern Lights Academy	1/1/22 - 12/31/24				(20)	-	(20)	-
46	Exemption, Construction Materials, Northland Learning Center (see note "+")	1/1/22 - 12/31/24				-	-	-	-
47	Exemption, Construction Materials, Northland Learning Center	1/1/22 - 12/31/24				(20)	-	(20)	-
48	Exemption, Construction Materials, City of Oakdale, New Public Works Facility (see no	1/1/25-12/31/27				-	-	-	-
49	Exemption, Construction Materials, City of Oakdale, New Public Works Facility	9/1/23 - 12/31/26				(10)	(20)	(10)	(20)
50	Exemption, Construction Materials, Ramsey Treatment Center (see note "+")	1/1/25-12/31/26				-	-	-	-
51	Exemption, Construction Materials, Ramsey Water Treatment Center	1/1/2023				(40)	(40)	(40)	(40)
52	Exemption, Construction Materials, Red Lake County ISD 2906 (see note "+")	1/1/21 to 6/30/21				-	-	-	-
53	Exemption, Construction Materials, Red Lake County ISD 2906	1/1/21 - 12/31/25				(20)	-	(20)	-
54	Exemption, Construction Materials, Rock Ridge Public Schools (see note "+")	5/2/19 to 12/31/23				-	-	-	-
55	Exemption, Construction Materials, Rock Ridge Public Schools	5/2/19 - 12/31/23				(100)	-	(180)	-
56	Exemption, Construction Materials, Red Rock & Springfield Central School Districts (se	Various				-	-	-	-
57	Exemption, Construction Materials, Red Rock & Springfield Central School Districts	1/1/22 - 6/30/25		-	-	(180)	-	(100)	-
58	Exemption, Construction Materials & Capital Equipment, Spring Grove Fire Rem.	12/23/22-12/31/27		(10)	-	(10)	-	(10)	-
59	Exemption, Construction Materials, City of Wayzata (see note "+")	4/1/20-6/30/21		(20)	-	(60)	-	-	-
60	Exemption, Construction Materials, City of Wayzata	4/1/20 - 12/31/24		-	-	-	-	(60)	-
61	Exemption, Construction Materials, City of Woodbury Central Park (see note "+")	1/1/25 to 12/31/25		-	(30)	(30)	(30)	-	-
62	Exemption, Construction Materials, City of Woodbury Central Park	7/1/23 - 12/31/25		-	-			(30)	(30)
63				-	-				
64	Total - Environmental Fund:			11,400	12,100	-	18,400	6,900	7,300
65									
66	Solid Waste Tax, Reallocation of Receipts between General Fund/ 5% Environ. Fund	DFE		11,400	12,100	-	-	-	-
67	Solid Waste Tax, Reallocation of Receipts between General Fund/15% Environ. Fund	DFE				-	18,400		
68	Solid Waste Tax, Reallocation of Receipts between General Fund/3% Environ. Fund							6,900	7,300
69									
70	Total - Special Revenue Fund:			5	10	25,000		5	10
71									
72	Revenue Recapture; Certain Nonprofit Hospitals Claims Disallowed	7/1/2023		5	10			5	10
73	Transfer from General Fund - Crisis Response & Criminal Investigation acct					25,000			
74									
75	Total - Housing Development Fund		0	55,000	15,000	-	-	40,000	-
76									
77	Mortgage Registry Tax & Deed Tax, Dedication to Workforce & Affordable Hsg. Dev. A	7/1/2023		55,000	15,000	-	-	-	-
78	Mortgage Registry Tax & Deed Tax, Appropriation to Workforce & Affordable Hsg. Dev	7/1/2023				-	-	40,000	-

JOINT TRACKING OF TAX FINANCE AND POLICY AGREEMENT

2023 LEGISLATIVE SESSION: CHAPTER 64 (CCR-HF1938A)  
NON GENERAL FUND CHANGES - February 2023 Forecast

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	EFFECTIVE	GOV FY2024-25	GOV FY2026-27	HOUSE FY2024-25	HOUSE FY2026-27	SENATE FY2024-25	SENATE FY2026-27	CHAPTER 64 FY2024-25	CHAPTER 64 FY2026-27
79									
80	<b>Total - Iron Range School Consolidation</b>			<b>9,600</b>	<b>10,460</b>	<b>9,600</b>	<b>10,460</b>	<b>9,600</b>	<b>10,460</b>
81									
82	Make Permanent Additional Distribution	DFE		2,600	3,460	2,600	3,460	2,600	3,460
83	Transfer from DJJ Economic Protection Fund			7,000	7,000	7,000	7,000	7,000	7,000
84									
85	<b>Total - County Road &amp; Bridge Fund:</b>			<b>(2,540)</b>	<b>(3,380)</b>	<b>(2,540)</b>	<b>(3,380)</b>	<b>(2,540)</b>	<b>(3,380)</b>
86									
87	Make Permanent Reduction Distribution	DFE		(2,540)	(3,380)	(2,540)	(3,380)	(2,540)	(3,380)
88									
89	<b>Total - Taconite Environmental Protection Fund:</b>			<b>(30)</b>	<b>90</b>	<b>(30)</b>	<b>90</b>	<b>(30)</b>	<b>90</b>
90									
91	Gross Proceeds and Assistance Area	DFE		-	130	-	130	-	130
92	Make Permanent Reduction Distribution			(30)	(40)	(30)	(40)	(30)	(40)
93				-	-	-	-	-	-
94	<b>Total - DJJ Economic Protection Fund:</b>			<b>(13,630)</b>	<b>(20,190)</b>	<b>(13,630)</b>	<b>(20,190)</b>	<b>(13,630)</b>	<b>(20,190)</b>
95									
96	Make Permanent Additional Distribution	DFE		(30)	(40)	(30)	(40)	(30)	(40)
97	Gross Proceeds and Assistance Area	DFE		-	50	-	50	-	50
98	Transfer to IRRB and Iron Range School Consolidation	DFE		(13,600)	(20,200)	(13,600)	(20,200)	(13,600)	(20,200)
99									
100	<b>Total - Taconite Property Tax Relief Account</b>			<b>(6,000)</b>	<b>90</b>	<b>(6,000)</b>	<b>90</b>	<b>(6,000)</b>	<b>90</b>
101									
102	Transfer to IRRR Account	DFE		(6,000)	-	(6,000)	-	(6,000)	-
103	Gross Proceeds and Assistance Area	DFE		-	90	-	90	-	90
104				-	-	-	-	-	-
105	<b>Total - Iron Range Resources and Rehabilitation Account</b>			<b>12,600</b>	<b>13,740</b>	<b>12,600</b>	<b>13,740</b>	<b>12,600</b>	<b>13,740</b>
106									
107	Transfer to IRRR Account	DFE		6,000	-	6,000	-	6,000	-
108	Gross Proceeds and Assistance Area	DFE		-	540	-	540	-	540
109	Transfer from DJJ Economic Protection Fund	DFE		6,600	13,200	6,600	13,200	6,600	13,200

JOINT TRACKING OF TAX FINANCE AND POLICY AGREEMENT

2023 LEGISLATIVE SESSION: CHAPTER 64 (CCR-HF1938A)

Stadium Finance and Reserve Changes

*Note: Positive numbers = revenue gains or expenditure savings, negative numbers = revenue reduction or expenditures*

		GOV *	GOV *	GOV *	HOUSE **	HOUSE **	HOUSE **	SENATE	SENATE	SENATE	CHAPTER 64	CHAPTER 64	CHAPTER 64	
	EFFECTIVE	FY2023	FY2024-25	FY2026-27	FY2023	FY2024-25	FY2026-27	FY2023	FY2024-25	FY2026-27	FY2023	FY2024-25	FY2026-27	
1	Total - Stadium Finance and Reserve Changes (Revenue + Expenditures)		(26,521)	367,355	397,527		-	-	(26,521)	367,355	397,527	(26,521)	367,355	397,527
2	Revenue		366,179	307,052	337,218		-	-	366,179	307,052	337,218	366,179	307,052	337,218
3	Authorize the Balance in Stadium Reserve Balance for Stadium Bond Payoff in FY23	DFE	366,179	366,179		-		-	366,179	366,179		366,179	366,179	
4	Repeal Stadium Reserve Account (after Stadium Bond Payoff), Deposits to Gen. Fund	DFE		312,136	342,302			-		312,136	342,302		312,136	342,302
5	Repeal Minneapolis Advance Reimbursement Pymt Requirement (FY16-20)	7/1/2023		(5,084)	(5,084)					(5,084)	(5,084)		(5,084)	(5,084)
6	Limitation of Growth in Mpls Local Sales Tax Transferred to the MSFA (limit to 3% annual growth) ***	7/1/2023											-	-
7				-				-		-			-	
8	Expenditures		(392,700)	60,303	60,309		-	-	(392,700)	60,303	60,309	(392,700)	60,303	60,309
9	Payoff (Prepay) U.S. Bank Stadium Bonds	DFE	(377,000)	-	-		-	-	(377,000)	-	-	(377,000)	-	-
10	Onetime Appropriation, Secure Perimeter Around Stadium	DFE	(15,700)	-	-		-	-	(15,700)	-	-	(15,700)	-	-
11	U.S. Bank (State/Local) Debt Service Payment, Cessation, Savings to Gen. Fund	7/1/2023		60,303	60,309		-	-		60,303	60,309		60,303	60,309
12														
13	Stadium Reserve - Reference Only (Current Law - Cumulative Stadium Reserve Changes)		-	-	-		-	-	-	-	-	-	-	-
14	Current Law Balance		366,179	678,315	1,020,617		-	-	366,179	678,315	1,020,617	366,179	678,315	1,020,617
15	Changes to the Stadium Reserve (FY 23 Debt Pay off)		(366,179)						(366,179)			(366,179)		
16	Changes to the Stadium Reserve (Deposits To Gen. Fund)													
17	Cumulative Stadium Reserve Changes (Debt Payoff and Deposits to General Fund)			(678,315)	(1,020,617)		-	-		(678,315)	(1,020,617)		(678,315)	(1,020,617)

\* Governor's stadium finance and stadium reserve recommendations are contained in HF 2940.

\*\* In HF1938-3E (House omnibus tax bill), if the conditions are satisfied in Article 12, section 11, the state must reduce the local sales taxes retained by the City of Minneapolis by \$12.8 million/year and the calculation of the balance in the reserve account would also be affected.

\*\*\* In Conference Agreement only (Chapter 64), there is limitation on the local sales tax revenue retained from Minneapolis to 3% annual growth. The limit has no effect in FY24-FY27 because forecasted Minneapolis tax revenue increases by less than 3% annually for that time period. Revenue retained may be lower in FY 2028 relative to current law, with a corresponding reduction to the amount appropriated to the MN Sports Facility Authority.

Commonly used spreadsheet acronyms and other notations: "DFE" denotes effective day following enactment; "MPLS" denotes Minneapolis.

Change Item Description		Effective date	HOUSE	SENATE	CHAPTER 64
Property tax changes - Miscellaneous (no state fund impact)					
1	City of Virginia exempted from net debt limit	DFE	X	X	X
2	Delinquent Property Tax interest rate- county may set rate	Jan 1, 2024	X	X	X
3	Property Tax service of petitions	July 1, 2023	X	X	X
4	Tourism Improvement Special Taxing Districts	DFE	X	X	X
5	Ramsey County judgment sales	Local appvl + file	X		X
6	DOR Policy and Technical	various	X	X	X
7	City of St. Paul bonding authority	Local appvl + file	X	X	X
8	Truth in Taxation	Pay 2024	X		X
9	Levy limit modification Anoka County public safety	Local appvl + file		X	X
10	Taconite Assistance Area / 2023 Transfer Production Tax Distribution	DFE +1	X	X	X
Tax changes - Miscellaneous (no state fund impact)					
12	Local Government debt financing (Public Finance bill)	July 1, 2023	X	X	X
13	Tax Expenditure purpose statements	DFE	X		
14	Tax Expenditure Review Commission TERC	DFE			X
15	Tax Refund Agreements with Tribes	DFE			X
16	Financial Review of Grant & Business Subsidy	DFE			X
Property tax changes for Tax Increment Financing (TIF)					
18	TIF update State Auditor - Various pooling provisions clarified, administrative expense limitations clarified, and application of violations and remedies expanded.	DFE +1	X	X	X
19	Bloomington TIF Central Station undeveloped parcels extnd 5 yr	Local appvl + file	X	X	X
20	Chatfield economic Development TIF	Local appvl + file	X	X	X
21	Duluth TIF district - Port Lot D, redevelopment TIF, limit 2 districts	Local appvl + file	X	X	X
22	Duluth TIF Medical Regional Exch, redvpmt TIF, extd term to 2030	Local appvl + file	X	X	X
23	Fridley TIF district 20 trnsfr incrmt to HRA, limit uses, reports in 2025 & 2027 Expires Dec 2027	Local appvl + file	X	X	X
24	Hopkins TIF costs housing/redev incrs to 25%	Local appvl + file		X	X
25	Northwest MN Multi-County HRA levy end date	Local appvl + file	X	X	X
26	Plymouth TIF district spec rules (10 yr extnd, uses)	Local appvl + file	X	X	X
27	Ramsey TIF - extend to 5 yr (2026)	Local appvl + file		X	X
28	St Paul HRA TIF #82, chg incrmt uses, allow for RiverCntr cap impvmt	Local appvl + file	X	X	X
29	Savage TIF district special rules (5-6yr) extended	Local appvl + file	X	X	X
30	Shakopee TIF soil deficiency authority til Dec 2026	Local appvl + file	X	X	X
31	West St. Paul Redevelopment TIF - spec rules, uses	Local appvl + file	X	X	X
32	Woodbury TIF District 13 spec rules amend	Local appvl + file	X	X	X
33	Small city definition chg: pop 5,000 and < 5 miles from city >10,000 pop	Local appvl + file		X	X
34	TIF expansion 3 small cities (Spicer, Lafayette, Nicolet)	Local appvl + file	X		
35	Housing TIF Nonmetro cities pop < 50,000	Local appvl + file	X		
Local Lodging / Food & Beverage Taxes (no state fund impact)					
37	Cook County local 1% lodging tax extended from 15 to 30 yrs	Local appvl + file	X	X	X
38	Duluth Extnd term 0.5% lodging, incrs debt from \$18M to \$54M	Local appvl + file	X		X
39	Lake of the Woods County 3% gross receipts lodging tax	Local appvl + file		X	X
40	Wayzata 1.0% food and beverage tax for city maintenance, public safety	Local appvl + file		X	
Local Sales Taxes (no state fund impact)					
42	Local taxes; resolution submission and referendum requirements clarified for modifying new & existing local sales tax (OSA)	Local appvl + file		X	X
43	Local Taxes Advisory Task Force/ report January 2024	Local appvl + file			X
44	Aitkin new 1.0% local sales for \$9.3M/ 20y Muny Bldg/pk impvmts	Local appvl + file		X	
45	Beltrami County incrs local sales to 0.625%, \$80M/ 30 y county jail	Local appvl + file		X	X
46	Jackson County 1.0% local sales \$39M 30y, Law/Govt Cntr	Local appvl + file		X	X
47	Rice County new 3/8% for \$48M/ 30y public safety facility	Local appvl + file		X	X
48	Stearns County 3/8% local sales \$325M/ 30 y new Justice Cntr	Local appvl + file		X	X
49	Winona County new 0.25% local sales for \$28M / 25y Corrcrn Factly	Local appvl + file		X	X
50	Avon modify 0.5% local sales up to \$8.1M, term 2045	Local appvl + file		X	X
51	Blackduck new 0.5% local sales for \$1.0M/ 20y 4 projcts	Local appvl + file		X	X
52	Bloomington addl 0.5% local sales for \$155M/ 20y Ice Gdn/Well Cntr+	Local appvl + file		X	X
53	Brooklyn Center new 0.5% local sales for \$44M/20y for Com Cntr	Local appvl + file		X	X
54	Chanhassen 0.5% local sales for \$40M/20y Cvc Cntr	Local appvl + file		X	X
55	Cottage Grove new 0.5% local sales \$36M/ 25y	Local appvl + file		X	X
56	Detroit Lakes new 05% local sales \$17.3M/ 12 y Pavilion	Local appvl + file		X	X
57	Dilworth new 0.5% local sales, \$5.4M/ 25y Community Cntr	Local appvl + file		X	X
58	East Grand Forks new 1.0% local sales for \$14.7M/20y CvcCntr/VFW	Local appvl + file		X	X
59	Edina expand 0.5% local sales up to add'l \$31M (Richards/ Braemar Pk )	Local appvl + file		X	X
60	Excelsior extnd 0.5% local sales addl \$23M, term 25 yrs	Local appvl + file		X	X
61	Fairmont addl 0.5% local sales \$20M/ 25y	Local appvl + file		X	X
62	Fergus Falls extnd 0.5% local sales by \$3M, term til 2037	Local appvl + file		X	X
63	Henderson new 0.5% local sales \$250K/ 15y Allanson Pk Campgrd	Local appvl + file		X	X
64	Hibbing new 0.5% local sales \$19.6M/ 20y Public Sfty Cntr	Local appvl + file		X	X
65	Golden Valley new 1.25% local sales for \$105M/ 30y Publc Wks +Safety	Local appvl + file		X	X
66	Jackson City 1.0% local sales \$5.75M/ 30 y, Law/Govt Cntr	Local appvl + file		X	X
67	Marshall extnd 0.5% for \$18.37M/ 35y for aquatic cntr	Local appvl + file		X	X
68	Monticello new 0.5% local sales \$30M/ 20 y, athletic pk/rec area	Local appvl + file		X	X
69	Mounds View new 1.5% local sales \$16.5M/ 20y Sports/rec facility	Local appvl + file		X	X
70	N. Mankato extnd 0.5% local sales for 6 add'l yrs, add'l \$6M	Local appvl + file		X	X
71	Oakdale modify 0.5% local sales add'l \$9M, extnd to 30y	Local appvl + file		X	X
72	Proctor addl 0.5% to exst 1.0% local sales for \$6.9M/ 20y	Local appvl + file		X	X
73	Richfield 0.5% local sales \$65M/ 20 y Community Cntr/Pk Cntr	Local appvl + file		X	X
74	Rochester extnd 0.5% local sales \$205M/ 24y st constr/flood contrl/econ vit	Local appvl + file		X	X
75	Rogers modify 0.25% local sales for add'l \$8.5M, term 20 yrs	Local appvl + file		X	X
76	Roseville new 0.5% local sales for \$76.9M/ 20y Maintnc Factly/Psspt Cntr+	Local appvl + file		X	X
77	St Joseph 0.5% local sales \$17M/ 17y Community Cntr/pk impv	Local appvl + file		X	X
78	St Paul 1.0% local sales for \$984M/ 20y uses street impvt, cap impvt	Local appvl + file		X	X
79	Stillwater new 0.5% local sales \$12.5M/ 20y Riverfront Impv	Local appvl + file		X	X
80	Waite Park modify 0.5% local sales term one add'l yr (to 20y)	Local appvl + file		X	X
81	Woodbury 0.5% local sales \$50M/20y Public Safety campus	Local appvl + file		X	X

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APPENDIX - INTERACTIONS SUMMARY

All Numbers in Thousands

Note: Positive numbers represent revenue gains , negative numbers or numbers in parenthesis represent revenue losses, numbers in brackets are for reference only and are not included in the total

		Gov	Gov	House	House	Senate	Senate	CHAPTER 64	CHAPTER 64
		FY2024-25	FY2026-27	FY2024-25	FY2026-27	FY2024-25	FY2026-27	FY2024-25	FY2026-27
1	Interactions with Property Taxes - Summary	780	2,520	2,650	5,470	800	910	1,860	3,340
2									
3	Individual Income Tax	360	1,970	1,220	2,510	370	420	850	1,520
4	Corporate Franchise Tax	420	550	1,430	2,960	430	490	1,010	1,820
5									
6	Interactions with Property Taxes - Detail								
7	Individual Income Tax - Subtotal	360	1,970	1,220	2,510	370	420	850	1,520
8	Modify Local Government Aid (LGA)	180	360	450	1,010	180	360	360	720
9	Modify County Program Aid (CPA)	180	360	450	960	180	360	360	720
10	Modify Agricultural Building Bond Credit	-	1,250	-	-	-	-	-	-
11	Modify PILT	-	-	40	100	10	20	40	100
12	Electric Generation Transition aid	-	-	10	20	10	20	10	20
13	Local Homeless Prevention aid (LHPA)			70	140	-	-	-	-
14	Local Homeless Prevention aid 12% Tribal governments					-	-	(10)	(20)
15	Statewide Local Housing Aid			200	280	-	-	90	80
16	Modify Class 4D Transition Aid			-		-	20	-	20
17	Modify Watershed Districts Levy Authority			-		-	(120)	-	(120)
18	Modify Regional Transit Bonding Authority					(10)	(240)		
19									
20	Corporate Franchise Tax - subtotal	420	550	1,430	2,960	430	490	1,010	1,820
21	Modify Local Government Aid	210	420	530	1,200	210	420	430	860
22	Modify County Program Aid	210	420	530	1,140	210	420	430	860
23	Modify Agricultural Building Bond Credit	-	(290)	-	-	-	-	-	-
24	Modify PILT	-	-	50	110	-	-	-	-
25	Modify PILT					10	20	50	110
26	Electric Generation Transition aid		-	10	30	10	30	10	30
27	Local Homeless Prevention aid (LHPA)	-	-	80	160	-	-	-	-
28	Local Homeless Prevention aid 12% Tribal governments					-	-	(10)	(20)
29	Statewide Local Housing Aid		-	230	320	-	-	100	100
30	Modify Watershed Districts Levy Authority		-			-	(120)	-	(120)
31									
* Note: Interactions - With changes to property tax, aids and credits, DOR Tax Research estimates assume that changes to property taxes, aids and credit will result in changes to income tax deductions, changing revenue to the general fund.									