

2025 SESSION - HF 2437-2E - Change Items Summary

FEBRUARY 2025 FORECAST BASELINE

Dollars in Thousands

Tax Revenues, and Non-General Fund Total: Negative #s = Revenue Reduction

Property Tax, Aids & Credits, General Fund Total and Target: Negative #s = Spending Reduction

| LINE | ITEM | Forecast | GOVERNOR (March 25) | | HOUSE | | | |
|---|---|------------|---------------------|------------------|------------------|------------|-----------------|-----------------|
| | | FY 2024-25 | FY 2025 | FY 2026-27 | FY 2028-29 | FY 2025 | FY 2026-27 | FY 2028-29 |
| CURRENT LAW GENERAL FUND FORECAST: | | | | | | | | |
| 1 | TAX POLICY (REVENUE) ¹ | 58,021,635 | 29,526,082 | 61,794,511 | 65,943,938 | 29,526,082 | 61,794,511 | 65,943,938 |
| 2 | PROPERTY TAX REFUNDS, AIDS, & CREDITS (EXPENDITURES) ¹ | 5,556,139 | 2,735,905 | 4,753,249 | 4,941,000 | 2,735,905 | 4,753,249 | 4,941,000 |
| GENERAL FUND - CHANGE ITEMS: | | | | | | | | |
| 4 | Tax Revenue | | - | 160,211 | 252,132 | - | 18,886 | 31,377 |
| 5 | Less General Fund Property Tax Refunds, Aids, & Credits | | (5,000) | (32,906) | (59,726) | 106 | (21,220) | (8,623) |
| 6 | TOTAL: NET GENERAL FUND CHANGE ITEMS | - | (5,000) | (198,117) | (311,858) | * | (40,000) | (40,000) |
| | General Fund Target | | | | | | (40,000) | (40,000) |
| NONGENERAL FUND - CHANGE ITEMS: | | | | | | | | |
| 8 | Outdoor Heritage Fund | | | 6,666 | 8,448 | | (17) | (13) |
| 9 | Arts & Cultural Heritage Fund | | | 3,989 | 5,057 | | (10) | (8) |
| 10 | Clean Water Fund | | | 6,666 | 8,448 | | (17) | (13) |
| 11 | Parks & Trails Fund | | | 2,879 | 3,647 | | (7) | (5) |
| 12 | Environment Fund | | | | | | 294 | 1,433 |
| 13 | Special Revenue Fund - Local Cannabis Aid Account | | | (28,742) | (40,900) | | (28,742) | (40,900) |
| 14 | Special Revenue Fund - Transportation Advancement Account | | | 3,280 | 3,180 | | (90) | (80) |
| 15 | Special Revenue Fund - Tax Modernization Account | | (5,000) | | | | (3,651) | (1,349) |
| 16 | Special Revenue Fund - Service and Recovery Account | | | | | | - | (6,000) |
| 17 | Housing Assistance Fund | | | 7,810 | 10,030 | | (170) | (130) |
| 18 | Housing Assistance Fund - Local Affordable Housing Aid Payments | | | (5,858) | (7,523) | | - | - |
| 19 | Health Care Access Fund | | | | | | - | - |
| 20 | SUBTOTAL: NET NONGENERAL FUND CHANGE ITEMS | - | (5,000) | (7,960) | (15,563) | - | (32,410) | (47,065) |

¹ Based on the February 2025 Forecast

*\$106,000 in FY 2025 total included in FY 2026-27 biennial subtotal

| All Dollars in Thousands | | | | | | | | | | | |
|---|----------|--|-----------------|------------------------------|------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Note: Positive dollars show revenue gains, negative dollars or dollars in parenthesis show revenue losses | | | | | | | | | | | |
| Row | HF | | A | B | C | D | E | F | G | H | I |
| | | | Effective Date | GOV (March 25) FY 2026-27 | GOV (March 25) FY 2028-29 | HOUSE | | | HOUSE | | |
| | | | | | | FY 2026 | FY 2027 | FY 2026-27 | FY 2028 | FY 2029 | FY 2028-29 |
| 1 | | Summary | | | | | | | | | |
| 2 | | Total - Current Law - Tax Revenues | | 61,794,511 | 65,943,938 | 30,526,966 | 31,267,545 | 61,794,511 | 32,451,374 | 33,492,564 | 65,943,938 |
| 3 | | Total - Net Changes - Tax Revenues | | 160,211 | 252,132 | 4,746 | 14,140 | 18,886 | 14,187 | 17,190 | 31,377 |
| 4 | | Total - Net, Non Dedicated Tax Revenue | | 61,954,722 | 66,196,070 | 30,531,712 | 31,281,685 | 61,813,397 | 32,465,561 | 33,509,754 | 65,975,315 |
| 5 | | Individual Income Tax | | | | | | | | | |
| 6 | | Change Items | | | | | | | | | |
| 7 | 2254 | Income Tax, Child Tax Credit, Add'l \$100, Qualifying Child Born in Tax Year | TY 28 | | | | | - | - | (2,400) | (2,400) |
| 8 | 2274 | Beginning Farmer Tax Credit Modified, Timing/Allocation Changes | 1/1/2025 | | | - | - | - | - | - | - |
| 9 | 1974-A1 | Subtraction, Student Loan Ed. Assistance Pymts - Critical Access Dental | 1/1/2026 | | | - | (70) | (70) | (70) | (70) | (140) |
| 10 | 385-A1 | Discharged Debt Subtraction, Coerced Debt | 1/1/2025 | | | (Negl) | (Negl.) | (Negl.) | (Negl) | (Negl.) | (Negl.) |
| 11 | 2367-1E | Caregiver/SEIU Stipend Subtraction | DFE | | | - | - | - | - | - | - |
| 12 | 2048 | Correction of Errors for Certain Retirement Contributions | DFE, TY 23 only | | | - | - | - | - | - | - |
| 13 | 2901 | Housing Contribution Tax Credit, Supportive Housing Services Added | 7/1/2025 | | | - | - | - | - | - | - |
| 14 | 2309-1E | Housing Contribution Tax Credit, Local Match Requirement Modifications | 7/1/2025 | | | - | - | - | - | - | - |
| 15 | 2437 | Short Line Railroad Infrastructure Modernization Credit Transfer | TY 25 | - | - | | | | | | |
| 16 | 2437 | Repeal K-12 Education Credit Assignment | TY 26 | Unknown | Unknown | - | Unknown | Unknown | Unknown | Unknown | Unknown |
| 17 | 2437 | Certificate of Rent Paid, Landlord Penalty Fee Changes | 1/1/2026 | - | 120 | - | - | - | 60 | 60 | 120 |
| 18 | 2437 | Expand Research & Development Tax Credit | TY 25 | (600) | (600) | | | | | | |
| 19 | 2783 | Establish Pass Through Audit Unit | 7/1/2025 | 1,141 | 7,392 | | | | | | |
| 20 | | Interaction: Reduce Payment in Lieu of Taxes (PILT) | | (170) | (340) | - | - | - | - | - | - |
| 21 | | Interaction: Low-Income Housing, Personal Property Tax Exemption | | 30 | 2,370 | - | - | - | | | |
| 22 | | Interaction: Aquatic Invasive Species Aid Reduction | | (50) | (100) | | | | | | |
| 23 | | Subtotal: Change Items | | 351 | 8,842 | - | (70) | (70) | (10) | (2,410) | (2,420) |
| | | Corporate Franchise Tax | | | | | | | | | |
| | | Change Items | | | | | | | | | |
| 24 | 2437 | Expand Research and Development Tax Credit | TY 25 | (44,900) | (39,000) | | | - | | | - |
| 25 | 2437 | Sustainable Aviation Fuel Tax Credit | TY 25 | (10,600) | (4,200) | | | - | | | - |
| | | Subtotal: Change Items | | (55,500) | (43,200) | - | - | - | - | - | - |
| 26 | | Sales and Use Tax | | | | | | | | | |
| 27 | | Change Items | | | | | | - | | | - |
| 28 | 386/2062 | Vendor Allowance Established, Sales Tax Liability \$20,000 to \$250,000 | 7/1/2025 | | | (3,220) | (3,650) | (6,870) | (2,470) | (2,420) | (4,890) |
| 29 | 952 | Definition of Land Clearing Expanded | 7/1/2025 | | | (400) | (450) | (850) | (470) | (480) | (950) |
| 30 | 952 | Detachable Units for Landscaping Subject To Tax | 7/1/2025 | | | 300 | 330 | 630 | 330 | 330 | 660 |
| 31 | 1529 | Construction Materials Exemption, City of Woodbury, Water Treatment/Tower | 2/1/24-12/1/27 | | | (370) | (370) | (740) | (370) | - | (370) |

| All Dollars in Thousands | | | | | | | | | | | |
|---|---------|---|------------------|------------------------------|------------------------------|----------|----------|------------|----------|----------|------------|
| Note: Positive dollars show revenue gains, negative dollars or dollars in parenthesis show revenue losses | | | | | | | | | | | |
| Row | HF | | A | B | C | D | E | F | G | H | I |
| | | | Effective Date | GOV (March 25) FY 2026-27 | GOV (March 25) FY 2028-29 | HOUSE | | | HOUSE | | |
| | | | | | | FY 2026 | FY 2027 | FY 2026-27 | FY 2028 | FY 2029 | FY 2028-29 |
| 32 | 2437 | Rate Change, Broaden Base to Professional Services | 10/1/2025 | 348,200 | 443,900 | | | | | | |
| 33 | 2437 | Rate Change, Reduce the Rate to 6.425 percent | 10/1/2025 | (158,000) | (201,000) | | | | | | |
| 34 | | Interaction of Rate & Base Changes | | (3,900) | (5,200) | | | - | | | - |
| 35 | | Interaction: Sales Tax Transfer (Leases) | | 1,760 | 2,260 | | | - | | | - |
| 36 | | Interaction: Sales Tax Transfer (Auto parts) | | 3,600 | 5,630 | | | - | | | - |
| 37 | | Interaction: Lottery Tickets In Lieu | | - | - | - | - | - | - | - | - |
| 38 | | Interaction: Cigarette Sales Tax | | - | - | - | - | - | - | - | - |
| 39 | | Subtotal: Change Items | | 186,300 | 237,700 | (3,690) | (4,140) | (7,830) | (2,980) | (2,570) | (5,550) |
| 40 | | Cigarette & Tobacco Products Tax | | | | | | | | | |
| 41 | | Change Items | | | | | | - | | | - |
| 42 | | June Acceleration, Cigarette & Tobacco, Increased from 84.5% to 90% | Jun-27 | | | - | 2,830 | 2,830 | (40) | (40) | (80) |
| 43 | 926-DE2 | Out-of-State, Upfront Exemption, Premium Cigars | 1/1/2026 | | | (100) | - | (100) | - | - | - |
| 44 | 2745-DE | Brewer's Tax Credit, Modification of Filing Requirements | 7/18/2025 | | | - | - | - | - | - | - |
| 45 | | Subtotal: Change Items | | - | - | (100) | 2,830 | 2,730 | (40) | (40) | (80) |
| 46 | | Liquor, Wine and Beer Tax | | | | | | | | | |
| 47 | | Change Items | | | | | | | | | |
| 48 | | June Acceleration, Alcohol, Increased from 84.5% to 90% | Jun-27 | | | - | 730 | 730 | 20 | 20 | 40 |
| 49 | | Subtotal: Change Items | | - | - | - | 730 | 730 | 20 | 20 | 40 |
| 50 | | Cannabis Gross Receipts Tax | | | | | | | | | |
| 51 | | Change Items | | | | | | | | | |
| 52 | 2437 | Repeal, 20% Dedication of Cannabis Gross Receipt Tax for Local Aid | 7/1/2025 | 23,700 | 40,900 | 8,900 | 14,800 | 23,700 | 18,700 | 22,200 | 40,900 |
| 53 | | Subtotal: Change Items | | 23,700 | 40,900 | 8,900 | 14,800 | 23,700 | 18,700 | 22,200 | 40,900 |
| 54 | | Other Net Tax Revenue | | | | | | | | | |
| 55 | 308 | Change Items | | | | | | | | | |
| 55 | 308 | Repeal Illegal Cannabis and Controlled Substance Tax | 8/1/2025 | - | - | (Negli.) | (Negli.) | (Negli.) | (Negli.) | (Negli.) | (Negli.) |
| 56 | 1359 | SW Mgmt. Tax, FY26 & FY28 Dedication, Resource Mgmt. Account (Score Grants) | 7/1/2025, 7/1/27 | | | (354) | - | (354) | (1,493) | - | (1,493) |
| 57 | 1352-A1 | SW Mgmt. Tax, Modify Tax Rate, 501(c)3 organizations | 7/1/2025 | - | - | (10) | (10) | (20) | (10) | (10) | (20) |
| | | Subtotal: Current Law | | - | - | (364) | (10) | (374) | (1,503) | (10) | (1,513) |

Feb 25 is February 2025, General Fund Balance Analysis
 MSFA is Minnesota Sports Facilities Authority
 SEIU is Service Employees International Union
 SW is Solid Waste
 End of General Fund Tax Revenue Tracking Sheet

| Row | HF | A | B | C | | D | E | | | F | | | G | | | H | | | I | | | J | |
|-----|----------|---|---|----------------|---------|-----------------|-----------------|-----------------|-----------------|-----------------|---------|-----------------|-----------------|-----------------|---------|------------|---------|---------|------------|---------|---------|------------|---------|
| | | | | GOV (March 25) | | GOV (March 25) | HOUSE | | | HOUSE | | | HOUSE | | | HOUSE | | | | | | | |
| | | | | Effective Date | FY 2025 | FY 2026-27 | FY 2028-29 | FY 2026 | FY 2027 | FY 2026-27 | FY 2028 | FY 2029 | FY 2028-29 | FY 2026 | FY 2027 | FY 2026-27 | FY 2028 | FY 2029 | FY 2028-29 | FY 2026 | FY 2027 | FY 2026-27 | FY 2028 |
| 30 | | Environment Fund (2800 Fund) | | | | | | | | | | | | | | | | | | | | | |
| 31 | | Change Items | | | | | | | | | | | | | | | | | | | | | |
| 32 | 1352-A1 | | Solid Waste Mgmt. Tax, Modify Tax Rate, 501(c)3 organizations | 7/1/2025 | | | | (30) | (30) | (60) | | (30) | (30) | (60) | | | | | | | | | |
| 33 | | | SW Mgmt. Tax, FY26 & FY28 Dedication, Resource Mgmt. Account (Score Grants) | 7/1/2025 | | | | | | | | | | | | | | | | | | | |
| 34 | 1359 | | Subtotal: Environment Fund | | | | | 324 | (30) | 294 | | 1,463 | (30) | 1,433 | | | | | | | | | |
| 35 | | Local Cannabis Tax Account(Special Revenue Fund/2000-2001 Fund) | | | | | | | | | | | | | | | | | | | | | |
| 36 | | Change Items | | | | | | | | | | | | | | | | | | | | | |
| 37 | | | Repeal, 20% Dedication of Cannabis Gross Receipts Tax to Local Aid | 7/1/2025 | | (23,700) | (40,900) | (8,900) | (14,800) | (23,700) | | (18,700) | (22,200) | (40,900) | | | | | | | | | |
| 38 | 2437 | | Carryforward/ Cancel to General Fund | Pay 2026 | | (5,042) | - | (5,042) | | (5,042) | | | | - | | | | | | | | | |
| 39 | | | Subtotal: Special Revenue Fund | | | (28,742) | (40,900) | (13,942) | (14,800) | (28,742) | | (18,700) | (22,200) | (40,900) | | | | | | | | | |
| 40 | | Transportation Advancement Account (Special Revenue Fund/2000-2001 Fund) | | | | | | | | | | | | | | | | | | | | | |
| 41 | | Change Items | | | | | | | | | | | | | | | | | | | | | |
| 42 | 386/2062 | | Vendor Allowance Established, Sales Tax Liability \$20K to \$250K | 7/1/2025 | | | | (40) | (40) | (80) | | (30) | (30) | (60) | | | | | | | | | |
| 43 | 952 | | Land Clearing Redefined | 7/1/2025 | | | | Negli. | (10) | (10) | | (10) | (10) | (20) | | | | | | | | | |
| 44 | 952 | | Detachable Units | 7/1/2025 | | | | (Negli.) | (Negli.) | (Negli.) | | (Negli.) | (Negli.) | (Negli.) | | | | | | | | | |
| 45 | 1529 | | Const. Material Purchases Exempt, City of Woodbury | 1/1/24-1/1/28 | | | | (Negli.) | (Negli.) | (Negli.) | | (Negli.) | (Negli.) | (Negli.) | | | | | | | | | |
| 46 | 2437 | | Sales Tax Exemption, Tax Rate Reduction (Leases) | 10/1/2025 | | (230) | (290) | | | | | | | | | | | | | | | | |
| 47 | 2437 | | Sales Tax Exemption, Tax Rate Reduction (Auto parts) | 10/1/2025 | | (480) | (1,650) | | | | | | | | | | | | | | | | |
| 48 | 2437 | | Sales Tax, Base Expansion | 10/1/2025 | | 3,990 | 5,120 | | | | | | | | | | | | | | | | |
| 49 | | | Subtotal: Special Revenue Fund | | | 3,280 | 3,180 | (40) | (50) | (90) | | (40) | (40) | (80) | | | | | | | | | |
| 50 | | Tax Modernization Account (Special Revenue Fund/2000-2001 Fund) | | | | | | | | | | | | | | | | | | | | | |
| 51 | | Change Items | | | | | | | | | | | | | | | | | | | | | |
| 52 | 2437 | | Transfer-Out, General Fund - Repeal Tax Modernization Account | 7/1/2025 | | (5,000) | | | | | | | | | | | | | | | | | |
| 53 | | | Transfer-In, General Fund | DFE | | | | | | | | | | | | | | | | | | | |
| 54 | 30 | | Establish Direct Free File System | | | | | (1,128) | (2,523) | (3,651) | | (1,873) | (1,873) | (3,746) | | | | | | | | | |
| 55 | | | Subtotal: Special Revenue Fund | | | (5,000) | - | (1,128) | (2,523) | (3,651) | | 524 | (1,873) | (1,349) | | | | | | | | | |
| 56 | | Highway User Tax Distribution Fund (2710 Fund) | | | | | | | | | | | | | | | | | | | | | |
| 57 | | Change Items | | | | | | | | | | | | | | | | | | | | | |
| 58 | 2437 | | Sales Tax Exemption, Tax Rate Reduction (Leases) | 10/1/2025 | | (190) | (250) | | | | | | | | | | | | | | | | |
| 59 | 2437 | | Sales Tax Exemption, Tax Rate Reduction (Auto parts) | 10/1/2025 | | (3,120) | (3,980) | | | | | | | | | | | | | | | | |
| 60 | | | Subtotal: Highway User Tax Distribution Fund | | | (3,310) | (4,230) | - | - | - | | - | - | - | | | | | | | | | |

| Row | HF | A | B | C | | D | E | | | F | | | G | | | H | | | I | | | J |
|-----|----------|---|---|----------------|----------------|------------|----------------|---------|---------|------------|---------|---------|------------|---------|---------|------------|---------|---------|------------|--|--|---|
| | | | | Effective Date | GOV (March 25) | | GOV (March 25) | HOUSE | | | HOUSE | | | HOUSE | | | HOUSE | | | | | |
| | | | | | FY 2025 | FY 2026-27 | FY 2028-29 | FY 2026 | FY 2027 | FY 2026-27 | FY 2028 | FY 2029 | FY 2028-29 | FY 2026 | FY 2027 | FY 2026-27 | FY 2028 | FY 2029 | FY 2028-29 | | | |
| 61 | | County State Aid Highway (2600 Fund) | | | | | | | | | | | | | | | | | | | | |
| 62 | | Change Items | | | | | | | | | | | | | | | | | | | | |
| 63 | 2437 | | | | | | | | | | | | | | | | | | | | | |
| 64 | | | | | | | | | | | | | | | | | | | | | | |
| 65 | | Transit Assistance Fund (1050 Fund) | | | | | | | | | | | | | | | | | | | | |
| 66 | | Change Items | | | | | | | | | | | | | | | | | | | | |
| 67 | 2437 | | | | | | | | | | | | | | | | | | | | | |
| 68 | | | | | | | | | | | | | | | | | | | | | | |
| 69 | | Service and Recovery Account (Special Revenue Fund/2000-2001 Fund) | | | | | | | | | | | | | | | | | | | | |
| 70 | | Change Items | | | | | | | | | | | | | | | | | | | | |
| 71 | 2437 | | | | | | | | | | | | | | | | | | | | | |
| 72 | | | | | | | | | | | | | | | | | | | | | | |
| 73 | | Housing Assistance Fund (2310 Fund) | | | | | | | | | | | | | | | | | | | | |
| 74 | | Change Items | | | | | | | | | | | | | | | | | | | | |
| 75 | 386/2062 | | | | | | | | | | | | | | | | | | | | | |
| 76 | 952 | | | | | | | | | | | | | | | | | | | | | |
| 77 | 952 | | | | | | | | | | | | | | | | | | | | | |
| 78 | 1529 | | | | | | | | | | | | | | | | | | | | | |
| 79 | 2337 | | | | | | | | | | | | | | | | | | | | | |
| 80 | | | | | | | | | | | | | | | | | | | | | | |
| 81 | | Health Care Access Fund (2360 Fund) | | | | | | | | | | | | | | | | | | | | |
| 82 | | Change Items | | | | | | | | | | | | | | | | | | | | |
| 83 | 2274 | | | | | | | | | | | | | | | | | | | | | |
| 84 | 1479 | | | | | | | | | | | | | | | | | | | | | |
| 85 | | | | | | | | | | | | | | | | | | | | | | |

Feb 24 is February 2025 General Fund Balance and Consolidated Fund Balance

DFE is Day Following Enactment

DOR is Minnesota Department of Revenue

End of Non General Fund Tax Revenue Tracking

| All Dollars in Thousands | | | | | | | | | | | | | | | | | | | | | | |
|---|------|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|---------|---------|------------|------------|---------|------------|---|
| Note: Positive numbers represent expenditures, negative numbers represent cost savings. | | | | | | | | | | | | | | | | | | | | | | |
| Row | HF | Effective Date | A | B | C | D | E | | F | G | H | | | | I | J | K | L | | | M | N |
| | | | Feb 25 | Feb 25 | Feb 25 | Gov 25 | | Gov 25 | House | | | | House | House | House | House | FY 2028 | FY 2029 | FY 2028-29 | | | |
| | | | FY 2024-25 | FY 2026-27 | FY 2028-29 | FY 2025 | FY 2026-27 | FY 2028-29 | FY 2025 | FY 2026 | FY 2027 | FY 2026-27 | FY 2028 | FY 2029 | FY 2028-29 | FY 2028 | FY 2029 | FY 2028-29 | FY 2028 | FY 2029 | FY 2028-29 | |
| 1 | | Summary | | | | | | | | | | | | | | | | | | | | |
| 2 | | Total - Current Law - Property Tax, Aids, and Credits | 5,556,139 | 4,753,249 | 4,941,000 | 2,735,905 | 4,753,249 | 4,941,000 | 2,735,905 | 2,328,998 | 2,424,251 | 4,753,249 | 2,451,843 | 2,489,157 | 4,941,000 | | | | | | | |
| 3 | | Total - Net Changes - Property Tax, Aids, and Credits | - | - | - | (5,000) | (32,906) | (59,726) | 106 | (12,230) | (8,990) | (21,220) | (4,303) | (4,320) | (8,623) | | | | | | | |
| 4 | | Total - Property Tax, Aids, and Credits | 5,556,139 | 4,753,249 | 4,941,000 | 2,730,905 | 4,720,343 | 4,881,274 | 2,736,011 | 2,316,768 | 2,415,261 | 4,732,029 | 2,447,540 | 2,484,837 | 4,932,377 | | | | | | | |
| 5 | | Percent Change from Prior Year or Biennium | | | | -3.17% | -15.04% | 2.69% | | -15.32% | 3.70% | -14.83% | 0.96% | 1.35% | 3.77% | | | | | | | |
| 6 | | Property Tax Refunds | | | | | | | | | | | | | | | | | | | | |
| 7 | | <i>Change Items</i> | | | | | | | | | | | | | | | | | | | | |
| 8 | 174 | Property Tax Exemption - Elect. Coop. Distribution Lines | | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 9 | | <i>Interaction - Property Tax Refund</i> | | | | - | 40 | 80 | - | - | 40 | 40 | 40 | 40 | 80 | | | | | | | |
| 10 | 2437 | Pers. Prop. Tax Exemption - Low-Income Housing Tenants | | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 11 | | <i>Interaction - Property Tax Refund</i> | | | | - | 10 | 120 | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 12 | 2437 | Reduction - Sustainable Forest Incentive Payments | | | | - | (5,240) | (11,290) | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 13 | 2437 | Eliminate Political Contribution Refund | | | | - | (4,300) | (8,600) | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 14 | 2257 | Property Tax Modifications - Alliance Housing | | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 15 | | <i>Interaction - Property Tax Refund</i> | | | | - | - | 10 | 10 | - | 10 | 10 | 10 | 10 | 20 | | | | | | | |
| 16 | 1126 | Property Tax Exemption - Leech Lake Nation | | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 17 | | <i>Interaction - Property Tax Refund</i> | | | | - | - | - | - | - | - | - | 10 | 10 | 20 | | | | | | | |
| 18 | 967 | Property Tax Exemption - Grand Portage Band | | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 19 | | <i>Interaction - Property Tax Refund</i> | | | | - | - | - | - | - | - | - | Negl. | Negl. | Negl. | | | | | | | |
| 20 | | <i>School Building Bond Credit</i> | | | | - | - | - | - | - | - | - | (Negl.) | (Negl.) | (Negl.) | | | | | | | |
| 21 | 3192 | Property Tax Exemption - Mille Lacs Band | | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 22 | | <i>Interaction - Property Tax Refund</i> | | | | - | - | - | - | - | - | - | Negl. | Negl. | Negl. | | | | | | | |
| 23 | 2274 | Property Tax Exemption - Retroactive - Red Lake Nation | | | | - | 122 | 122 | - | 122 | 122 | 122 | - | - | - | - | - | - | - | - | - | |
| 24 | 443 | Property Tax Exemption - Airport Property Modification | | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 25 | | <i>Interaction - Property Tax Refund</i> | | | | - | - | 30 | 30 | - | 30 | 30 | 30 | 30 | 60 | | | | | | | |
| 26 | 1088 | Property Tax Exemption - Bloomington Port Authority | | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 27 | | <i>Interaction - Property Tax Refund</i> | | | | - | - | 20 | 20 | - | 20 | 20 | 20 | 20 | 40 | | | | | | | |
| 28 | 1006 | Land Bank Property Tax Abatement | | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 29 | | <i>Interaction - Property Tax Refund</i> | | | | - | - | 10 | 10 | - | 10 | 10 | 10 | 20 | 30 | | | | | | | |
| 30 | 2274 | Class 4d Modifications - Community Land Trust | | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 31 | | <i>Interaction - Property Tax Refund</i> | | | | - | - | (210) | (210) | - | (210) | (210) | (210) | (210) | (420) | | | | | | | |
| 32 | 194 | Market Value Exclusion - Disabled Veteran Households | | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 33 | | <i>Interaction - Property Tax Refund Veteran Homesteads</i> | | | | - | - | (1,000) | (1,000) | - | (1,000) | (1,000) | (1,050) | (1,100) | (2,150) | | | | | | | |
| 34 | | <i>Interaction - Property Tax Refund Other Homesteads</i> | | | | - | - | 400 | 400 | - | 400 | 400 | 410 | 430 | 840 | | | | | | | |
| 35 | 385 | Discharged Debt Subtraction | | | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 36 | | <i>Interaction - Property Tax Refund</i> | | | | - | - | - | - | Negl. | Negl. | Negl. | Negl. | Negl. | Negl. | | | | | | | |

| All Dollars in Thousands | | | | | | | | | | | | | | | |
|---|-----------|---|---------------|---|---|------------|------------|---|------------|--------|--------|---------|---------|---------|------------|
| Note: Positive numbers represent expenditures, negative numbers represent cost savings. | | | | | | | | | | | | | | | |
| Row | HF | A | B | C | D | E | | G | H | | | | L | | |
| | | | | | | FY 2024-25 | FY 2026-27 | | FY 2028-29 | Gov 25 | Gov 25 | FY 2025 | FY 2026 | FY 2027 | FY 2026-27 |
| 37 | 161 | Land Value Taxation Districts - Pilot Program | Pay 2026 | | | | | | | | | | | | |
| 38 | | Interaction - Property Tax Refund | | | | | | | | | | | | | |
| 39 | 1168 | Political Contribution Refund Electronic Requirements | 1/1/2027 | | | | | | | | | | | | |
| 40 | 2437 - 1E | SFIA Payments 4-Year Cap at Property Tax Liability | DFE | | | | | | | | | | | | |
| 41 | | Subtotal: Change Items | | | | | | | | | | | | | |
| 42 | | Local Aids | | | | | | | | | | | | | |
| 43 | | Change Items | | | | | | | | | | | | | |
| 44 | 2437 | Reduction - PILT | CY 2026 | | | | | | | | | | | | |
| 45 | | Interaction - Property Tax Refund | | | | | | | | | | | | | |
| 46 | 2437 | Reduction - Aquatic Invasive Species Prevention Aid | Aids Pay 2026 | | | | | | | | | | | | |
| 47 | | Interaction - Property Tax Refund | | | | | | | | | | | | | |
| 48 | 2800 | LGA Penalty Forgiveness - Cities of Alpha, Odin, Trosky | DFE | | | | | | | | | | | | |
| 49 | 146 | LGA Penalty Forgiveness - City of Stewart | DFE | | | | | | | | | | | | |
| 50 | 1016 | LGA - Base Aid for the City of Baldwin | Aids Pay 2026 | | | | | | | | | | | | |
| 51 | 179 | Browerville Public Schools - Grant | 7/1/2025 | | | | | | | | | | | | |
| 52 | 2274 | Emerald Ash Borer Aid - Grant - City of Minneapolis | 7/1/2025 | | | | | | | | | | | | |
| 53 | 3079 | Extension - Grant to City of Minneapolis & PFA | 7/1/2025 | | | | | | | | | | | | |
| 54 | 3079 | Extension - Grant to City of Minneapolis & PFA | 7/1/2025 | | | | | | | | | | | | |
| 55 | | Subtotal: Change Items | | | | | | | | | | | | | |
| 56 | | Other | | | | | | | | | | | | | |
| 57 | | Change Items | | | | | | | | | | | | | |
| 58 | 2437 | DOR Admin - R&D Credit Expansion | DFE | | | | | | | | | | | | |
| 59 | 2437 | DOR Admin - Sales Tax Rate Change & Expansion | 7/1/2025 | | | | | | | | | | | | |
| 60 | 2437 | DOR Admin - Pass Through Entity Audit Unit | 7/1/2025 | | | | | | | | | | | | |
| 61 | 2437 - 1E | TR-IN: Special Revenue Cannabis Aid Carryforward | DFE | | | | | | | | | | | | |
| 62 | 2437 | TR-IN: Repeal Tax Filing Modernization Account | DFE | | | | | | | | | | | | |
| 63 | 2437 - 1E | TR-OUT: Tax Filing Modernization Account | 7/1/2025 | | | | | | | | | | | | |
| 64 | 2437 - 1E | TR-IN: Service and Recovery Special Revenue Fund | 7/1/2025 | | | | | | | | | | | | |
| 65 | 1932 | Taxpayer Assistance Grants | 7/1/2025 | | | | | | | | | | | | |
| 66 | 1932 | Tax Credit Outreach Grants | 7/1/2025 | | | | | | | | | | | | |
| 67 | 2437 - 1E | Local Sales Tax Task Force | 7/1/2025 | | | | | | | | | | | | |
| 68 | 2437 - 1E | DOR - Report on Strategies to Reduce Property Taxes | 8/1/2025 | | | | | | | | | | | | |
| 69 | | Subtotal: Change Items | | | | | | | | | | | | | |
| 70 | | TOTAL: Property Tax, Aids, and Credits | | | | | | | | | | | | | |

| All Dollars in Thousands | | | | | | | | | | | | | | | | | | | | | | |
|---|------|---|------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|---------|---------|------------|---------|---------|------------|
| Note: Positive numbers represent expenditures, negative numbers represent cost savings. | | | | | | | | | | | | | | | | | | | | | | |
| Row | HF | Effective Date | A | B | C | D | E | | F | G | H | | | | I | J | K | L | | | M | N |
| | | | Feb 25 | Feb 25 | Feb 25 | Gov 25 | | Gov 25 | House | | | | House | House | House | House | House | House | House | House | House | House |
| | | | FY 2024-25 | FY 2026-27 | FY 2028-29 | FY 2025 | FY 2026-27 | FY 2028-29 | FY 2025 | FY 2026 | FY 2027 | FY 2026-27 | FY 2025 | FY 2026 | FY 2027 | FY 2026-27 | FY 2028 | FY 2029 | FY 2028-29 | FY 2028 | FY 2029 | FY 2028-29 |
| 71 | | General Fund - Net Loan Activity | | | | | | | | | | | | | | | | | | | | |
| 72 | | Senior Property Tax Deferral | | | | | | | | | | | | | | | | | | | | |
| 73 | | <i>Change Items</i> | | | | | | | | | | | | | | | | | | | | |
| 74 | 2086 | Income Qualifications Modifications | Pay 2026 | | | | | | | | | | - | - | 10 | 10 | 30 | 30 | 60 | 30 | 30 | 60 |
| 75 | | Subtotal: Change Items | | - | - | - | - | - | - | - | - | - | - | - | 10 | 10 | 30 | 30 | 60 | 30 | 30 | 60 |
| 76 | | TOTAL: Property Tax, Aids, and Credits + SR Deferral | | 5,556,569 | 4,754,762 | 4,943,428 | 2,731,201 | 4,721,856 | 4,883,702 | 2,736,307 | 2,317,410 | 2,416,132 | 4,733,542 | 2,448,640 | 2,486,165 | 4,934,805 | | | | | | |
| <p>Feb 25 is February 2025, General Fund Balance Analysis Gov 25 is Governor's Recommendations, March 2025 LGA is Local Government Aid PILT is Payment in Lieu of Taxes SFIA is Sustainable Forest Incentive Act PFA is the Public Facilities Authority DOR is the Department of Revenue TR-IN is Transfer In TR-Out is Transfer Out AY is Assessment Year CY is Calendar Year Pay is Property Taxes Payable Year Aids Pay is Aids Payable Year DFE is Day Following Enactment</p> <p>End of General Fund Property Tax, Aids, and Credits Tracking Sheet</p> | | | | | | | | | | | | | | | | | | | | | | |

| All Dollars in Thousands | | | | | | | | | | | | | | | | |
|---|-----------|---|----------|-----------|-----------|----------|-----------|-----------|----------|-----------|-----------|-----------|-----------|-----------|-----------|----------------|
| Note: Positive numbers represent cost savings, negative numbers represent expenditures. | | | | | | | | | | | | | | | | |
| Row | HF | A | B | C | D | E | F | G | H | I | J | K | L | M | N | |
| | | | | | | | | | | | | | | | | Effective Date |
| | | | | | | | | | | | | | | | | |
| 1 | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | |
| 2 | | | (49,231) | (271,826) | (309,301) | (48,723) | (271,826) | (309,301) | (47,807) | (126,398) | (143,000) | (271,826) | (151,100) | (159,004) | (309,301) | |
| 3 | | | - | - | - | - | 6,962 | 24,277 | - | 320 | 12,500 | 12,820 | 13,800 | 18,000 | 31,800 | |
| 4 | | | (49,231) | (271,826) | (309,301) | (48,723) | (264,864) | (285,024) | (47,807) | (126,078) | (130,500) | (259,006) | (137,300) | (141,004) | (277,501) | |
| 5 | | | | 452.14% | 13.79% | | 438.00% | 4.86% | | 156.24% | 1.30% | 426.10% | -3.99% | -6.00% | 2.09% | |
| 6 | | | | | | | | | | | | | | | | |
| 7 | | | | | | | | | | | | | | | | |
| 8 | | | | | | | | | | | | | | | | |
| 9 | | | | | | | - | 5,362 | - | 5,362 | - | 5,362 | - | - | - | |
| 10 | 2437 - 1E | | | | | | - | 12,500 | 31,800 | - | - | 12,500 | 12,500 | 13,800 | 18,000 | 31,800 |
| 11 | 2437 - 1E | | | | | | - | (5,042) | - | - | (5,042) | - | (5,042) | - | - | |
| 12 | | | - | - | - | - | 12,820 | 31,800 | - | 320 | 12,500 | 12,820 | 13,800 | 18,000 | 31,800 | |
| 13 | | | | | | | | | | | | | | | | |
| 14 | | | | | | | | | | | | | | | | |
| 15 | | | | | | | | | | | | | | | | |
| 16 | 2437 | | | | | | - | (3,905) | (5,015) | | | | | | | |
| 17 | 2437 | | | | | | - | (1,953) | (2,508) | | | | | | | |
| 18 | | | - | - | - | - | (5,858) | (7,523) | | | | | | | | |
| 19 | | | (49,231) | (271,826) | (309,301) | (48,723) | (264,864) | (285,024) | (48,907) | (128,506) | (130,500) | (259,006) | (136,200) | (141,300) | (277,501) | |

Feb 25 is February 2025, General Fund Balance Analysis
 Gov 25 is Governor's Recommendations, March 2025
 TR-OUT is Transfer Out
 LAHA is Local Affordable Housing Aid

End of Property Tax, Aids, and Credits Non-General Fund Tracking Sheet

No State Cost - Tax Provisions

February 2025 Forecast

| House | | | |
|-------|------|----------------|---|
| Line | HF | Effective Date | Provision |
| 1 | | | Local Sales Taxes |
| 2 | 2437 | | Extending Moratorium on Local Sales Taxes for 1 year |
| 3 | | | Tax Increment Financing (TIF) |
| 4 | 2574 | 7/1/2025 | TIF: Conversion of Vacant or Underused Commercial/Industrial Buildings |
| 5 | 2006 | DFE | TIF: Extends temporary TIF authority |
| 6 | 338 | 7/1/2025 | TIF: Extending 5 and 6 year rules; income restrictions removed from housing districts in greater MN |
| 7 | 1159 | DFE | TIF: Increment Transfers to Local Housing Trust Funds |
| 8 | 1036 | Local Approval | City of Ramsey |
| 9 | 157 | Local Approval | City of Maplewood |
| 10 | 160 | Local Approval | City of Maple Grove |
| 11 | 2035 | Local Approval | City of St. Paul - Ford Site Redevelopment |
| 12 | 1070 | Local Approval | City of Brooklyn Center |
| 13 | 2777 | Local Approval | City of Brooklyn Park |
| 14 | 158 | Local Approval | City of Eden Prairie |
| 15 | 806 | Local Approval | City of Edina |
| 16 | 3140 | Local Approval | City of Marshall |
| 17 | 1065 | Local Approval | City of Minnetonka |
| 18 | 2053 | Local Approval | City of Moorhead |
| 19 | 1746 | Local Approval | City of Oakdale |
| 20 | 512 | Local Approval | City of Plymouth |
| 21 | 3029 | Local Approval | City of St. Cloud |
| 22 | 2888 | Local Approval | City of St. Cloud |
| 23 | | | Other |
| 24 | 1106 | DFE | Tax Expenditure Review Commission (TERC) Modifications |
| 25 | 2768 | Various | DOR Policy and Technical Bill |
| 26 | 2730 | 8/1/2025 | Public Finance |
| 27 | 1681 | 7/1/2025 | Maximum Debt Amount Increased, State Agricultural Society (Section 1 only) |