

Minnesota House of Representatives - House Fiscal Analysis Department

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

Updated: 4/6/22 5:37 PM

HF 3669 (Marquart) A22-0407 House Omnibus Tax Bill, in Taxes

ALL FUNDS, DOLLARS IN THOUSANDS

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

AIDS & CREDITS: Positive amounts indicate expenditure

LINE	ITEM	Actual	HF 3669 A22-0407	
		FY 2021-22	FY 2022-23	FY 2024-25
1	GENERAL FUND FORECAST:			
2	TAX POLICY (REVENUE) ¹	47,737,661	54,594,416	58,105,887
3	PROPERTY TAX REFUNDS, AIDS, & CREDITS (EXPENDITURES) ¹	3,892,681	4,153,638	4,342,803
4				
5	GENERAL FUND - CHANGE ITEMS:			
6	TAX POLICY		(1,477,530)	(1,629,620)
7	LESS PROPERTY TAX REFUNDS, AIDS, & CREDITS		167,727	(30,076)
8	SUBTOTAL: GENERAL FUND CHANGE ITEMS		(1,645,257)	(1,599,544)
9				
9				
10	NON-GENERAL FUND PROPOSED CHANGE ITEMS:			
11	LEGACY FUNDS		(7,130)	(1,960)
12	ENVIRONMENTAL FUND		3,100	6,400
13	SPECIAL REVENUE FUND		290	580
14	RESTRICTED MISCELLANEOUS SPECIAL REVENUE FUND		(5)	20
15	HOUSING DEVELOPMENT FUND		-	-
16	IRON RANGE SCHOOL CONSOLIDATION FUND		-	2,775
17	TACONITE ENVIRONMENTAL PROTECTION FUND		-	(1,850)
18	DJJ ECONOMIC PROTECTION FUND		-	(926)
19	SUBTOTAL: NON-GENERAL FUND CHANGE ITEMS		(13,740)	(14,981)

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

Minnesota House of Representatives - House Fiscal Analysis Department

2022 Legislature - HF 3669 (Marquart) with A22-0407 - General Fund Tax Revenue - February (Feb-22) Forecast

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

HF #	NON DEDICATED TAX REVENUE	EFFECTIVE	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE
			FY2022	FY2023	FY2022-23	FY2024	FY2025	FY2024-25
	Total - Non Dedicated General Fund Tax Revenue, Current Law Forecast		26,552,098	28,042,318	54,594,416	28,768,606	29,337,281	58,105,887
	Total - General Fund, Tax Policy - Change Items		-	(1,477,530)	(1,477,530)	(807,670)	(821,950)	(1,629,620)
	Subtotal - Tax Policy - Change Items		-	(1,396,700)	(1,396,700)	(789,410)	(805,410)	(1,594,820)
	Subtotal - Tax Policy - Federal Conformity - Change Items		-	(80,830)	(80,830)	(18,260)	(16,540)	(34,800)
	TOTAL - Non Dedicated Tax Revenue Forecast + Change Items		26,552,098	26,564,788	53,116,886	28,768,606	28,515,331	57,283,937
	Individual Income Tax							
	Change Items - Federal Conformity							
	*FCAA: Expansion of Section 529 Plans	Retro, TY 19	-	(530)	(530)	(160)	(160)	(320)
	*CARES: Increase Limitation on Charitable Deduction Limit for Food Inventory from 15% to 25%	TY 20 only	-	(190)	(190)	40	10	50
HF 3828	*CARES: Exclusion of Certain Employer Student Loan Payments	TY 20 only	-	(5,000)	(5,000)			
	*CAA: Exclusion, Discharge of Indebtedness - Qual. Principle Residence (Full Retroactive Conformity)	TY 21-25	-	(2,800)	(2,800)	(1,600)	(1,600)	(3,200)
	*CAA: Exclusion of Benefits for Volunteer Firefighters & Emergency Medical Responders	TY 21 only	-	(590)	(590)	(400)	(400)	(800)
HF 3828	*CAA: Exclusion of Certain Employer Student Loan Payments	TY 21-25	-	(14,300)	(14,300)	(7,300)	(7,400)	(14,700)
	*CAA: Special disaster-related rules for use of retirement funds (Fully Retroactive Conformity)	TY 21 only	-	(10)	(10)	10	-	10
	*CAA: Temporary increase in limitation on qualified contributions	TY 21-22	-	(900)	(900)	(400)	(400)	(800)
	*CAA: Exclusion of SBA Loan Assistance (Full Retroactive Conformity)	TY 21	-	(2,800)	(2,800)	(300)	(100)	(400)
	*CAA: Exclusion of Shuttered Venue Grants (Full Retroactive Conformity)	TY 21	-	(2,400)	(2,400)	(400)	(200)	(600)
	*CAA: Accelerated Depreciation for Business Property on Indian Reservation	TY21	-	(80)	(80)	(10)	(Negli.)	(10)
	*CAA: Depreciation of Certain Residential Rental Property over 30 years	Retro, TY18	-	(8,200)	(8,200)	(1,100)	(900)	(2,000)
	*CAA: Special Expensing Rules for Certain Film, Television and Live Theatrical Productions	TY 21-25	-	(3,300)	(3,300)	(600)	(600)	(1,200)
	*CAA: Energy-Efficient Commercial Building Deduction	Begins TY 21	-	(410)	(410)	(200)	(200)	(400)
	*CAA: Special Rule for the Production Period for Beer, Wine and Distilled Spirits	Begins TY 21	-	(120)	(120)	(40)	(40)	(80)
	*ARPA: Employer-Provided Dependent Care Assistance, Exclusion Increased	TY 21 only	-	(760)	(760)			-
	*ARPA: Discharged Student Loans, Exclusion Provided (Fully Retroactive Conformity)	TY 21-25	-	(200)	(200)	(100)	(100)	(200)
	*ARPA: Increase maximum unearned income for Working Family Credit	TY 21	-	(900)	(900)	(500)	(500)	(1,000)
	*ARPA: Exclusion of EIDL Loan Advances (Full Retroactive Conformity)	TY 21 only	-	(6,300)	(6,300)	(600)	(300)	(900)
HF 3551	*ARPA: Exclusion of Restaurant Revitalization Grants (Full Retroactive Conformity)	TY 21 only	-	(4,400)	(4,400)	(400)	(200)	(600)
	*IIJA: Private Activity Bonds for Qualified Broadband Projects	Beginning TY22	-	(80)	(80)	(170)	(290)	(460)
	*IIJA: Tax Exempt Bonds for Qualified Carbon Dioxide Capture Facilities	Beginning TY22	-	(20)	(20)	(20)	(40)	(60)
	Subtotal - Change Items - Federal Conformity		-	(54,290)	(54,290)	(14,250)	(13,420)	(27,670)
	Change Items							
HF3558	Renters Income Tax Credit to Replace Renters Credit	TY 2022	-	(372,600)	(372,600)	(378,200)	(386,100)	(764,300)
	Repeal of Renter Property Tax Credit (Reference Only - See Property Tax Expenditure Section)^	Pay 2023	-	-	-	[231,600]	[234,700]	[466,300]

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2022 Legislature - HF 3669 (Marquart) with A22-0407 - General Fund Tax Revenue - February (Feb-22) Forecast

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

HF #	NON DEDICATED TAX REVENUE	EFFECTIVE	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE
			FY2022	FY2023	FY2022-23	FY2024	FY2025	FY2024-25
40								
41	HF 3072 Student Loan Tax Credit: Credit Size Modified	TY 22-28	-	(32,000)	(32,000)	(32,600)	(33,300)	(65,900)
42	HF1456, HF3713 Beginning Farmer Tax Credit: Eligibility Modified	TY 2022	-	(3,700)	(3,700)	(4,000)	-	(4,000)
43	HF118 Stillborn Tax Credit Modifications	Retro TY 16	-	Negli.	Negli.	Negli.	Negli.	Negli.
44	HF1373 K-12 Education Tax Credit: Phaseout \$70,000 FAGI, Phaseout Threshold Increased	TY 2022	-	(13,300)	(13,300)	(14,000)	(14,200)	(28,200)
45	<i>K-12 Education Tax Credit Interaction: K-12 Subtraction</i>		-	1,100	1,100	1,100	1,100	2,200
46	HF3283 Great Start Child & Dependent Care Tax Credit: Increased Credit, Income Phaseout & Other Changes	TY 22-28	-	(196,900)	(196,900)	(202,600)	(204,400)	(407,000)
47	<i>Child & Dependent Care Tax Credit Interaction: Addition for Dependent Care Expenses</i>		-	14,300	14,300	14,700	14,800	29,500
48	HF3669 Rebate Credit, Children under Age 17, \$140,000 FAGI Phaseout	Retro TY 21 only	-	(308,000)	(308,000)	-	-	-
49	HF 3944 Polar Vortex Response Tax Credit	TY20 21 only	-	(14,700)	(14,700)	-	-	-
50	<i>Polar Vortex Response Tax Credit Interaction: Addition for Deducted Excess Energy Costs</i>		-	300	300			
51	HF3669 Working Family Tax Credit: Expand Eligibility to Include ITIN Taxpayers	TY 2022	-	(9,800)	(9,800)	(10,400)	(10,400)	(20,800)
52	HF3669 Small Business Investment (Angel) Tax Credit: Allocation Increase	TY 22 only	-	(7,000)	(7,000)			
53	HF 4318 Credit for Taxes Paid to Another State, Disregarded LLCs	TY 2022	-	-	-	-	-	-
54	HF4590 Film Production Tax Credit, Modifies the Minimum Expense for Eligibility	TY 2022	-	-	-	-	-	-
55	HF3967 Pass-Through Entity (PTE), Various Modifications	Retro TY 2021	-	(Unknown)	(Unknown)	(Unknown)	(Unknown)	(Unknown)
56			-	-	-	-	-	-
57	HF2765 Unemployment Insurance Subtraction, \$10,200 Maximum Subtraction, \$150,000 FAGI Phaseout	TY2021 only	-	(160,900)	(160,900)			
58	HF3846 Social Security Subtraction, Modified Subtraction and Phaseout	TY 2022	-	(114,200)	(114,200)	(127,500)	(134,900)	(262,400)
59	HF4689 Covid Business Assistance Aid, Subtraction	Retro TY 2020	-	(11,500)	(11,500)			
60	HF2091 Military Pension Subtraction, Eligibility Expanded	Retro TY 2021	-	(1,300)	(1,300)	(700)	(700)	(1,400)
61	HF3776 Emergency Assistance Post-Secondary Grants, Subtraction	TY 2022	-	(10)	(10)	(20)	(20)	(40)
62	HF4446 Workforce Grant Payment Subtraction	TY 2022	-	-	-	-	-	-
63			-	-	-	-	-	-
64	<i>Interaction with Property Taxes: Local Government Aid</i>		-	-	-	350	350	700
65	<i>Interaction with Property Taxes: County Program Aid</i>		-	-	-	130	130	260
66	<i>Interaction with Property Taxes: School LOR Levy</i>		-	-	-	690	850	1,540
67	<i>Interaction with Property Taxes: School Building Bond Agricultural Aid, 85%</i>		-	-	-	-	580	580
68	<i>Interaction with Property Taxes: School District LTFM Levy</i>		-	-	-	(10)	(10)	(20)
69	<i>Interaction with Property Taxes: Payment-in-Lieu of Taxes (PILT)</i>		-	-	-	90	100	190
70	<i>Interaction with Property Taxes: Local Affordable Housing Aid</i>		-	-	-	340	370	710
71	<i>Interaction with Property Taxes: Ely School Bond Debt Service</i>		-	-	-	(10)	(10)	(20)
72			-	-	-	-	-	-
73	Subtotal - Change Items		-	(1,230,210)	(1,230,210)	(752,640)	(765,760)	(1,518,400)
74								
75	TOTAL - INDIVIDUAL INCOME TAX		14,477,173	14,412,625	28,889,798	15,633,125	15,960,499	31,593,624
76								

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HF #	NON DEDICATED TAX REVENUE	EFFECTIVE	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE
			FY2022	FY2023	FY2022-23	FY2024	FY2025	FY2024-25
77	Corporate Franchise Tax							
78								
79	Change Items - Federal Conformity							
80	*FCAA: Seven-Year Recovery Period for Motorsports Entertainment Complexes	TY18-20	-	(360)	(360)	(40)	(20)	(60)
82	*CARES: Increase Limitation on Charitable Deduction Limit for Food Inventory from 15% to 25%	TY 20 only	-	(90)	(90)	30	-	30
84	*CAA: Exclusion of SBA Loan Assistance (Full Retroactive Conformity)	TY 21	-	(2,600)	(2,600)	(100)	(100)	(200)
86	*CAA: Exclusion of Shuttered Venue Grants (Full Retroactive Conformity)	TY 21	-	(2,400)	(2,400)	(400)	(200)	(600)
87	*CAA: Seven-Year Recovery Period for Motorsports Entertainment Complexes	TY 21-25	-	(190)	(190)	(100)	(110)	(210)
88	*CAA: Accelerated Depreciation for Business Property on Indian Reservation	TY 21	-	(60)	(60)	(10)	-	(10)
89	*CAA: Depreciation of Certain Residential Rental Property over 30 years	2018	-	(4,100)	(4,100)	(500)	(400)	(900)
90	*CAA: Special Expensing Rules for Certain Film, Television and Live Theatrical Productions	TY 21-25	-	(3,800)	(3,800)	(700)	(700)	(1,400)
91	*CAA: Energy-Efficient Commercial Building Deduction	Begins TY 21	-	(660)	(660)	(320)	(320)	(640)
92	*CAA: Special Rule for the Production Period for Beer, Wine and Distilled Spirits	Begins TY 21	-	(180)	(180)	(70)	(70)	(140)
93	*ARPA: Exclusion of EIDL Loan Advances (Full Retroactive Conformity)	TY 21 only	-	(6,100)	(6,100)	(600)	(300)	(900)
94	*ARPA: Exclusion of Restaurant Revitalization Grants (Full Retroactive Conformity)	TY 21 only	-	(4,300)	(4,300)	(400)	(200)	(600)
95	*ARPA: Worldwide Interest Allocation Rules, Repeal	TY21	-	Unknown	Unknown	Unknown	Unknown	Unknown
96	*IIJA: Modification of Tax Treatment of Contributions to the Capital of a Corporation	TY21	-	(1,700)	(1,700)	(800)	(700)	(1,500)
97			-					
98	Subtotal - Change Items - Federal Conformity		-	(26,540)	(26,540)	(4,010)	(3,120)	(7,130)
99								
100	Change Items							
101	HF3688 Historic Rehabilitation Tax Credit: Timing of Credit & Sunset Delayed	DFE to TY30		(31,800)	(31,800)	(14,600)	(19,700)	(34,300)
102	HF4689 Covid Business Assistance Aid, Subtraction	Retroy TY 2020		(9,400)	(9,400)	(900)	(900)	(1,800)
103								
104	Subtotal - Tax Law Changes		-	(41,200)	(41,200)	(15,500)	(20,600)	(36,100)
105								
106	TOTAL - CORPORATE FRANCHISE TAX		2,375,832	1,983,405	4,359,237	1,830,423	1,780,416	3,610,839
107								
108	Sales and Use Tax							
109								
110	Change Items							
111	HF 3669 Exemption by Refund, Construction Mats. Purchased by a Contractor, Local Govts & Nonprofits	7/1/21 to 12/31/22	-	(95,500)	(95,500)			-
112	HF 2189 Construction Exemption, Duluth - I.S.D. 709	various	-	(240)	(240)	(250)		(250)
113	HF 2092 Construction Exemption, Ely - I.S.D. 696	various	-	(320)	(320)			-
114	HF 2786 Construction Exemption, Various School Building Projects	various	-	(1,400)	(1,400)	(3,180)	(1,320)	(4,500)
115	HF 1960 Construction Exemption, Itasca County Courts & Courthouses	various	-	-	-	(250)	(250)	(500)
116	HF 4114 Construction Exemption, North Metro Regional Public Safety Training Facility - Maple Grove	various	-	(290)	(290)			-

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HF #	NON DEDICATED TAX REVENUE	EFFECTIVE	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE
			FY2022	FY2023	FY2022-23	FY2024	FY2025	FY2024-25
117	HF 2262 Construction Exemption, City of Wayzata, Various Projects	various	-	-	-	(520)	-	(520)
118	HF 921 Capital Equipment Exemption, Expansion to Restaurant Food Service	7/1/2022	-	(7,700)	(7,700)	(8,600)	(8,800)	(17,400)
119	HF 4422 Exemption Expanded, Fiber & Conduit by Internet/Broadband Service Providers	Retro 7/1/2017	-	(13,150)	(13,150)	(2,900)	(3,050)	(5,950)
120	HF 4318 Exemption for Sole Member of Disregarded LLC and the Disregarded LLCs	7/1/2022	-	(660)	(660)	(710)	(760)	(1,470)
121	HF 3307 Exemption, Agricultural Fencing	Retro 7/1/21	-	(2,580)	(2,580)	(1,310)	(1,320)	(2,630)
122	HF 3167 Exemption, National Sports Center- Blaine, Amateur Sports Comm	7/1/2022	-	(290)	(290)	(320)	(320)	(640)
123	HF 3104 Exemption, Pre-sales by Agricultural Societies	DFE	(Negli.)	(30)	(30)	(30)	(30)	(60)
124	HF 4678 Exemption Extended, MN State High School League To Tax Year 2030	DFE	-	-	-	-	-	-
125	HF 2756 Construction Exemption Extended, City of Mazeppa - Properties Destroyed by Fire	Retro 3/11/18	-	(20)	(20)	-	-	-
126								
127	Subtotal - Change Items		-	(122,180)	(122,180)	(18,070)	(15,850)	(33,920)
128								
129	TOTAL - SALES AND USE TAXES		6,602,798	7,097,416	13,700,214	7,403,738	7,626,044	15,029,782
130								
131	Statewide Property Tax (General Levy)							
132								
133	Change Items							
134	HF 4400 Indian Tribe Owned Property - SGL refund		-	(10)	(10)	-	-	-
135								
136	Tax Law Changes - subtotal		-	(10)	(10)	-	-	-
137								
138	TOTAL - STATEWIDE PROPERTY TAX		771,915	764,123	1,536,038	748,456	748,637	1,497,093
139								
140								
141	Other Net Tax Revenue							
142	Change Items							
143	HF 2367 Solid Waste Management - Reallocation of Tax Revenue, Environmental Fund to General Fund	DFE	-	(3,100)	(3,100)	(3,200)	(3,200)	(6,400)
144	HF 3827 Repeal June Acceleration Repeal, Budget Reserve (see appendix A)	7/1/2022						
145								
146	Subtotal - Tax Law Changes		-	(3,100)	(3,100)	(3,200)	(3,200)	(6,400)
147								
148	TOTAL - OTHER NET REVENUE		797,067	751,028	1,548,095	758,272	775,496	1,533,768

*Federal Conformity Act Acronyms:

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

Spreadsheet acronyms:

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

2022 Legislature - HF 3669 A22-0407 Omnibus Tax Bill in Taxes

4/6/2022

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

Dollars in Thousands

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

HF	Change Item Description	Effective Date	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE
			FY2022	FY2023	FY2022-23	FY2024	FY2025	FY2024-25
GENERAL FUND SUMMARY								
1	Property Tax Aids, Credits and Refunds							
2	February 2022 forecast		2,075,125	2,078,513	4,153,638	2,151,796	2,191,007	4,342,803
3	HF 3669 OTB -Total Proposed GF Changes		<u>0</u>	<u>167,727</u>	<u>167,727</u>	<u>(33,228)</u>	<u>3,152</u>	<u>(30,076)</u>
4	Property Tax Aids, Credits and Refunds - February 2022 + HF 3669 OTB Chgs		2,075,125	2,246,240	4,321,365	2,118,568	2,194,159	4,312,727
5								
6	PROPERTY TAX REFUNDS							
7	Homestead Credit State Refund (HCSR) PTR changes							
8	HF 3518 Homeowner PTR - Incrs max refund \$200, reduce thrshds 0.1% incm \$21.8K-\$32.8K, reduce copays 5% incm \$33K-\$77K	Pay 2023	0	0	0	35,200	36,800	72,000
9	HF 3669 Expand Homestead to Indiv taxpayer ID number (ITIN)	Pay 2023	0	0	0	1,800	1,800	3,600
10								
11	HF 1095 Manufactured home park classification modified. PTR interaction	Pay 2023	0	0	0	0	270	270
12	HF 3629 Homestead Market Value Exclusion changes PTR interaction	Assmt 2023	0	0	0	0	(1,610)	(1,610)
13								
14	HF 2300 Community land trust property class 4d(2) rate @ 0.75% - PTR	Pay 2023	0	0	0	(180)	(180)	(360)
15	HF 3384 Senior citizens' property tax deferral requirements: lower occupancy req to 5 yr, incrs HH incm to \$96K - PTR	Pay 2023	0	0	0	270	660	930
16								
17	HF 1661 Elderly living facilities exempted from taxation - PTR	Assmt 2023	0	0	0	0	10	10
18	HF 3782 Energy storage system exemption established - PTR	Assmt 2022	0	0	0	20	20	40
19	HF 3678 Airport property - exempt "manufacture" of aircraft - PTR	Pay 2023	0	0	0	20	20	40
20	HF 3224 School District levy - Long-term Facilities Revenue - PTR	FY 2024	0	0	0	20	20	40
21	HF 4042 Ely School Bond debt service - PTR	DFE	0	0	0	30	30	60
22	HF 1429 Class 2a land ag product def include hemp - PTR	Assmt 2023	0	0	0	0	30	30
23	HF 4591 Cooperative utility distribution line chg - PTR	Assmt 2023	0	0	0	0	520	520
24	HF 4305 Solar energy production tax exemption created - PTR	DFE	0	0	0	30	30	60
25	HF 2865 Disabled veterans' homestead market value exclusion application							
	HF 3066 deadline extended for qualifying spouses PTR	Assmt 2022	0	0	0	(Negligible)	(Negligible)	(Negligible)

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4/6/2022

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Dollars in Thousands

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HF	Change Item Description	Effective Date	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE
			FY2022	FY2023	FY2022-23	FY2024	FY2025	FY2024-25
26	HF 2181 Solar generating system real property class clarified - PTR	Pay 2023	0	0	0	(Negligible)	(Negligible)	(Negligible)
27	HF 4400 Indian tribe-owned property extnd p tax exmptn - PTR		0	0	0	Negligible	Negligible	Negligible
28	Other HCSR Aid/Credit change related PTR interactions							
29	HF 4064 PTR interaction - LGA approp increase	Pay 2023	0	0	0	(900)	(900)	(1,800)
30	HF 4399 PTR interaction - CPA approp increase	Pay 2023	0	0	0	(340)	(340)	(680)
31	HF 3073 PTR interaction - PILT valuation increase	Pay 2023	0	0	0	(240)	(260)	(500)
32	HF3982 PTR interaction - Local Affordable Hsg Aid	Pay 2023	0	0	0	(870)	(950)	(1,820)
33	HF 3224 PTR interaction - School Equalization LOR levy/aid	Pay 2023	0	0	0	(3,320)	(4,080)	(7,400)
34	HF 3906							
34	HF 2929 PTR interaction - Increase SBB Ag Credit 85%	Pay 2024	0	0	0	0	680	680
35	Subtotal - Homestead Credit State Refund PTR changes		0	0	0	31,540	32,570	64,110
36	Renter / Targeting Property Tax Refund changes							
37	HF 3558 Renters Credit - Convert to Income Tax Credit							
38	HF 4226 Repeal Renter PTR, sunset rent paid 2022, taxes filed in 2023	Rnt Pd 2022	0	0	0	(231,600)	(234,700)	(466,300)
39	HF 3725 Special (Targeting) PTR -Thrshd to 10%, max rfnd to \$2,000	Pay 2023	0	0	0	1,900	2,000	3,900
40	Subtotal - Renter / Targeting PTR changes		0	0	0	(229,700)	(232,700)	(462,400)
42	AIDS AND CREDITS							
43	Local Aid changes							
44	HF 4064 Local Government Aid formula chg/approp increase	Pay 2023	0	0	0	34,220	34,220	68,440
45	HF 2810 City of Echo 2021 LGA penalty forgiveness	FY 2022	0	0	0	0	0	0
46	HF3586 City of Morton 2021 LGA penalty forgiveness	FY 2022	0	0	0	0	0	0
47								
48	HF 4064 City of Mahnommen Property Tax Reimbursement Aid incrs	Pay 2023	0	0	0	160	160	320
49								
50	HF4399 County Program Aid appropriation increase	Pay 2023	0	0	0	13,000	13,000	26,000
51								
52	HF 4198 County grants - Community Career Workforce Academies	FY 2023 only	0	40,000	40,000	0	0	0

2022 Legislature - HF 3669 A22-0407 Omnibus Tax Bill in Taxes

4/6/2022

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

Dollars in Thousands

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

HF	Change Item Description	Effective Date	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE
			FY2022	FY2023	FY2022-23	FY2024	FY2025	FY2024-25
53								
54	HF 4689 County Pandemic Business Aid / report	FY 2023 only	0	50,000	50,000	0	0	0
55	HF 4689 County Pandemic Rental Assistance / report	FY 2023 only	0	25,000	25,000	0	0	0
56								
57	HF 3982 Establish Local Affordable Housing Aid program	Pay 2023						
58	LAHA to Counties		0	0	0	25,600	28,000	53,600
59	LAHA to Cities with population of at least 10,000		0	0	0	7,400	8,000	15,400
60	LAHA to MHFA - Local Affordable Housing grants		<u>0</u>	<u>0</u>	<u>0</u>	<u>4,000</u>	<u>4,000</u>	<u>8,000</u>
61	Subtotal Local Affordable Housing Aid		0	0	0	37,000	40,000	77,000
62								
63	HF 2928 Stronger Community Aid Program created, replaces Performance Measurement							
64	Sunset Performance Measurement Aid	1/1/2023	0	0	0	(497)	(497)	(994)
65	Stronger Community Aid Program	Pay 2023	0	0	0	497	497	994
66								
67	HF3719 Soil and Water Conservation District Aid created	Pay 2022	0	22,000	22,000	22,000	22,000	44,000
68	HF 3669							
69	HF 3073 Increase Payments in Lieu of Taxes (PILT) valuation/report	Pay 2023	0	0	0	9,200	9,800	19,000
70								
71	HF 3224 School District Equalization Aid - Local Option Rev levy/aid	Pay 2023	<u>0</u>	<u>0</u>	<u>0</u>	<u>38,740</u>	<u>51,950</u>	<u>90,690</u>
72	HF 3906							
72	Subtotal - Local Aid changes		0	137,000	137,000	154,320	171,130	325,450
73	Property Tax Credit changes							
74	HF 1429 Ag Homestead Market Value Credit intct - Class 2a incld hemp	Assmt 2023	0	0	0	0	10	10
75	HF 2929 Increase School Building Bond Agricultural Credit to 85%	Pay 2024	0	0	0	0	21,800	21,800
76	HF 3224 School Bldg Bond Ag Credit intct - LTFM chg	FY 2024	0	0	0	10	10	20
77	HF4042 School Bldg Bond Ag Credit intct - Ely School bond debt serv	DFE	0	0	0	30	30	60
78	HF 1429 School Bldg Bond Ag Credit intct - Class 2a land, hemp	Assmt 2023	0	0	0	0	30	30
79	HF 4305 School Bldg Bond Ag Credit intct - Solar engy tax exmptn	DFE	<u>0</u>	<u>0</u>	<u>0</u>	<u>20</u>	<u>20</u>	<u>40</u>
80	Subtotal - Property Tax Credit changes		0	0	0	60	21,900	21,960

2022 Legislature - HF 3669 A22-0407 Omnibus Tax Bill in Taxes

4/6/2022

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

Dollars in Thousands

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

HF	Change Item Description	Effective Date	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE
			FY2022	FY2023	FY2022-23	FY2024	FY2025	FY2024-25
81	Other changes							
82	HF 998 Housing Development Fund, Workforce & Affordable Homeownership account	FYS 23-30	0	10,000	10,000	10,000	10,000	20,000
83	HF 3944 Polar Vortex - Rebate to municipal utilities avail til Dec 31, 2022	FY 2023	0	20,000	20,000	0	0	0
84	HF 1795 Revenue Recapture, Hospital Claims disallowed	FY 2023		252	252	252	252	504
85	HF 376 Free Filing Report	FY 2023		175	175	0	0	0
86								
87	HF 4513 Legislative Auditor admin - Review county costs child protection	FY 2023	0	0	0	0	0	0
88	Begin Farmer Credit - Rural Finance Authority admin	FY 2024		300	300	300	0	300
89	HF 3827 Aid Payment Shift, Budget Reserve	DFE						
90								
91	Subtotal - Other changes		0	30,727	30,727	10,552	10,252	20,804
92								
93	Total General Fund Changes, Property Tax Aids & Credits		\$0	\$167,727	\$167,727	(\$33,228)	\$3,152	(\$30,076)
94								
95	GF Summary PTAC		FY 2022	FY 2023	FY 2022-23	FY 2024	FY 2025	FY 2024-25
96	Subtotal - Homestead Credit State Refund PTR changes		0	0	0	31,540	32,570	64,110
97	Subtotal - Renter / Targeting PTR changes		0	0	0	(229,700)	(232,700)	(462,400)
98	Subtotal - Local Aid changes		0	137,000	137,000	154,320	171,130	325,450
99	Subtotal - Property Tax Credit changes		0	0	0	60	21,900	21,960
100	Subtotal - Other changes		0	30,727	30,727	10,552	10,252	20,804
101	TOTAL GF Changes, Property Tax Aids & Credits		0	167,727	167,727	(33,228)	3,152	(30,076)

Minnesota House of Representatives - Fiscal Analysis Department

Updated: 4/6/2022

2022 Legislature - HF 3669 (Marquart) with A22-0407 - Non General Fund Tax Revenue - February (Feb 2022) Forecast

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

HF		EFFECTIVE	HOUSE FY2022	HOUSE FY2023	HOUSE FY2022-23	HOUSE FY2024	HOUSE FY2025	HOUSE FY2024-25
	Total Non General Fund		-	(13,740)	(13,740)	(7,571)	(7,410)	(14,981)
	Total - Legacy Funds:		-	(7,130)	(7,130)	(1,060)	(900)	(1,960)
HF 3669	Exemption by Refund, Construction Mats. Purchased by a Contractor, Local Govts & Nonprofits	12/31/22		(5,510)	(5,510)			-
HF 2189	Construction Exemption, Duluth - I.S.D. 709	Varous		(10)	(10)	(20)		(20)
HF 2092	Construction Exemption, Ely - I.S.D. 696	Varous		(20)	(20)			-
HF 2786	Construction Exemption, Various School Building Projects	Varous		(70)	(70)	(180)	(70)	(250)
HF 1960	Construction Exemption, Itasca County Courts & Courthouses	Varous			-	(10)	(10)	(20)
HF 4114	Construction Exemption, North Metro Regional Public Safety Training Facility - Maple Grove	Varous		(20)	(20)			-
HF 2262	Construction Exemption, City of Wayzata, Various Projects	1/1/2024			-	(30)		(30)
HF 921	Capital Equipment Exemption, Expansion to Restaurant Food Service	7/1/2022		(460)	(460)	(500)	(500)	(1,000)
HF 4422	Exemption Expanded, Fiber/Conduit by Internet/Broadband Service Providers	Retro 7/1/2017		(850)	(850)	(200)	(200)	(400)
HF 4318	Exemption for Sole Member of Disregarded LLC and the Disregarded LLCs	7/1/2022		(40)	(40)	(40)	(40)	(80)
HF 3307	Exemption, Agricultural Fencing	Retroactive 7/1/21		(150)	(150)	(80)	(80)	(160)
HF 3167	Exemption, National Sports Center- Blaine, Amateur Sports Comm	7/1/2022		-	-	-	-	-
HF 3104	Exemption, Pre-sales by Agricultural Societies	DFE	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)
HF 4678	Exemption Extended, MN State High School League To Tax Year 2030	DFE		-	-	-	-	-
HF 2756	Construction Exemption Extended, City of Mazeppa - Properties Destroyed by Fire	retro 3/11/18		(Negli.)	(Negli.)	-	-	-
	Total - Environmental Fund:		-	3,100	3,100	3,200	3,200	6,400
HF 2367	Solid Waste Management - Reallocation of Tax Revenue	DFE		3,100	3,100	3,200	3,200	6,400
	Total - Special Revenue Fund:		-	290	290	290	290	580
HF 3167	Exemption, National Sports Center- Blaine, Amateur Sports Comm	DFE		290	290	290	290	580
	Total - Restricted Miscellaneous Special Revenue Fund		-	(5)	(5)	10	10	20
HF 1795	Revenue Recapture; Certain Nonprofit Hospitals Claims Disallowed	DFE		(5)	(5)	10	10	20
	Total - Housing Development Fund			-	-			-
HF 998	Workforce & Affordable Homeownership from general fund (REV)	FYs 23-30		(10,000)	(10,000)	(10,000)	(10,000)	(20,000)
	Workforce & Affordable Homeownership program	FYs 23-30		10,000	10,000	10,000	10,000	20,000
	Total - Iron Range School Consolidation		-	-	-	925	1,850	2,775
HF 4042	Ely School debt service levy	DFE				925	1,850	2,775
	Total - Taconite Environmental Protection Fund:		-	-	-	(617)	(1,233)	(1,850)
HF 4042	Ely School debt service levy	DFE				(617)	(1,233)	(1,850)
	Total - DJJ Economic Protection Fund:		-	-	-	(309)	(617)	(926)
HF 4042	Ely School debt service levy	DFE				(309)	(617)	(926)

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

^^ The estimates are bracketed and are not included in the total. The estimates will be tracked by a committee other than the House Tax Committee and are intended for reference only.

2022 Legislature - HF 3669 A22-0407 Omnibus Tax Bill in Taxes
 Tax and Property Tax No Cost Change Items

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

APPENDIX A

PRELIMINARY FISCAL IMPACT OF HF 3669: Estimated Fiscal Impact

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

	FY 2022	FY 2023	FY 2022-23	FY 2024	FY 2025	FY 2024-25
Priority #6: June Accelerated Requirement in 16A.152 (Assumes: June 2023 liabilities)						
Repeal of Payment Requirement for Remaining Tax Types - General Fund Subtotal		(70,100)	(70,100)	(600)	-	(600)
Repeal of Payment Requirement for Remaining Tax Types - Penalty Impact - General Fund Subtotal		(9)	(9)	(9)	(9)	(18)
Repeal of Payment Requirement for Remaining Tax Types - Legacy Funds Subtotal		(4,100)	(4,100)	-	100	100
			-			-
Total All Funds - Priority #6	-	(74,209)	(74,209)	(609)	91	(518)
Priority #7: Aid Payment Shifts						
Selected State Aid Payments in Article 10, Section 26 - General Fund Subtotal			-	(550,290)	-	(550,290)
			-			-
Total General Fund - Priority #7	-	-	-	(550,290)	-	(550,290)
			-			-
(a) Estimated Total Net Change to the General Fund for Priority 6-7	-	(74,209)	(74,209)	(550,899)	91	(550,808)
(b) Estimated Total Net Change to the Legacy Funds for Priority 6	-	(4,100)	(4,100)	-	100	100

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

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

Source:

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

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