

Transportation Revenue HF 2887 DE Amendment

All figures in thousands 000's

Tax And General Fund Dedication Changes Summary

Summary of Tax / Fee Changes	FY 2024	FY 2025	FY 2024-25	FY 2026	FY 2027	FY 2026-27	
Registration Tax Changes	61,762	175,117	236,879	239,254	260,300	499,554	
Motor Vehicle Sales Tax (MVST) Increase 0.375% to 6.875%	47,519	57,744	105,263	59,809	62,060	121,869	
Delivery Fee at \$0.75 July 1 2025	-	192,500	192,500	211,500	212,833	424,333	
0.75% Metro Area Sales and Uses Tax	Transit	299,735	464,490	764,225	478,880	492,775	971,655
	Roads	59,947	92,898	152,845	95,776	98,555	194,331
Driver License Filling Fee Increase (DVS only)	623	831	1,454	831	831	1,662	
DVS REAL ID Diver's License Fee \$0.75	DVS Funds	958	958	1,916	958	958	1,916
DVS Credential Fee Increase		8,940	8,940	17,880	8,940	8,940	17,880
Total Tax / Fee Changes	479,484	993,478	1,472,962	1,095,948	1,137,252	2,233,200	
Summary of Major General Fund Redirections / Transfers							
Partial Autoparts Reallocation (3)	33,000	33,000	66,000	33,000	33,000	66,000	
Filling Fee redirection	449	490	939	490	490	980	
Title Change Fee redirection	58	58	116	58	58	116	
General Fund Transfer to Trunk Highway	383,591	-	383,591	-	-	-	
Total General Fund Redirection	417,098	33,548	450,646	33,548	33,548	67,096	
Total (1)	896,582	1,027,026	1,923,608	1,129,496	1,170,800	2,300,296	
Roads Subtotal (2)	567,313	526,779	1,094,092	613,843	640,338	1,254,182	
Transit Subtotal	320,643	487,588	808,231	502,804	517,599	1,020,403	

(1) Total Includes a Non-profit Food Delivery Grant Program see Delivery Fee below

(2) Not Including DVS Fee Changes or other DVS Fiscal related policy changes

Tax and Fee Changes Detail

Registration Tax

	FY 2024	FY 2025	FY 2024-25	FY 2026	FY 2027	FY 2026-27
Current law Registration Tax Revenue	874,994	909,994	1,784,988	937,294	956,039	1,893,333
Rate increase, Depreciation Changes	61,762	175,117	236,879	239,254	260,300	510,600
Reg. Tax Increase over Current law	7%	19%	13%	26%	27%	27%
Estimated General Fund Tax Interaction (General Fund Cost)		1,000	1,000	1,000	1,000	2,000

43 **Motor Vehicle Sales Tax (MVST)**

			FY 2024	FY 2025	FY 2024-25	FY 2026	FY 2027	FY 2026-27
44								
45	Current law Motor Vehicle Sales Tax 6.5%		988,400	1,000,890	1,989,290	1,036,690	1,075,710	2,112,400
46	Roads (HUTD)	60%	593,040	600,534	1,193,574	622,014	645,426	1,267,440
47	Metropolitan Area Transit	36%	355,824	360,320	716,144	373,208	387,256	760,464
48	Greater MN Transit	4%	39,536	40,036	79,572	41,468	43,028	84,496
49								
50	Increase 0.375% to 6.875%		52,271	57,744	110,015	59,809	62,060	121,869
51	<i>Increase Over Current Law</i>		5%	6%	6%	6%	6%	6%
52								
53	Increase + Base MVST with new Transit Allocation							
54	Roads (HUTD)	60%	624,403	635,180	1,259,583	657,899	682,662	1,340,561
55	Metropolitan Area Transit	34.3%	356,950	363,111	720,062	376,099	390,255	766,354
56	Greater MN Transit	5.7%	59,318	60,342	119,660	62,500	64,853	127,353
57								
58	Increase Over Base							
59	Roads (HUTD)		31,363	34,646	66,009	35,885	37,236	73,121
60	Metropolitan Area Transit		1,126	2,791	3,917	2,891	3,000	5,890
61	Greater MN Transit		19,782	20,307	40,089	21,033	21,824	42,857
62			20,908	23,098	44,006	23,924	24,824	48,748

63 **Autoparts Dedication to Roads**

			FY 24	FY 2024	FY 2025	FY 2024-25	FY 2026	FY 2027	FY 2026-27
64									
65	DOR 3/8/23 Estimated Total Autoparts			321,603	332,240	653,843	342,663	352,502	695,165
66	Current law dedication to HUTD	45%		145,644	145,644	291,288	145,644	145,644	291,288
67									
68	Additional Dedication to HUTD	10%		33,000	33,000	66,000	33,000	33,000	66,000
69									
70	Remainder Going to General Fund	44%		142,959	153,596	296,555	164,019	173,858	337,877

72 **Twin Cities Metropolitan Areas Seven County Sales and Use Tax**

			FY 2024	FY 2025	FY 2024-25	FY 2026	FY 2027	FY 2026-27
73								
74	0.75% Sales and Use Tax		359,682	557,388	917,070	574,656	591,330	1,165,986
75	<i>Metro Area 0.625% Sales and Use Tax - Transit</i>		299,735	464,490	764,225	478,880	492,775	971,655
76	<i>Metro Area 0.125% Sales and Use Tax - Roads</i>		59,947	92,898	152,845	95,776	98,555	194,331

78 **Delivery Fee and Fee Redirections (Transportation Advancement Account)**

			FY 2024	FY 2025	FY 2024-25	FY 2026	FY 2027	FY 2026-27
79								
80	Delivery Fee at \$0.75 July 1 2025		-	192,500	192,500	211,500	212,833	424,333
81	General Fund Filing Fee Re-direction		449	490	939	490	490	980
82	Title Transfer Fee Re-direction		58	58	116	58	58	116
83								
84	Total	100%	507	193,048	193,555	212,048	213,381	425,429
85								
86	Allocation							
87	HUTD	44%	223	84,941	85,164	93,301	93,888	187,189
88	Small Cites	20%	101	38,610	38,711	42,410	42,676	85,086
89	CASH (over and above HUTD)	15%	76	28,957	29,033	31,807	32,007	63,814
90	MSAS Cites (over and above HUTD)	10%	51	19,305	19,356	21,205	21,338	42,543
91	Townships (over and above HUTD)	10%	51	19,305	19,356	21,205	21,338	42,543
92	Grants to Non Profits for Food Delivery	1%	5	1,930	1,936	2,120	2,134	4,254

93

94 **Comparison With Base State Resources**

95

96	Current law Base - Roads		FY 2024	FY 2025	FY 2024-25	FY 2026	FY 2027	FY 2026-27
97	Trunk Highway (HUTD Transfer Only)		1,513,547	1,531,590	3,045,137	1,554,121	1,573,657	3,127,778
98	Total County State Aid Highway		707,950	716,389	1,424,339	726,927	736,065	1,462,992
99	Total Municipal State Aid Streets		219,708	222,328	442,036	225,598	228,434	454,032
100	Townships (Road and Bridge)		59,746	60,457	120,203	61,347	62,118	123,465
101	Jurisdictional Transfers (Turnbacks)		68,739	69,559	138,298	70,582	71,469	142,051
102								
103	Increase Over Base (All proposed items above)							
104								
105	Total HUTD Increase		126,348	327,704	454,052	401,440	424,424	836,910
106								
107	Trunk Highway (including Transfer)	95% 62%	458,010	193,018	267,437	236,448	249,986	492,940
108	County State Aid Highway	95% 29%	34,809	90,283	125,091	110,597	116,929	230,569
109	Municipal State Aid Streets	95% 9%	10,803	28,019	38,821	34,323	36,288	71,556
110								
111	Jurisdictional Transfers (Turnbacks)	5% 53.5%	3,380	8,766	12,146	10,739	11,353	22,387
112	Town Roads	5% 30.5%	1,927	4,997	6,924	6,122	6,472	12,763
113	Town Bridges	5% 16%	1,011	2,622	3,632	3,212	3,395	6,695
114								
115	Increase (HUTD + Transportation Advancement Account)							
116	Total County State Aid Highway		34,885	119,240	154,124	142,404	148,936	294,383
117	Total Municipal State Aid Streets		10,854	47,324	58,177	55,528	57,626	114,099
118	Townships (Bridge + Roads)		2,989	26,924	29,912	30,539	31,205	62,001
119								
120	% Change from Current Law HUTD Resources							
121	Trunk Highway Fund		30%	13%	9%	15%	16%	16%
122	Total County State Aid Highway		5%	17%	11%	20%	20%	20%
123	Total Municipal State Aid Streets		5%	21%	13%	25%	25%	25%
124	Townships		5%	45%	25%	50%	50%	50%
125	Jurisdictional Transfers (Turnbacks)		5%	13%	9%	15%	16%	16%

126 Note: Small Cities road aid, and metro area roads (sales tax item) do not have current law base funding for comparison

127

	FY 2024	FY 2025	FY 2024-25	FY 2026	FY 2027	FY 2026-27
128	Current law Base - Metropolitan Area Transit					
129	88,630	88,630	177,260	88,630	88,630	177,260
130	355,824	360,320	716,144	373,208	387,256	760,464
131						
132	444,454	448,950	893,404	461,838	475,886	937,724
133						
134	300,861	467,281	768,142	481,771	495,775	977,545
135	68%	104%	86%	104%	104%	104%
136						
137	Current law Base - Greater MN Transit					
138	18,201	18,201	36,402	18,201	18,201	36,402
139	39,536	40,036	79,572	41,468	43,028	84,496
140	19,798	19,684	39,482	20,026	20,406	40,432
141						
142	77,535	77,921	155,456	79,695	81,635	161,330
143						
144	19,782	20,307	40,089	21,033	21,824	42,857
145	26%	26%	26%	26%	27%	27%

146 *Note: Current Law does not include Capital Grants or non state funds (Federal, fares, local ext.), bonds, or fund balance spending

147 Roads and transit current law does not include local option sales taxes

148 Source: DOR, February 2023 Transportation Funds Forecast, DOR notes

149 Total Revenue Increase does not include railroad assessments

150 (3) Full dedication of Autoparts to HUTD in FY 2028