

2014 Legislative Session - HF 3170
 Omnibus Tax bill
 March 26, 2014

5:00 PM

	Description	FY 14	FY 15	FY 14-15	FY 16	FY 17	FY 16-17
1							
2	General Fund Tax Revenue Changes	(44,456)	(13,869)	(58,325)	(14,045)	(15,355)	(29,400)
3	General Fund Property Tax Credits, Aids & Other Expenditures	0	45,000	45,000	31,948	46,480	78,428
4							
5						
6							
7	TOTAL General Fund Changes	44,456	58,869	103,325	45,993	61,835	107,828
8	Taxes Target			103,325			
9	Variance from Target (under)/over			0			

2014 Legislative Session - HF 3170
Omnibus Tax bill - Revenue Changes
March 26, 2014

Note: Positive numbers reflect a revenue gain; negative numbers reflect a revenue decrease. "Negli" means negligible impact, meaning less than \$5,000.

HF	Author	Description	FY 14	FY 15	FY 14-15	FY 16	FY 17	FY 16-17	
Individual Income and Estate Tax									
1	1957	Erhardt	Extend Exclusion of Discharge of Indebtedness on Principal Residence. Effective TY 2014 only	0	(7,200)	(7,200)	0	0	0
2	1963	Anderson, S.	Extend the R&D Credit to Sole Proprietors. Effective TY 2014	0	(1,400)	(1,400)	(1,400)	(1,500)	(2,900)
3	1948	Murphy, M.	Extend the military pay subtraction to Active Guard income. Effective TY 2014	0	(3,000)	(3,000)	(2,100)	(2,100)	(4,200)
4		subtotal	0	(11,600)	(11,600)	(3,500)	(3,600)	(7,100)	
Sales & Use Tax									
7	2195, 2457, 2247	Freiberg, Poppe, Clark	Broaden Local Government Exemption to Joint powers, HRAs, Port Authorities, EDAS. Effective FY 2016	0	0	0	(7,700)	(8,500)	(16,200)
8	2195	Freiberg	Broaden Local Government Exemption - Provide Explicit List of Local Government Activities. Effective FY 2015	0	(800)	(800)	(900)	(900)	(1,800)
9	1885	Davnie	Modify Threshold for June Acceleration from \$120,000 to \$250,000. Effective May 30, 2014	(16,300)	(400)	(16,700)	(670)	(830)	(1,500)
10		Lenczewski	Reduce Accelerated June Payment from 90% to 82%. Effective May 30, 2014	(22,860)	(560)	(23,420)	(880)	(1,090)	(1,970)
11	802	Lesch	Exempt the Sale of Coin-Operated Amusement Machines to be Defined as Sale For Re-sale. Effective FY 2015	0	(210)	(210)	(250)	(270)	(520)
12	3122, 3233	Gov, Wills	Modification to Annual Exemption Threshold for Fundraising Sales by Non Profits. Effective FY 2015	0	(170)	(170)	(85)	(85)	(170)
13	2709	Swedzinski	Exempt Construction Materials Provided by Private Donation for Library Addition. Effective Date Window of April 1, 2014 to July 1, 2015	(16)	(31)	(47)	0	0	0
14	3156 DE1	Petersburg	Temporary Amnesty - Agricultural Centers. Effective: Day Following Enactment	Unknown	0	0	0	0	0
15	2323	Gunther	Temporary Amnesty- Animal Shelters. Effective: Day Following Enactment	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown
16	3194	Davids	Exemption Modified for Qualified Data Center. Retroactively Effective to FY 2013	0	0	0	0	0	0
17	2673	Selcer	Exemption Modified for Charges for Digital Seminars. Effective FY 2015	0	0	0	0	0	0
18	2951	Savick	Exemption Modified for Greater MN Business Expansion. Effective Day Following Enactment	0	0	0	0	0	0

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	HF	Author	Description	FY 14	FY 15	FY 14-15	FY 16	FY 17	FY 16-17
19	1302	Carlson	Vehicle Title- Transfers Upon Death. Effective August 1, 2014	0	0	0	0	0	0
20	3272	Lenczewski	Baxter Pharmaceuticals Effective Date Correction. Effective Day Following Enactment	0	0	0	0	0	0
21			subtotal	(39,176)	(2,171)	(41,347)	(10,485)	(11,675)	(22,160)
22								
23			Other						
24	1885	Davnie	Modify Threshold for June Acceleration from \$120,000 to \$250,000 for Tobacco, Cigarette & Alcohol Taxes. Effective May 30, 2014	(120)	(Negligible)	(120)	(Negligible)	(Negligible)	(Negligible)
25		Lenczewski	Reduce Accelerated June Payment from 90% to 82% for Tobacco, Cigarette & Alcohol Taxes. Effective May 30, 2014	(5,160)	(98)	(5,258)	(60)	(80)	(140)
26	1826	Davnie	Microdistillery Tax Credit. Effective FY 2015	0	(Negligible)	(Negligible)	(Negligible)	(Negligible)	(Negligible)
27	2657	Davnie	License Revocation Modifications. Effective FY 2014	0	0	0	0	0	0
28	2424	Beard	Aircraft Registration Tax - Rate Table Changes. Retroactively effective to FY 2013	0	0	0	0	0	0
29			subtotal	(5,280)	(98)	(5,378)	(60)	(80)	(140)
30								
31			TOTAL General Fund Changes	(44,456)	(13,869)	(58,325)	(14,045)	(15,355)	(29,400)
32			Target - State Taxes			(58,325)			
			Variance from Target (under)/over			0			

HF	Description	FY 14	FY 15	FY 14-15	FY 16	FY 17	FY 16-17	
Note: Positive numbers are increases to program expenditures; negative numbers are decreases to program spending (cost savings). "Negli" means negligible impact, meaning less than \$5,000.								
Property Tax Refund changes								
1	HF 3142 Faust	Property Tax Relief (one-time,						
2	HF 2929 Hansen	incrs 3% Hmwnr PTR, incrs 6% Renter PTR)						
3		Homeowner PTR	0	12,100	12,100	100	0	100
4		Renter PTR	0	12,500	12,500	100	0	100
5		DOR administration (preliminary)	0	40	40	0	0	100
6		Total - PTR changes	0	24,640	24,640	200	0	200
Tax Aids & Credit changes								
LGA								
8	HF 1608 Lien	a) Net Chg from current law from 1.5% to 2.87%	0	0	0	13,100	28,100	41,200
9	HF 2689 Simonson	(inflation @ \$11 M + population @ \$3M)						
10		b) PTR interactions	0	0	0	(340)	(740)	(1,080)
11		c) Income Tax interactions	0	0	0	(250)	(530)	(780)
12	HF 2465 Lien	d) LGA aid losses calc modified	0	0	0	0	0	0
13		3) LGA aid -Forgive penalty	0	20	20	28	0	28
14		Total - LGA changes	0	20	20	12,538	26,830	39,368
16	HF 2697 McNamar	CPA 2014 Supplemental Aid						
17		hold harmless from 2013 chg	0	740	740	0	0	0
18	HF 3099 Falk	Transition aid for business production property (bins	0	0	0	0	160	160
19	HF 3122 GOV	& tanks) tax exemption						
20		Interactions	0	0	0		30	30
21		Total Transition aid changes	0	0	0	0	190	190
23	HF 2975 Lien	Border City Enterprise Zones - Allocation (5 years)	0	1,500	1,500	3,000	3,000	6,000
24		and business tax credit modification						
25		Interactions	0	(negli)	(negli)	(negli)	(negli)	(negli)
26		Total - Border City Enterprise Zones	0	1,500	1,500	3,000	3,000	6,000
27	HF 3037 Lien	Disparity Reduction Credit from 1.9% to 1.7%	0	0	0	1,200	1,200	2,400
28		Interactions	0	0	0	(40)	(40)	(80)
29		Total - Disparity Reduction Credit change	0	0	0	1,160	1,160	2,320
31	HF 3086 Marquart	New Agr Homestead Credit						
32		Adds 0.1% of market value w/maximum credit \$490						
33		(up from \$345)						
34		One-time Supplemental Credit Payment	0	18,800	18,800	0	0	0
35		(up to \$230 not to exceed net taxes)						
36		Agr Homestead Market Value Credit	0	0	0	14,800	15,100	29,900
37	Rev	Income Tax interaction	0	(700)	(700)	(500)	(500)	(1,000)
38		Total - Agr Credit changes	0	18,100	18,100	14,300	14,600	28,900
Property Tax / Other changes								
39	HF 1884 Davnie	Property Tax Clean-up modified - selected repeals	0	0	0	0	(20)	(20)
40		effective CY 2016						
41	HF 2261 Persell	Disabled Veteran homestead value exclusion	0	0	0	(120)	(190)	(310)
42		extended from 5 to 8 years						
43	HF 1895 Sundin	Carlton County Soil and Water Conservation - special	0	0	0	negli	negli	negli
44		levy authority						
45	HF2911 Davnie	Solar energy systems exempted from property tax	0	0	0	negli	negli	negli
Appropriations								
48	HF1985 Savick	Volunteer Retention Stipend Aid Pilot	0	0	0	870	910	1,780
50		TOTAL General Fund Changes	0	45,000	45,000	31,948	46,480	78,428
51		Target - Property Tax Relief			45,000			
52		Variance from Target (under)/over			0			

2014 Legislative Session - HF 3170

Omnibus Tax bill - Division Report w/Author's amendment + Changes in Taxes

March 26, 2014

HF	Description	FY 14	FY 15	FY 14-15	FY 16	FY 17	FY 16-17	
<p>Note: Positive numbers are increases to program expenditures; negative numbers are decreases to program spending (cost savings). "Negl" means negligible impact, meaning less than \$5,000.</p>								
Items with No State Impact								
Property Tax Changes (No State Impact)								
1								
2	HF 2784 Runbeck	Anoka County tax levy for public safety improvements and equipment	0	0	0	0	0	
3	HF 2488 Loeffler	Proposed levies certification deadline extended for some local jurisdictions	0	0	0	0	0	
4	HF 2242 Loeffler	State General Levy - exempt first tier of commercial-industrial property value	0	0	0	0	0	
5	HF 3099 Falk	Real property definition- biofuels bins and tanks used in production	0	0	0	0	0	
6	HF 2517 Simon	Interest rate payments on delinquent taxes modified	0	0	0	0	0	
7	HF 2657 Davnie	Professional and occupational license revocation procedures modified for nonpayment of taxes	0	0	0	0	0	
7								
8	Other (No State Impact)							
9	HF 2277 GOV	DOR policy and technical provisions modified (property tax only, no conservation easement changes)	0	0	0	0	0	
10	HF 2107 Lenczewski	Unsession Bill						
11	HF 2578 Lenczewski	DOR Unsession Bill	0	0	0	0	0	
12	HF 2424 Beard	Aircraft Registration Tax Rate Table Changes - Changes the format of the brackets so there are no gaps.	0	0	0	0	0	
13	HF 2427 Atkins	Firefighter retirement - independent nonprofit firefighting corporations state aid eligibility clarified	0	0	0	0	0	
14	HF 2420 Metsa	Notify cities & counties of pending pollution control exemption and other applications -Com of Rev	0	0	0	0	0	
15	Tax Increment Financing (No State Impact)							
16	HF 2580 Hertaus	General tax increment financing changes - extend special 2010 Jobs Bill 5-year rule, economic development district fiscal disparities option	0	0	0	0	0	
17	HF 2886 Atkins							
17	HF 2013 Isaacson	Shoreview tax increment for business retention pilot project	0	0	0	0	0	
18								
19	HF 1905 Masin	City of Eagan Cedar Grove tax increment - use of current tax rate to compute increment	0	0	0	0	0	
20	HF 3249 Lenczewski	City of Bloomington tax increment - Cedar Avenue Bridge balances for accessing trails	0	0	0	0	0	
21	HF 2727 Erhardt	Edina tax increment collection time and spending authority extended	0	0	0	0	0	
22								

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Items with No State Impact							
23		Local Taxes (No State Impact)					
24	HF 2321 Savick	Albert Lea - Local sales and use tax extended from 10 to 15 years. Local approval required.	0	0	0	0	0
25	HF 2303 Simonson	Duluth - Disposition of local food and beverage taxes modified	0	0	0	0	0
26	HF 2669 Ward	Baxter Brainerd local sales and use taxes extended. Local approval required	0	0	0	0	0
27		Public Finance (No State Impact)					
28							
29	HF 1983 Hansen	Dakota County Development Agency low-income housing tax credit allocation threshold criteria modified.	0	0	0	0	0
30	HF 2783 Isaacson	Ramsey County HRA authorized to establish housing improvement areas (public finance)	0	0	0	0	0

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1		NON-General Fund							
2		Minerals Taxes							
3									
4	HF 2426	Dill	City of Cook spec taconite production tax distribution 2 cents/ton	0	0	0	0	0	
5	HF 3116	Anzelc	Taconite Production Tax - modify prior distribution City of Aitkin	0	0	0	0	0	
6	HF 2483	Schomacker	Aggregate production tax rates imposed by counties made permanent	0	0	0	0	0	
			subtotal	0	0	0	0	0	
7									
8		Highway User Tax Distribution Fund							
9	HF 2195 HF 1892 Hf 2607	Mc Namar Swedzinski Freiberg	Broaden Local Government Exemption to purchases of road maintenance vehicles	\$0	\$0	0	(\$1,100)	(\$1,200)	(2,300)
10			subtotal	\$0	\$0	0	(\$1,100)	(\$1,200)	(2,300)
11									
12		Transit Assistance Funds							
13	HF 2195 HF 1892 Hf 2607	Mc Namar Swedzinski Freiberg	Broaden Local Government Exemption to purchases of road maintenance vehicles	\$0	\$0	0	(\$700)	(\$700)	(1,400)
14			subtotal	\$0	\$0	0	(\$700)	(\$700)	(1,400)
15									
16		Natural Resources and Arts Funds							
17									
18	2195, 2457, 2247	Freiberg, Poppe, Clark	Broaden Local Government Exemption to Joint powers, HRAs, Port Authorities, EDAS. Effective FY 2016	0	0	0	-400	-500	-900
19	2195	Freiberg	Broaden Local Government Exemption - Provide Explicit List of Local Government Activities. Effective FY 2015	0	0	0	0	0	0
20	1885	Davnie	Modify Threshold for June Acceleration from \$120,000 to \$250,000. Effective May 30, 2014	-940	-20	-960	-40	-50	-90
21		Lenczewski	Reduce Accelerated June Payment from 90% to 86%. Effective May 30, 2014			0			0
22	802	Lesch	Exempt the Sale of Coin-Operated Amusement Machines to be Defined as Sale For Re-sale. Effective FY 2015	0	-10	-10	-10	-10	-20
23	3122, 3233	Gov, Wills	Modification to Annual Exemption Threshold for Fundrasing Sales by Non Profits. Effective FY 2015	0	-10	-10	-10	-10	-20
24	2709	Swedzinski	Exempt Construction Materials Provided by Private Donation for Library Addition. Effective Date Window of April 1, 2014 to July 1, 2015	-1	-2	-3	0	0	0
25	3156 DE1	Petersburg	Amnesty - Agricultural Centers	Unknown	0	0	0	0	0

HF	Author	Description	FY 14	FY 15	FY 14-15	FY 16	FY 17	FY 16-17
26 2323	Gunther	Amnesty- Animal Shelters. Effective: Day Following Enactment	Unknown	Unknown	0	Unknown	Unknown	0
27 3194	Davids	Exemption Modified for Qualified Data Center. Retroactively Effective to FY 2013	0	0	0	0	0	0
28 2673	Selcer	Exemption Modified for Charges for Digital Seminars. Effective FY 2015	0	0	0	0	0	0
29 2951	Selcer	Exemption Modified for Greater MN Business Expansion. Effective Day Following Enactment	0	0	0	0	0	0
30 1302	Carlson	Vehicle Title- Transfers Upon Death. Effective August 1, 2014	0	0	0	0	0	0
31 3272	Lenczewski	Baxter Pharmaceuticals Effective Date Correction. Effective Day Following Enactment	0	0	0	0	0	0
32		subtotal	(\$941)	(\$42)	(983)	(\$460)	(\$570)	(1,030)
33								
34		Total - Non General Fund Changes	(\$941)	(\$42)	(983)	(\$2,260)	(\$2,470)	(4,730)