

2024 REGULAR SESSION - HF5247-3E (GOMEZ) & HF5247-1UE (REST)

FEBRUARY 2024 FORECAST BASELINE

\$\$\$ in thousands | Tax Revenues & Non-General Fund Items: Negative # = Revenue Reduction | Property Tax, Aids & Credits: Negative # = Spending Reduction

LINE	ITEM	Forecast	GOVERNOR		HOUSE		SENATE	
		FY 2022-23	FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27
	CURRENT LAW GENERAL FUND FORECAST:							
1	TAX POLICY (REVENUE) ¹	58,529,189	58,324,253	62,739,012	58,324,253	62,739,012	58,324,253	62,739,012
2	PROPERTY TAX REFUNDS, AIDS, & CREDITS (EXPENDITURES) ¹	4,622,185	5,482,116	4,649,430	5,482,116	4,649,430	5,482,116	4,649,430
3								
4	GENERAL FUND - CHANGE ITEMS:							
5	TAX POLICY		-	(19,800)	(10,271)	(32,230)	(3,279)	(9,016)
6	LESS GENERAL FUND PROPERTY TAX REFUNDS, AIDS, & CREDITS		46,878	(14,968)	42,729	(28,640)	47,291	(9,916)
8	TOTAL: GENERAL FUND CHANGE ITEMS		-	(19,800)	(53,000)	(3,590)	(50,570)	900
9	General Fund Target				(53,000)	(5,230)	(53,000)	(5,230)
10	<i>Over Target</i>							
11	<i>Under Target</i>					1,640	2,430	6,130
13	NON-GENERAL FUND - CHANGE ITEMS:							
14	LEGACY FUNDS		-	-	(40)	-	(30)	(70)
15	HEALTH CARE ACCESS FUND		-	-	-	-	-	-
16	SPECIAL REVENUE FUND - CHILD TAX CREDIT ACCOUNT		45,000	(19,800)	32,300	(32,300)	9,900	(9,900)
17	SPECIAL REVENUE FUND - TAX MODERNIZATION ACCOUNT		-	-	(5,000)	-	(5,000)	-
18	SPECIAL REVENUE FUND - SERVICE & RECOVERY FUND		-	-	-	-	-	-
19	SPECIAL REVENUE FUND - LOCAL SALES TAX EQUALIZATION ACCOUNT		-	-	-	-	-	-
20	SPECIAL REVENUE FUND - 2024 SALES TAX ACCOUNT		-	-	-	-	22,595	(22,595)
21	ENVIRONMENTAL FUND		-	-	1,821	-	3,252	-
22	RANGE ASSOCIATION OF MUNICIPALITIES AND SCHOOLS ACCOUNT		-	-	98	131	98	131
23	IRON RANGE SCHOOL CONSOLIDATION & COOPERATIVELY OPERATED SCHOOL ACCOUNT		-	-	2,750	(4,200)	2,750	(4,200)
24	TACONITE ECONOMIC DEVELOPMENT FUND		-	-	(300)	-	(300)	-
25	TACONITE MUNICIPAL AID ACCOUNT		-	-	(98)	(131)	(98)	(131)
26	DOUGLAS J JOHNSON ECONOMIC PROTECTION FUND		-	-	(2,750)	(6,000)	(2,750)	(6,000)
27	TACONITE PROPERTY TAX RELIEF ACCOUNT		-	-	(3,520)	(14,100)	(3,520)	(14,100)
28	SUBTOTAL: NON-GENERAL FUND CHANGE ITEMS		45,000	(19,800)	25,261	(56,600)	26,897	(56,865)

(1) General Fund state tax revenues and expenditures are based on the Minnesota Management & Budget, February 2024 Forecast

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LINE	ITEM	EFFECTIVE DATE	GOVERNOR		HOUSE					SENATE						
			FY 2024-25	FY 2026-27	FY 2024	FY 2025	FY 2024-25	FY 2026	FY 2027	FY 2026-27	FY 2024	FY 2025	FY 2024-25	FY 2026	FY 2027	FY 2026-27
GENERAL FUND TAX REVENUES:																
INDIVIDUAL INCOME TAX																
1	Child Tax Credit - Minimum Credit Establishment (footnote " **)	Various (See Appendix)	-	(19,800)	-	-	-	(8,300)	(8,500)	(16,800)	-	-	-	(4,900)	(5,000)	(9,900)
2	Child Tax Credit - Expanded Eligibility (18 year-olds)	TY25	-	-	-	(7,800)	(7,800)	(7,700)	(7,800)	(15,500)	-	-	-	-	-	-
3	Section 530 Exclusion	TY25	-	-	-	Unknown	Unknown	Unknown	Unknown	Unknown	-	Unknown	Unknown	Unknown	Unknown	Unknown
4	Subtraction for Foreign Service Worker Pay	TY24	-	-	-	-	-	-	-	(10)	-	(10)	(10)	(10)	(20)	
5	Discharged/Coerced Debt Subtraction	TY24	-	-	-	(Negl.)	(Negl.)	(Negl.)	(Negl.)	(Negl.)	-	(Negl.)	(Negl.)	(Negl.)	(Negl.)	
6	Discharged/Coerced Debt Renters Credit Income Definition Modification	TY24	-	-	-	-	-	-	-	(Negl.)	-	(Negl.)	(Negl.)	(Negl.)	(Negl.)	
7	Short Line Railroad Infrastructure Modernization Credit Transferability	TY23 (Retro)	-	-	-	-	-	-	-	-	-	-	-	-	-	
8	Teachers' Masters Degree Attainment Credit - Expansion to Include Special Education	TY24	-	-	-	-	-	-	-	(500)	(500)	(600)	(600)	(600)	(1,200)	
9	Minnesota Education Credit - Expansion for CTE Expenses/Transportation Costs	TY24	-	-	-	-	-	-	-	(1,800)	(1,800)	(1,800)	(1,800)	(1,800)	(3,600)	
10	Employer Scholarship Credit - Scott County (footnote "+")	TY24 - TY28	-	-	-	-	-	-	-	(40)	(40)	(40)	(40)	(40)	(80)	
11	Employer-Paid Tuition Credit for Aerospace Programs	TY25	-	-	-	-	-	-	-	(10)	(10)	(40)	(40)	(40)	(80)	
12	Limitations on Assessments	7/1/24	-	-	-	-	-	-	-	-	-	-	-	-	-	
13	Beginning Farmer Tax Credit Allocation/Timing Changes	TY24	-	-	-	-	-	-	-	-	-	-	-	-	-	
14	Interaction - Taconite Homestead Credit Increase (deduction decrease)		-	-	-	-	40	40	80	-	-	-	40	40	80	
15	SUBTOTAL: INDIVIDUAL INCOME TAX		-	(19,800)	-	(7,800)	(7,800)	(15,960)	(16,260)	(32,220)	-	(2,360)	(2,360)	(7,350)	(7,450)	(14,800)
CORPORATE FRANCHISE TAX																
18	Short Line Railroad Infrastructure Modernization Credit Transferrability	TY23 (Retro)	-	-	-	-	-	-	-	-	-	-	-	-	-	
19	Employer Scholarship Credit - Scott County	TY24 - TY28	-	-	-	-	-	-	-	-	-	-	-	-	-	
20	Employer-Paid Tuition Credit for Aerospace Programs	TY25	-	-	-	-	-	-	-	(20)	(20)	(80)	(90)	(170)		
21	Housing Tax Credit Carryover	TY23 (Retro)	-	-	-	-	-	-	-	-	-	-	-	-		
22	SUBTOTAL: CORPORATE FRANCHISE TAX		-	-	-	-	-	-	-	(20)	(20)	(80)	(90)	(170)		
SALES & USE TAXES																
25	Data Centers Exemption (footnote "#")	7/1/24	-	-	-	-	-	-	-	-	-	-	-	-		
26	Moist Snuff Definition Change - Demand Elasticity Effect	7/1/24	-	-	-	-	-	-	-	(500)	(500)	(590)	(650)	(1,240)		
27	Exemption: Amusement Devices	10/1/24	-	-	-	(Unknown)	(Unknown)	(Unknown)	(Unknown)	(Unknown)	-	-	-	-		
28	Exemption: Certain Sales to Snowmobile Clubs	7/1/24	-	-	-	-	-	-	-	(50)	(50)	(50)	(50)	(100)		
29	Exemption: Firearm Safety Devices	7/1/24	-	-	-	-	-	-	-	(27)	(27)	(32)	(34)	(66)		
30	Exemption, Construction Materials - Ramsey - Trunk Water Main	1/1/23 - 6/30/27	-	-	-	-	-	-	-	-	-	-	-	-		
31	Exemption, Construction Materials - City of Woodbury - Water Tower (footnote ^)	2/1/24 - 6/30/25	-	-	-	(650)	(650)	-	-	-	-	-	-	-		
32	SUBTOTAL: SALES & USE TAXES		-	-	-	(650)	(650)	-	-	(577)	(577)	(672)	(734)	(1,406)		
OTHER TAXES																
35	Amusement Devices - Gross Receipts Tax Establishment	7/1/24	-	-	-	Unknown	Unknown	Unknown	Unknown	Unknown	-	-	-	-		
36	Illegal Controlled Substances Tax - Repeal	8/1/24	-	-	-	(Negl.)	(Negl.)	(5)	(5)	(10)	-	(Negl.)	(5)	(5)	(10)	
37	Solid Waste Management Account - Additional Onetime Distribution	7/1/24	-	-	-	(1,821)	(1,821)	-	-	-	-	(3,252)	(3,252)	-		
38	Moist Snuff Definition Change - Tobacco Products Excise Tax Revenue	7/1/24	-	-	-	-	-	-	-	-	2,930	2,930	3,510	3,860	7,370	
39	SUBTOTAL: OTHER TAXES		-	-	-	(1,821)	(1,821)	(5)	(5)	(10)	-	(322)	(322)	3,505	3,855	7,360
41	TOTAL TAX REVENUES		-	(19,800)	-	(10,271)	(10,271)	(15,965)	(16,265)	(32,230)	-	(3,279)	(3,279)	(4,597)	(4,419)	(9,016)

* This House Child Tax Credit provision is estimated to have a revenue reduction (cost) to the general fund in FY 2028 and thereafter.

+ This credit is contingent on an appropriation in the Senate Jobs and Economic Development Budget bill, SF 5289.

The fiscal impact of this provision is affected by the extension of the sunset from 2042 to 2050.

^ A similar exemption is also contained in the Senate tax bill, HF5247-1UE, and funded from a Sales Tax Refund special revenue account.

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LINE	ITEM	EFFECTIVE DATE	GOVERNOR		HOUSE						SENATE					
			FY 2024-25	FY 2026-27	FY 2024	FY 2025	FY 2024-25	FY 2026	FY 2027	FY 2026-27	FY 2024	FY 2025	FY 2024-25	FY 2026	FY 2027	FY 2026-27
NON-TAX REVENUES:																
47	Transfer In from Tax Modernization Account				-	5,000	5,000	-	-	-	-	-	5,000	5,000	-	-
48	Transfer In from Child Tax Credit Account		-	19,800	-	-	-	16,000	16,300	32,300	-	-	-	-	4,900	5,000
50	TOTAL NON-TAX REVENUES		-	19,800	-	5,000	5,000	16,000	16,300	32,300	-	5,000	5,000	4,900	5,000	9,900
PROPERTY TAX AIDS & CREDITS:																
HOMESTEAD PROPERTY TAX REFUNDS																
55	Income Definition Modification - Discharged/Coerced Debt Exclusion	Pay 25			-	-	-	Negl.	Negl.	Negl.	-	-	-	Negl.	Negl.	Negl.
56	Political Contribution Refund Electronic Requirements	Contrib. after 12.31.25			-	-	-	Negl.	Negl.	Negl.	-	-	-	Negl.	Negl.	Negl.
57	Interaction - Attachments & Appurtenances Clarification	AY24	-	60	-	-	-	30	30	60	-	-	-	30	30	60
58	Interaction - Abatement for Land Bank Properties	DFE			-	-	-	10	10	20	-	-	-	10	10	20
59	Interaction - Homestead Resort Tier Limit Increase	AY25			-	-	-	-	30	30	-	-	-	-	-	-
60	Interaction - Class 4d(2) Community Land Trusts Classification Modifications	AY24			-	-	-	(230)	(230)	(460)	-	-	-	-	-	-
61	Interaction - Tribal Property Tax Exemption (Minneapolis - Leech Lake Band of Ojibwe)	AY25			-	-	-	-	10	10	-	-	-	-	10	10
62	Interaction - Tribal Property Tax Exemption (Cook County - Grand Portage Band of Chippewa)	AY25			-	-	-	-	Negl.	Negl.	-	-	-	-	Negl.	Negl.
63	Interaction - Exemption for Properties Used by Nonprofits for Grazing	Pay 25			-	-	-	-	-	-	-	-	-	Negl.	Negl.	Negl.
64	Interaction - Taconite Homestead Credit Increase	Pay 25			-	-	-	(850)	(850)	(1,700)	-	-	-	(850)	(850)	(1,700)
65	Interaction - Disabled Vets. Mkt. Value Exclusion Increase - Qualifying Homesteads	AY24			-	-	-	(1,360)	(1,470)	(2,830)	-	-	-	-	-	-
66	Interaction - Disabled Vets. Mkt. Value Exclusion Increase - Other Homesteads	AY24			-	-	-	570	620	1,190	-	-	-	-	-	-
67	Interaction - Land Value Taxation District Establishment	Pay 25			-	-	-	Unknown	Unknown	Unknown	-	-	-	-	-	-
68	Interaction - Agricultural Property Classification Modification for Market Farms	AY25			-	-	-	-	-	-	-	-	-	-	Negl.	Negl.
69	SUBTOTAL: HOMESTEAD PROPERTY TAX REFUNDS		-	60	-	-	-	(1,830)	(1,850)	(3,680)	-	-	-	(810)	(800)	(1,610)
SCHOOL BUILDING BOND AGRICULTURAL CREDIT																
72	Interaction - Tribal Property Tax Exemption (Cook County - Grand Portage Band of Chippewa)	AY25			-	-	-	-	(Negl.)	(Negl.)	-	-	-	-	(Negl.)	(Negl.)
73	Interaction - Agricultural Property Classification Modification for Market Farms	AY25			-	-	-	-	-	-	-	-	-	-	Negl.	Negl.
74	SUBTOTAL: SCHOOL BUILDING BOND AGRICULTURAL CREDIT		-	-	-	-	-	-	-	-	-	-	-	-	-	-
AGRICULTURAL HOMESTEAD MARKET VALUE CREDIT																
77	Interaction - Agricultural Property Classification Modification for Market Farms	AY25			-	-	-	-	-	-	-	-	-	-	Negl.	Negl.
78	SUBTOTAL: AGRICULTURAL HOMESTEAD MARKET VALUE CREDIT		-	-	-	-	-	-	-	-	-	-	-	-	-	-
LOCAL GOVERNMENT AIDS																
81	Local Homeless Prevention Aid - Onetime Increase - Counties	Pay 24			-	4,400	4,400	-	-	-	-	-	-	-	-	-
82	Local Homeless Prevention Aid - Onetime Increase - Tribal Governments	Pay 24			-	600	600	-	-	-	-	-	-	-	-	-
83	Local Homeless Prevention Aid - Repeal MS477A.30 (Aid Expiration in Pay 28)^	Pay 28			-	-	-	-	-	-	-	-	-	-	-	-
84	Tribal Nation Aid Payment Shift + Appropriation	Various	-	-	-	-	-	-	-	-	35,000	(35,000)	-	-	-	-
85	Emerald Ash Borer Aid	DFE			-	1,000	1,000	-	-	-	-	-	-	-	-	-
86	Local Government Aid - 2025 Payment Shift	Pay 25			-	-	-	-	-	-	-	2,179	2,179	(2,179)	-	(2,179)
87	Township Aid - Onetime Increase	Pay 24			-	-	-	-	-	-	-	2,000	2,000	-	-	-
88	Soil & Water Conservation District Aid - Onetime Increase	Pay 24			-	-	-	-	-	-	-	2,000	2,000	-	-	-
89	SUBTOTAL: LOCAL GOVERNMENT AIDS		-	-	-	6,000	6,000	-	-	-	35,000	(28,821)	6,179	(2,179)	-	(2,179)

^ The fiscal impact of this repeal is a cost to the general fund of \$20M starting in FY30 and on-going.

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			FY 2024-25	FY 2026-27	FY 2024	FY 2025	FY 2024-25	FY 2026	FY 2027	FY 2026-27	FY 2024	FY 2025	FY 2024-25	FY 2026	FY 2027	FY 2026-27
OTHER PROPERTY TAX, AIDS & CREDITS CHANGES																
92	Tribal Property Tax Exemption (Minneapolis - Red Lake Nation) - Onetime Payment	DFE			-	122	122	-	-	-	-	-	122	122	-	-
93	2023 LGA Penalty Forgiveness - City of Stewart	DFE			-	-	-	-	-	-	-	-	-	-	-	-
94	Public Charity Exemption Modification for Rental Housing	Pay 25			-	-	-	-	-	-	-	-	-	-	-	-
95	Public Safety Aid Reporting Requirements	DFE			-	-	-	-	-	-	-	-	-	-	-	-
96	Class 4(d) Eligibility Modifications	AY25			-	-	-	-	-	-	-	-	-	-	-	-
97	Maintenance of Effort Requirement for Affordable Housing Aid	Pay 24			-	-	-	-	-	-	-	-	-	-	-	-
98	Advanced Property Tax Refund for Seniors	Pay 26			-	-	-	-	-	-	-	-	-	-	-	-
99	SUBTOTAL: OTHER PROPERTY TAX, AIDS, & CREDITS CHANGES				-	122	122	-	-	-	-	122	122	-	-	-
GRANTS TO LOCAL GOVERNMENTS																
102	Browerville Public Schools - Roof Collapse Mediation	7/1/24			-	580	580	-	-	-	-	-	-	-	-	-
103	City of South Saint Paul - Planning and Development Costs	DFE			100	-	100	-	-	-	250	-	250	-	-	-
104	Anoka County Soil & Water Conservation District - No Purpose Specified	DFE			-	50	50	-	-	-	-	-	-	-	-	-
105	SUBTOTAL: GRANTS TO LOCAL GOVERNMENTS				100	630	730	-	-	-	250	-	250	-	-	-
DIRECT APPROPRIATIONS																
108	Dept. of Revenue - Advanced Property Tax Refund for Seniors				-	158	158	118	116	234	-	-	-	-	-	-
109	Dept. of Revenue - Political Contribution Refund Electronic Requirements				-	147	147	59	59	118	-	147	147	59	59	118
110	Dept. of Revenue - Direct Free File System				-	5,000	5,000	-	2,300	2,300	-	-	-	-	-	-
111	Dept. of Revenue - Tax Credit Outreach Grants				-	1,237	1,237	1,277	1,289	2,566	-	1,000	1,000	1,044	1,045	2,089
112	Dept. of Revenue - Taxpayer Assistance Grants				-	750	750	750	750	1,500	-	750	750	750	750	1,500
113	Dept. of Revenue - Corporate Tax Base Erosion Study				-	655	655	-	-	-	-	-	-	-	-	-
114	Dept. of Revenue - Corporate Franchise Tax Information Disclosure				-	480	480	198	198	396	-	-	-	-	-	-
115	Dept. of Revenue - Administration of Minimum/Advanced Child Tax Credit		1,878	4,772	-	-	-	-	-	-	-	-	-	-	-	-
116	MNDOT - Short Line Railroad Infrastructure Modernization Credit Transferability				-	-	-	-	-	-	-	33	33	33	33	66
117	Office of the State Auditor - Local Sales Tax Task Force Recommendations Implementation				-	150	150	110	116	226	-	-	-	-	-	-
118	SUBTOTAL: DIRECT APPROPRIATIONS		1,878	4,772	-	8,577	8,577	2,512	4,828	7,340	-	1,930	1,930	1,886	1,887	3,773
LOCAL TAXES CHANGES																
121	Accommodation Intermediaries Lodging Tax Modifications	7/1/24			-	-	-	-	-	-	-	-	-	-	-	-
122	Downtown Minneapolis Tax Modifications	10/1/24			-	-	-	-	-	-	-	-	-	-	-	-
124	TRANSFER: General Fund -> 2024 Sales Tax Refund Account	DFE			-	-	-	-	-	-	33,910	-	33,910	-	-	-
126	TRANSFER: General Fund -> Child Tax Credit Account		45,000	-	-	32,300	32,300	-	-	-	-	9,900	9,900	-	-	-
128	Public Finance Modifications	Various			-	-	-	-	-	-	-	-	-	-	-	-
130	TOTAL TAX AIDS AND CREDITS		46,878	4,832	100	47,629	47,729	682	2,978	3,660	69,160	(16,869)	52,291	(1,103)	1,087	(16)

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NON-GENERAL FUND ITEMS															
SPECIAL REVENUE FUND - 2024 SALES TAX REFUND ACCOUNT															
136	Transfer In from General Fund										33,910	-	33,910	-	-
137	Exemption, Construction Materials - Adrian ISD - Various Projects	4/1/24 - 8/31/25									-	(Negl.)	(Negl.)	(Negl.)	(Negl.)
138	Exemption, Construction Materials - Apple Valley - Central Maintenance Facility	3/1/24 - 6/30/28									-	(180)	(180)	(180)	(180)
139	Exemption, Construction Materials - Becker ISD - Various Projects	1/1/22 - 12/31/25									-	(1,180)	(1,180)	-	-
140	Exemption, Construction Materials - Big Lake ISD - Various Projects	1/1/22 - 12/31/24									-	(780)	(780)	-	-
141	Exemption, Construction Materials - Browerville ISD - Various Projects	1/1/24 - 12/31/25									-	-	-	(580)	(580)
142	Exemption, Construction Materials - Burnsville - City Hall	1/1/25 - 6/30/28									-	-	(380)	(380)	(760)
143	Exemption, Construction Materials - Canby ISD - Various Projects	1/1/24 - 12/31/25									-	-	-	(860)	(860)
144	Exemption, Construction Materials - Cass Lake-Bena ISD - Various Projects	7/1/23 - 9/30/25									-	(490)	(490)	(490)	(490)
145	Exemption, Construction Materials - Chanhasen - Sports Complex	9/1/25 - 9/30/26									-	-	(740)	(740)	(1,480)
146	Exemption, Construction Materials - Columbia Heights - City Hall	9/1/21 - 3/31/24									-	(220)	(220)	-	-
147	Exemption, Construction Materials - Delano - Ice Rink	12/1/23 - 12/31/25									-	-	-	(310)	(310)
148	Exemption, Construction Materials - Edina - Parks Projects	1/1/24 - 6/30/28									-	(290)	(290)	(290)	(580)
149	Exemption, Construction Materials - Ellsworth ISD - Various Projects	1/1/25 - 9/30/25									-	(80)	(80)	(80)	(80)
150	Exemption, Construction Materials - Grand Rapids - IRA Civic Center	7/1/21 - 6/30/24									-	(580)	(580)	-	-
151	Exemption, Construction Materials - Heron Lake-Okabena ISD - Various Projects	6/1/24 - 12/31/24									(50)	(50)	(100)	-	-
152	Exemption, Construction Materials - Hills-Beaver Creek ISD - Various Projects	3/1/24 - 12/31/25									-	(440)	(440)	(440)	(440)
153	Exemption, Construction Materials - Itasca County - Courthouse	5/1/21 - 12/31/24									-	(470)	(470)	-	-
154	Exemption, Construction Materials - Lake Superior ISD - Various Projects	1/1/23 - 12/31/25									-	-	-	(1,320)	(1,320)
155	Exemption, Construction Materials - LeSeuer-Henderson ISD - Various Projects	6/1/23 - 12/31/24									-	-	-	(930)	(930)
156	Exemption, Construction Materials - Martin County West ISD - Various Projects	10/1/25 - 12/31/26									-	-	-	(1,140)	(1,140)
157	Exemption, Construction Materials - Plymouth - City Center Revitalization	1/1/24 - 6/30/28									-	(130)	(130)	(280)	(210)
158	Exemption, Construction Materials - Rochester - Sports Complex	7/1/23 - 6/30/28									-	-	-	(660)	(660)
159	Exemption, Construction Materials - Round Lake-Brewster ISD - Various Projects	1/1/24 - 8/31/26									-	(290)	(290)	(290)	(290)
160	Exemption, Construction Materials - Russell Tyler Ruthon ISD - Various Projects	1/1/20 - 12/31/23									-	(1,590)	(1,590)	-	-
161	Exemption, Construction Materials - Spring Lake Park - City Hall	1/1/24 - 12/31/25									-	(180)	(180)	(180)	(180)
162	Exemption, Construction Materials - St. Clair ISD - Various Projects	11/1/21 - 10/31/25									-	(175)	(175)	(175)	(175)
163	Exemption, Construction Materials - Tracy ISD - Various Projects	1/1/23 - 12/31/24									-	(650)	(650)	-	-
164	Exemption, Construction Materials - Watertown - Water Tower	5/1/24 - 2/1/26									-	(70)	(70)	(70)	(70)
165	Exemption, Construction Materials - Windom ISD - Various Projects	7/1/24 - 12/31/26									-	(290)	(290)	(290)	(290)
166	Exemption, Construction Materials - City of Woodbury - Water Tower	2/1/24 - 6/30/28									-	(690)	(690)	(690)	(690)
167	Exemption, Construction Materials - Worthington ISD - Various Projects	5/1/20 - 12/31/27									(710)	(710)	(1,420)	(710)	(710)
168	Exemption, Construction Materials - Housing Development Projects in Duluth & Ely	1/1/24 - 6/30/26									-	-	-	(1,640)	(2,250)
169	Exemption: Construction Materials - Private Redevelopment in St. Cloud	6/1/24 - 5/31/26									-	(1,020)	(1,020)	(1,020)	(1,020)
170	SUBTOTAL: 2024 SALES TAX REFUND ACCOUNT		-	-	-	-	-	-	-	-	33,150	(10,555)	22,595	(13,165)	(9,430)

2024 REGULAR SESSION - HF5247-3E (GOMEZ) & HF5247-1UE (REST)

FEBRUARY 2024 FORECAST BASELINE

\$\$\$ in thousands | Tax Revenues & Non-General Fund Items: Negative # = Revenue Reduction | Property Tax, Aids & Credits: Negative # = Spending Reduction

LINE	ITEM	EFFECTIVE DATE	GOVERNOR		HOUSE						SENATE				
			FY 2024-25	FY 2026-27	FY 2024	FY 2025	FY 2024-25	FY 2026	FY 2027	FY 2026-27	FY 2024	FY 2025	FY 2024-25	FY 2026	FY 2027
LEGACY FUNDS															
174	Exemption, Construction Materials - City of Woodbury - Water Tower	2/1/24 - 12/31/28			-	(40)	(40)	-	-	-	-				
175	Exemption: Amusement Devices	10/1/24			-	(Unknown)	(Unknown)	(Unknown)	(Unknown)	(Unknown)					
176	Amusement Devices - Gross Receipts Tax Establishment	7/1/24			-	Unknown	Unknown	Unknown	Unknown	Unknown					
177	Moist Snuff Definition Change - Demand Elasticity Effect	7/1/24									-	(30)	(30)	(30)	(40)
178	Exemption: Certain Sales to Snowmobile Clubs	7/1/24									-	(Negl.)	(Negl.)	(Negl.)	(Negl.)
179	Exemption: Firearm Safety Devices	7/1/24									-	(Negl.)	(Negl.)	(Negl.)	(Negl.)
180	SUBTOTAL: LEGACY FUNDS		-	-	-	(40)	(40)	-	-	-	-	(30)	(30)	(30)	(40)
HEALTH CARE ACCESS FUND															
183	Research Credit - Fixed Rate of .5% of Revenues for Patient Services	DFE			-	-	-	-	-	-	-	-	-	-	-
SPECIAL REVENUE FUND - CHILD TAX CREDIT ACCOUNT															
186	Transfer In - Child Tax Credit Minimum Credit		45,000	-	-	32,300	32,300	-	-	-	-	9,900	9,900	-	-
187	Transfer Out - Child Tax Credit Minimum Credit		-	(19,800)	-	-	-	(16,000)	(16,300)	(32,300)	-	-	-	(4,900)	(5,000)
188	SUBTOTAL: CHILD TAX CREDIT ACCOUNT		45,000	(19,800)	-	32,300	32,300	(16,000)	(16,300)	(32,300)	-	9,900	9,900	(4,900)	(5,000)
SPECIAL REVENUE FUND - SERVICE & RECOVERY FUND ACCOUNT															
191	Local Sales Tax Authorization, Transfer In - 1 percent dedication	DFE			-	-	-	-	-	-	-	-	-	-	-
192	SUBTOTAL: SERVICE & RECOVERY ACCOUNT - DOR & OSA		-	-	-	-	-	-	-	-	-	-	-	-	-
SPECIAL REVENUE FUND - LOCAL SALES TAX EQUALIZATION ACCOUNT															
195	Local Sales Tax Authorization, Transfer In - 15/20 percent dedication	DFE			-	-	-	-	-	-	-	-	-	-	-
196	SUBTOTAL: LOCAL SALES TAX EQUALIZATION ACCOUNT		-	-	-	-	-	-	-	-	-	-	-	-	-
SPECIAL REVENUE FUND - TAX MODERNIZATION ACCOUNT															
199	Transfer Out / Repeal	7/1/24-7/2/24			-	(5,000)	(5,000)	(Repealed)	(Repealed)	(Repealed)	-	(5,000)	(5,000)	(Repealed)	(Repealed)
ENVIRONMENTAL FUND															
202	Solid Waste Management Account - Additional Onetime Distribution	7/1/24			-	1,821	1,821	-	-	-	-	3,252	3,252	-	-
TACONITE ECONOMIC DEVELOPMENT FUND															
205	Transfer to City of Chisholm - David Tomassoni Bridge of Peace	DFE			-	(300)	(300)	-	-	-	-	(300)	(300)	-	-
TACONITE PROPERTY TAX RELIEF ACCOUNT															
208	Taconite Homestead Credit Increase	Pay25			-	(3,520)	(3,520)	(7,050)	(7,050)	(14,100)	-	(3,520)	(3,520)	(7,050)	(7,050)
TACONITE MUNICIPAL AID ACCOUNT															
211	Increase Distribution to Range Association of Municipalities & Schools	Distribution24			-	(98)	(98)	(65)	(66)	(131)	-	(98)	(98)	(65)	(66)
RANGE ASSOCIATION OF MUNICIPALITIES AND SCHOOLS															
214	Increase Distribution to Range Association of Municipalities & Schools	Distribution24			-	98	98	65	66	131	-	98	98	65	66
DOUGLAS J JOHNSON ECONOMIC PROTECTION FUND															
217	Increase Transfer to School and Development Account ^	Distribution24			-	(2,750)	(2,750)	(3,000)	(3,000)	(6,000)	-	(2,750)	(2,750)	(3,000)	(3,000)
IRON RANGE SCHOOL CONSOLIDATION & COOPERATIVELY OPERATED SCHOOL ACCOUNT +															
220	Increased Distribution from Douglas J Johnson Economic Protection Fund^	Distribution24			-	2,750	2,750	3,000	3,000	6,000	-	2,750	2,750	3,000	3,000
221	2024 Production Tax Revenue Bonds Debt Service*	DFE			-	-	-	(3,900)	(3,900)	(7,800)	-	-	-	(3,900)	(3,900)
222	2025 Production Tax Revenue Bonds Debt Service*	DFE			-	-	-	-	(2,400)	(2,400)	-	-	-	(2,400)	(2,400)
223	SUBTOTAL: IRON RANGE SCHOOL CONSOLIDATION ACCOUNT		-	-	-	2,750	2,750	(900)	(3,300)	(4,200)	-	2,750	2,750	(900)	(3,300)

^ The distribution increase via transfer will continue with the \$3M increase until FY2029. For FY2030-2034, the increase will be \$2M. For FY2035-2036, the increase will be \$1.5M. Starting in FY 2037, the transfer will revert to the base amount of \$3.5M.

* The Revenue Bonds Debt Service is expected to have a fiscal impact of 20 years.

+ This account is proposed to be renamed the Iron Range Schools and Community Development Account in HF5247-1UE, and Iron Range School and Community Development Account in HF5247-3E.

2024 REGULAR SESSION - HF5247-3E (GOMEZ) & HF5247-1UE (REST)

APPENDIX: COMPARISON OF CHILD TAX CREDIT CHANGES

\$\$\$ in thousands | Negative # = Revenue Reduction

LINE	CHILD TAX CREDIT (CTC) - CHANGES	EFFECTIVE	FUND	GOVERNOR			HOUSE			SENATE			GOVERNOR		HOUSE		SENATE		
				FY 25	FY 26	FY 27	FY 25	FY 26	FY 27	FY 25	FY 26	FY 27	FY 24-25	FY 26-27	FY 24-25	FY 26-27	FY 24-25	FY 26-27	
GENERAL FUND TOTAL (before transfers)																			
1	Modify Eligibility to include 18 year-olds	TY25	GF				(7,800)	(7,700)	(7,800)				-	-	(7,800)	(15,500)	-	-	
2	Minimum Credit: (1) with \$60,100 MJ Filer income cap; (2) Opt-In	TY25-TY28	GF		(9,800)	(10,000)							-	(19,800)			-	-	
3	Minimum Credit: (1) with \$60,100 MJ Filer income cap; (2) Requires Opt-in Adv. Pymt. Election	TY25-28	GF							-	(4,900)	(5,000)	-	-			-	(9,900)	
4	Minimum Credit: (1) No income cap; (2) Requires Opt-in Adv. Pymt. Election	TY25	GF					(8,300)	(8,500)				-	-	-	(16,800)	-	-	
GENERAL FUND TOTAL (before transfers) - Child Tax Credit				GF	-	(9,800)	(10,000)	(7,800)	(16,000)	(16,300)	-	(4,900)	(5,000)	-	(19,800)	(7,800)	(32,300)	-	(9,900)
NET TOTAL ALL FUNDS (after transfers)																			
15	Total General Fund		GF	(45,000)	-	-	(40,100)	-	-	9,900	-	-	(45,000)	-	(40,100)	-	9,900	-	
16	Total Child Tax Credit Account		SR	45,000	(9,800)	(10,000)	25,400	(16,000)	(16,300)	(9,900)	(4,900)	(5,000)	45,000	(19,800)	25,400	(32,300)	(9,900)	(9,900)	
17	NET TOTAL ALL FUNDS (after transfers)			-	(9,800)	(10,000)	(14,700)	(16,000)	(16,300)	-	(4,900)	(5,000)	-	(19,800)	(14,700)	(32,300)	-	(9,900)	
CHILD TAX CREDIT SPECIAL REVENUE FUND - BALANCE																			
20	Beginning Balance		SR	45,000	45,000	35,200	32,300	32,300	16,300	9,900	9,900	5,000							
21	Ending Balance - Child Care Tax Credit		SR	45,000	35,200	25,200	32,300	16,300	-	9,900	5,000	-							
OTHER DATA (Based on FY 2026 Revenue Estimate data)																			
24	Safe Harbor Credits				20,500			NA			NA								
25	Opt-in, Adv. Payment Election Credits				NA			14,300			10,300								
26	% Safe Harbor/Opt-in, Adv. Payment Election Claims				4.00%			2.80%			2.00%								
27	Average Credit				\$478			\$580			\$476								
28	CTC Account Transfers to General Fund				FY26-29			FY26-27			FY26-27								