

Transportation Revenue HF 2887 As Amended by Tax Committee 4-4-23

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%	51,700	52,300	104,000	54,300	56,500	110,800	
Delivery Fee at \$0.75 July 1 2025	-	160,000	160,000	175,800	177,000	352,800	
0.75% Metro Area Sales and Uses Tax	Transit	301,750	467,583	769,333	482,083	496,000	978,083
	Roads	60,350	93,517	153,867	96,417	99,200	195,617
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	1,916	
DVS Credential Fee Increase		8,940	8,940	17,880	8,940	8,940	17,880
Total Tax / Fee Changes	486,083	959,246	1,445,329	1,058,583	1,099,729	2,158,312	
Summary of Major General Fund Redirections / Major Transfers / One Time Approps							
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	
St. Louis County Road Projects	9,000		9,000			-	
High Priority Intersection Conversion	25,000		25,000			-	
Rice Street Area Project	25,000		25,000			-	
Northern Lights Express one time	194,300		194,300			-	
Rail Plan between Twin Cities & Moorhead	4,000		4,000			-	
One Time Small Cities Appropriation	38,410		38,410			-	
General Fund Transfer to Trunk Highway	336,181	-	336,181	-	-	-	
Total General Fund Redirection	665,398	33,548	698,946	33,548	33,548	67,096	
Total (1)	1,151,481	992,794	2,144,275	1,092,131	1,133,277	2,225,408	
Roads Subtotal (2)	620,225	491,957	1,112,181	575,836	602,173	1,178,008	
Transit Subtotal (2)	520,730	488,503	1,009,233	503,803	518,600	1,022,403	

(1) Total Includes a Non-profit Food Delivery Grant Program see Delivery Fee below, does not include IJJA grants or Aviation

(2) Not Including DVS Fee Changes or other DVS Fiscal related policy changes does not include maintaining current services adjustments.

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	499,554
Reg. Tax Increase over Current law	7%	19%	13%	26%	27%	26%

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

48			FY 2024	FY 2025	FY 2024-25	FY 2026	FY 2027	FY 2026-27
49	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
50	Roads (HUTD)	60%	593,040	600,534	1,193,574	622,014	645,426	1,267,440
51	Metropolitan Area Transit	36%	355,824	360,320	716,144	373,208	387,256	760,464
52	Greater MN Transit	4%	39,536	40,036	79,572	41,468	43,028	84,496
53								
54	Increase 0.375% to 6.875%		51,700	52,300	104,000	54,300	56,500	110,800
55	<i>Increase Over Current Law</i>		5%	5%	5%	5%	5%	5%
56								
57	Increase + Base MVST with new Transit Allocation							
58	Roads (HUTD)	60%	624,060	631,914	1,255,974	654,594	679,326	1,333,920
59	Metropolitan Area Transit	34.3%	356,754	361,244	717,998	374,210	388,348	762,558
60	Greater MN Transit	5.7%	59,286	60,032	119,318	62,186	64,536	126,722
61								
62	Increase Over Base							
63	Roads (HUTD)		31,000	31,400	62,400	32,600	33,900	66,500
64	Metropolitan Area Transit		930	924	1,854	1,001	1,092	2,094
65	Greater MN Transit		19,750	19,996	39,746	20,719	21,508	42,226

66 * Total Transit Amount Slightly Difference from DOR revenue note as a result of rounding.

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69 **Autoparts Dedication to Roads**

70			FY 24	FY 2024	FY 2025	FY 2024-25	FY 2026	FY 2027	FY 2026-27
71	DOR 3/8/23 Estimated Total Autoparts			321,603	332,240	653,843	342,663	352,502	695,165
72	Current law dedication to HUTD	45%		145,644	145,644	291,288	145,644	145,644	291,288
73									
74	Additional Dedication to HUTD	10%		33,000	33,000	66,000	33,000	33,000	66,000
75									
76	Remainder Going to General Fund	44%		142,959	153,596	296,555	164,019	173,858	337,877

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

79		FY 2024	FY 2025	FY 2024-25	FY 2026	FY 2027	FY 2026-27
80	0.75% Sales and Use Tax	362,100	561,100	923,200	578,500	595,200	1,173,700
81	<i>Metro Area 0.625% Sales and Use Tax - Transit</i>	301,750	467,583	769,333	482,083	496,000	978,083
82	<i>Metro Area 0.125% Sales and Use Tax - Roads</i>	60,350	93,517	153,867	96,417	99,200	195,617

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

85		FY 2024	FY 2025	FY 2024-25	FY 2026	FY 2027	FY 2026-27
86	Delivery Fee at \$0.75 July 1 2025	-	160,000	160,000	175,800	177,000	352,800
87	General Fund Filling Fee Re-direction	449	490	939	490	490	980
88	Title Transfer Fee Re-direction	58	58	116	58	58	116
89							
90	Total	100%	507	160,548	161,055	176,348	177,548
91							
92	Allocation						
93	HUTD	33%	167	52,981	53,148	58,195	58,591
94	Small Cities	24%	122	38,532	38,653	42,324	42,612
95	CASH (over and above HUTD)	18%	91	28,899	28,990	31,743	31,959
96	MSAS Cities (over and above HUTD)	12%	61	19,266	19,327	21,162	21,306
97	Townships (over and above HUTD)	12%	61	19,266	19,327	21,162	21,306
98	Grants to Non Profits for Food Delivery	1%	5	1,605	1,611	1,763	1,775

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100 One Time General Fund Transfer - Small Cities 38,410

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Small Cities FY 2024	38,532
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I03 **Comparison With Base State Resources**

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I05	Current law Base - Roads			FY 2024	FY 2025	FY 2024-25	FY 2026	FY 2027	FY 2026-27
I06	Trunk Highway (HUTD Transfer Only)			1,513,547	1,531,590	3,045,137	1,554,121	1,573,657	3,127,778
I07	Total County State Aid Highway			707,950	716,389	1,424,339	726,927	736,065	1,462,992
I08	Total Municipal State Aid Streets			219,708	222,328	442,036	225,598	228,434	454,032
I09	Townships (Road and Bridge)			59,746	60,457	120,203	61,347	62,118	123,465
I10	Jurisdictional Transfers (Turnbacks)			68,739	69,559	138,298	70,582	71,469	142,051
I11									
I12	Increase Over Base (All proposed items above)								
I13									
I14	Total HUTD Increase			125,929	292,498	418,427	363,049	385,791	748,840
I15									
I16	Trunk Highway (including Transfer)	95%	62%	410,353	172,281	582,634	213,836	227,231	441,067
I17	County State Aid Highway	95%	29%	34,693	80,583	115,276	100,020	106,285	206,305
I18	Municipal State Aid Streets	95%	9%	10,767	25,009	35,776	31,041	32,985	64,026
I19									
I20	Jurisdictional Transfers (Turnbacks)	5%	53.5%	3,369	7,824	11,193	9,712	10,320	20,032
I21	Town Roads	5%	30.5%	1,920	4,461	6,381	5,536	5,883	11,419
I22	Town Bridges	5%	16%	1,007	2,340	3,347	2,904	3,086	5,990
I23									
I24	Increase (HUTD + Transportation Advancement Account)								
I25	Total County State Aid Highway			34,784	109,482	144,266	131,763	138,244	270,006
I26	Total Municipal State Aid Streets			10,828	44,275	55,103	52,203	54,291	106,494
I27	Townships (Bridge + Roads)			2,988	26,067	29,055	29,602	30,275	59,877
I28									
I29	% Change from Current Law HUTD Resources								
I30	Trunk Highway Fund			27%	11%	19%	14%	14%	14%
I31	Total County State Aid Highway			5%	15%	10%	18%	19%	18%
I32	Total Municipal State Aid Streets			5%	20%	12%	23%	24%	23%
I33	Townships			5%	43%	24%	48%	49%	48%
I34	Jurisdictional Transfers (Turnbacks)			5%	11%	8%	14%	14%	14%

I35 Note: Small Cities road aid, and metro area roads (sales tax item) do not have current law base funding for comparison

I36

137	Current law Base - Metropolitan Area Transit	FY 2024	FY 2025	FY 2024-25	FY 2026	FY 2027	FY 2026-27
138	General Fund Appropriations	88,630	88,630	177,260	88,630	88,630	177,260
139	Motor Vehicle Sales Tax	355,824	360,320	716,144	373,208	387,256	760,464
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141	Total Current Law Metropolitan Area Transit	444,454	448,950	893,404	461,838	475,886	937,724
142							
143	Proposed Increase (Sales Tax & MVST)	302,680	468,507	771,187	483,084	497,092	980,177
144	% Change from Current Law State Resources	68%	104%	86%	105%	104%	105%
145							
146	Current law Base - Greater MN Transit						
147	General Fund Appropriations	18,201	18,201	36,402	18,201	18,201	36,402
148	Motor Vehicle Sales Tax	39,536	40,036	79,572	41,468	43,028	84,496
149	Motor Vehicle Lease Sales Tax	19,798	19,684	39,482	20,026	20,406	40,432
150							
151	Total Current Law Greater MN Transit	77,535	77,921	155,456	79,695	81,635	161,330
152							
153	Proposed Increase (MVST)	19,750	19,996	39,746	20,719	21,508	42,226
154	% Change from Current Law State Resources	25%	26%	26%	26%	26%	26%

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

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

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

158 Total Revenue Increase does not include railroad assessments

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