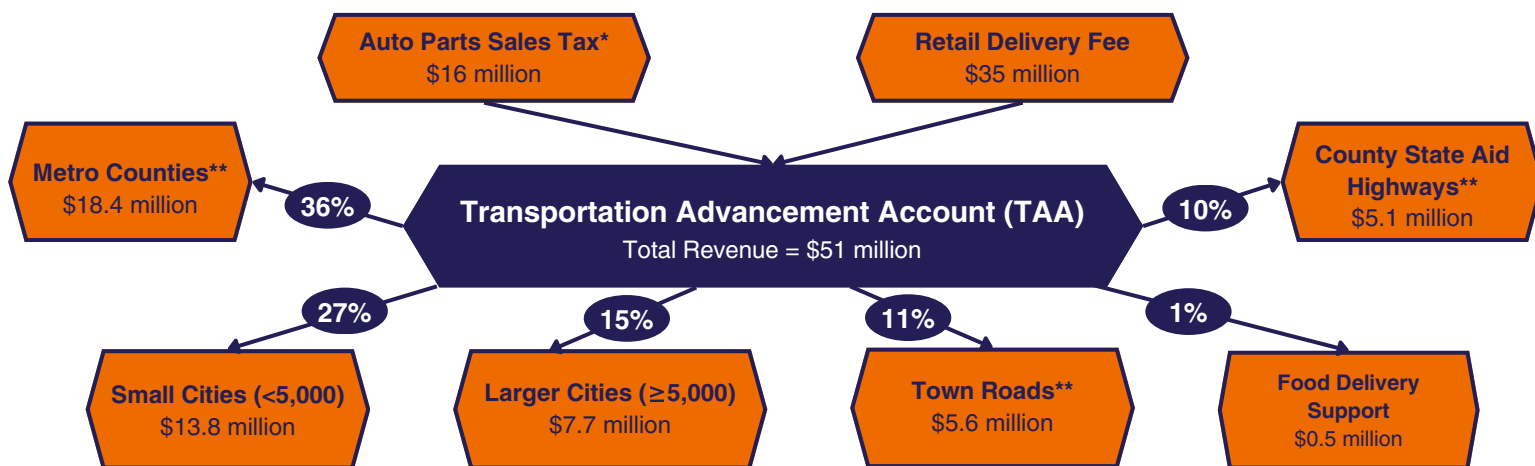


# TRANSPORTATION ADVANCEMENT ACCOUNT (TAA)

The Transportation Advancement Account (TAA) was created in 2023 to administer funding to local agencies for transportation purposes. The fund assists CGMC member cities by providing ongoing revenues to the Small Cities Assistance Account and the Larger Cities Assistance Account.

## FY2025 DISTRIBUTION OF FUNDING



Source: Minnesota Department of Transportation (MnDOT) Transportation Funds Forecast, November 2024.

\* In FY2025, TAA receives 4.5% of APST revenue (increases annually until 56.5% in FY2033 & after).  
 \*\* Does not include (1) Metro Counties 17% share of Regional Transportation Sales Tax & (2) HUTDF transfers to CSAH & Town Roads.



Darrin Lee, CGMC Lobbyist

(612) 414-2714

dwlee@flaherty-hood.com

## OVERVIEW OF PHASE-IN SCHEDULE

The TAA is funded through the new \$.50 delivery fee on retail sales over \$100 and increasing dedication of general sales tax on auto parts until fully phased in by 2033.

Fiscal Year	TAA	HUTD Fund	General Fund
2024	3.5%	43.5%	53.0%
2025	4.5%	43.5%	52.0%
2026	5.5%	43.5%	51.0%
2027	7.5%	43.5%	49.0%
2028	14.5%	43.5%	42.0%
2029	21.5%	43.5%	35.0%
...	...	...	...
2033 & after	56.5%	43.5%	0.0%

Source: Minnesota Department of Transportation (MnDOT), Transportation Finance Overview. House Research & Fiscal Analysis, January 2025.

## TAA REVENUES

Fiscal Year	November 2024
2024 (act)	\$11 million
2025	\$51 million
2026	\$65 million
2027	\$83 million
2028	\$111 million
2029	\$142 million

Source: Minnesota Department of Transportation (MnDOT), Transportation Funds Forecast. November 2024.

Created for the Coalition of Greater MN Cities by Flaherty & Hood, P.A. 1/21/25.

