

2024 REGULAR SESSION - HF 5247 -1E A11 amendment, As Referred to Ways and Means

CHANGE SUMMARY - ALL FUNDS

ALL FUNDS, DOLLARS IN THOUSANDS

4/24/2024  
3:50 PM

TAX POLICY & NON GENERAL FUND CHANGE ITEMS: Positive amounts indicate revenue increase

AIDS & CREDITS: Positive amounts indicate expenditure

LINE	ITEM	Forecast	HOUSE	
		FY 2022-23	FY 2024-25	FY 2026-27
	<b>CURRENT LAW GENERAL FUND FORECAST:</b>			
1	TAX POLICY (REVENUE) <sup>1</sup>	58,529,189	58,324,253	62,739,012
2	PROPERTY TAX REFUNDS, AIDS, & CREDITS (EXPENDITURES) <sup>1</sup>	4,622,185	5,482,116	4,649,430
3				
4	<b>GENERAL FUND - CHANGE ITEMS:</b>			
5	TAX POLICY		(10,271)	(32,230)
6	LESS GENERAL FUND PROPERTY TAX REFUNDS, AIDS, & CREDITS		42,729	(27,000)
7	<b>TOTAL: GENERAL FUND CHANGE ITEMS</b>		<b>(53,000)</b>	<b>(5,230)</b>
8	<b>General Fund Target</b>		<b>(53,000)</b>	<b>(5,230)</b>
9	<i>Over Target</i>		-	-
10	<i>Under Target</i>		-	-
11	<b>NON-GENERAL FUND - CHANGE ITEMS:</b>			
12	LEGACY FUNDS		(40)	-
13	HEALTH CARE ACCESS FUND		-	-
14	SPECIAL REVENUE FUND - CHILD TAX CREDIT ACCOUNT		32,300	(32,300)
15	SPECIAL REVENUE FUND - TAX MODERNIZATION ACCOUNT		(5,000)	-
16	SPECIAL REVENUE FUND - REVENUE SERVICE AND RECOVERY ACCOUNT		-	-
17	SPECIAL REVENUE FUND - STATE AUDITOR SERVICE AND RECOVERY ACCOUNT		-	-
18	SPECIAL REVENUE FUND - LOCAL SALES TAX EQUALIZATION DISTRIBUTION ACCOUNT		-	-
19	ENVIRONMENT FUND		1,821	-
20	RANGE ASSOCIATION OF MUNICIPALITIES AND SCHOOLS ACCOUNT		98	131
21	IRON RANGE SCHOOL CONSOLIDATION FUND		2,750	(4,200)
22	TACONITE ECONOMIC DEVELOPMENT FUND		(300)	-
23	TACONITE MUNICIPAL AID ACCOUNT		(98)	(131)
24	DOUGLAS J JOHNSON ECONOMIC PROTECTION FUND		(2,750)	(6,000)
25	TACONITE PROPERTY TAX RELIEF FUND		(3,520)	(14,100)
26	<b>SUBTOTAL: NON-GENERAL FUND CHANGE ITEMS</b>		<b>25,261</b>	<b>(56,600)</b>

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

Minnesota House of Representatives - House Fiscal Analysis Department

2024 REGULAR SESSION - HF 5247 -1E A11 amendment, As Referred to Ways and Means

February 2024 Forecast - Estimated General Fund Fiscal Impact

Tax Policy/Tax Revenue

All Numbers in Thousands

Note : Positive numbers represent revenue gains, negative numbers or numbers in parenthesis represent revenue losses.

Row #	HF	Author	Provisions	Effective Date	Actual FY 2022-23	HOUSE FY 2024	HOUSE FY 2025	HOUSE FY 24-25 Biennium	HOUSE FY2026	HOUSE FY2027	HOUSE FY 26-27 Biennium
1			<b>GENERAL FUND SUMMARY</b>								
2											
3			Total - Current Law, Tax Revenues		58,529,189	28,322,380	30,001,873	58,324,253	30,764,630	31,974,382	62,739,012
4			Total - Net Changes, Tax Revenues		-	-	(10,271)	(10,271)	(15,965)	(16,265)	(32,230)
5			<b>Total - Non Dedicated Tax Revenue</b>		58,529,189	28,322,380	29,991,602	58,313,982	30,748,665	31,958,117	62,706,782
6			<b>INDIVIDUAL INCOME TAX</b>								
7			Change Items:								
8	4823	Norris	Child Tax Credit, Expand Eligibility 18 yrs. ^	TY25		-	(7,800)	(7,800)	(7,700)	(7,800)	(15,500)
9	5247	Gomez	Child Tax Credit, Minimum Credit Allowed ^	TY 25		-	-	-	(8,300)	(8,500)	(16,800)
10	4572	Greenman	Section 530 Exclusion	TY 25		-	Unknown	Unknown	Unknown	Unknown	Unknown
11	3667	Norris	Discharged Debt Subtraction	TY 24		(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)
12	2277	Vang	Beginning Farmer Tax Credit, Allocation/Timing Changes	TY 24		-	-	-	-	-	-
13	5198	Lislegard	Interaction with PTAC: Taconite Homestead Credit Change						40	40	80
14			<i>Subtotal</i>		-	-	(7,800)	(7,800)	(15,960)	(16,260)	(32,220)
15			<b>CORPORATE FRANCHISE TAX</b>								
16			Change Items:								
17	4463	Tabke	Housing Tax Credit Carryover	Retro TY23		-	-	-	-	-	-
			<i>Subtotal</i>		-	-	-	-	-	-	-
18			<b>SALES &amp; USE TAXES</b>								
19			Change Items								
20					-			-			-
21	3559	Cha	Const. Material Purchases Exempt, City of Woodbury	2/1/24-6/30/25		-	(650)	(650)			-
22	4575	Davids	Exemption, Coin-Operated Amusement Devices	10/1/2024		-	(Unknown)	(Unknown)	(Unknown)	(Unknown)	(Unknown)
23			<i>Subtotal</i>			-	(650)	(650)	-	-	-
24			<b>OTHER NET REVENUE TAXES</b>								
25			Change Items:								
26	4575	Davids	Coin-Operated Amusement Devices Gross Receipts Tax Established	7/1/2024		-	Unknown	Unknown	Unknown	Unknown	Unknown
27	3788	Hanson	Controlled Substances/Illegal Substances, Repeal	8/1/2024		-	(Negli.)	(Negli.)	(5)	(5)	(10)
28	4915	Hornstein	Solid Waste Management Account, Additional One-time Dedication	7/1/2024		-	(1,821)	(1,821)	-	-	-
29			<i>Subtotal</i>			-	(1,821)	(1,821)	(5)	(5)	(10)
30											
31			<b>TOTAL: Net, Non Dedicated Tax Revenue</b>		58,529,189	28,322,380	29,991,602	58,313,982	30,748,665	31,958,117	62,706,782

Minnesota House of Representatives - House Fiscal Analysis Department

2024 REGULAR SESSION - HF 5247 -1E A11 amendment, As Referred to Ways and Means

February 2024 Forecast - Estimated General Fund Fiscal Impact

Property Tax, Aids and Credit (PTAC) Expenditures

Dollars in Thousands

Positive numbers are expenditures, negative numbers (in parenthesis) are cost savings

Row #	HF #	Author	Item	Effective Date	Actual FY22-23	House		House-Feb 24	House			House-Feb 24	
						FY24	FY25	FY24-25	FY24-25	FY26	FY27	FY26-27	FY26-27
1			<b>Property Tax, Aids &amp; Credits</b>										
2			Total Current Law		4,622,185	2,832,316	2,649,800	5,482,116	-	2,279,450	2,369,980	4,649,430	-
3			Total Net Changes		-	100	42,629	42,729	42,729	(14,528)	(12,472)	(27,000)	(27,000)
4			<b>Total Property Tax, Aids &amp; Credits</b>		<b>4,622,185</b>	<b>2,832,416</b>	<b>2,692,429</b>	<b>5,524,845</b>	<b>42,729</b>	<b>2,264,922</b>	<b>2,357,508</b>	<b>4,622,430</b>	<b>(27,000)</b>
5			<b>Property Tax Refunds</b>										
6			<i>Homestead Credit Refund - Change Items:</i>										
7	1342	Elkins	Creation of Land-Value Taxation Districts	Pay 2025	-	-	-	-	-	+/- unknown	+/- unknown	+/- unknown	+/- unknown
8	4265	Norris	Property Tax Abatement for Land Bank Property	DFE	-	-	-	-	-	-	-	-	-
9	4265	Norris	Property Tax Refund Interaction - HF 4265		-	-	-	-	-	10	10	20	20
10			<b>Total</b>		-	-	-	-	-	10	10	20	20
11	4301	Gomez	Property Tax Exemption for Red Lake Nation Tribal College	DFE	-	-	122	122	122	-	-	-	-
12	4540	Kozlowski	Property Tax Exemption for Grand Portage Band - 5 Parcels	Assmt Yr 2025	-	-	-	-	-	-	-	-	-
13	4540	Kozlowski	School Building Bond Credit - HF4540		-	-	-	-	-	-	(negl.)	(negl.)	(negl.)
14	4540	Kozlowski	Property Tax Refund Interaction - HF4540		-	-	-	-	-	-	negl.	negl.	negl.
15			<b>Total</b>		-	-	-	-	-	-	-	-	-
16	4990	Davids	Homestead Resort Property Tax Modifications	Assmt Yr 2025	-	-	-	-	-	-	30	30	30
17	5062	Sencer-Mura	Property Tax Exemption for Leech Lake Band (Minneapolis)	Assmt Yr 2025	-	-	-	-	-	-	-	-	-
18	5062	Sencer-Mura	Property Tax Refund Interaction - HF5062		-	-	-	-	-	-	10	10	10
19			<b>Total</b>		-	-	-	-	-	-	10	10	10
20		Gomez	Class 4d(2) Property Modifications - Community Land Trusts	Assmt Yr 2024	-	-	-	-	-	(230)	(230)	(460)	(460)
21		Gomez	Public Charity Exemption Modification for Rental Housing	Pay 2025	-	-	-	-	-	-	-	-	-
22	4826	Robbins	Advance Property Tax Refund for Seniors	Pay 2026	-	-	-	-	-	-	-	-	-
23	1171	Brand	Cooperative Associations Electrical Distribution Systems Exemption	Assmt Yr 2024	-	-	-	-	-	30	30	60	60
24			<i>Renter's Property Tax Refund - Change Item:</i>										
25	3667	Norris	Discharged Debt Subtraction	Pay 2025	-	-	(negl.)	(negl.)	(negl.)	(negl.)	(negl.)	(negl.)	(negl.)
26			<i>Political Contribution Refunds - Change Item:</i>										
27	4728	Bahner	Political Contribution Refund Electronic Requirements	Contrib. after 12.31.25	-	-	-	-	-	negl.	negl.	negl.	negl.
28			<b>Subtotal: All Change Items</b>		-	-	122	122	122	(190)	(150)	(340)	(340)

Minnesota House of Representatives - House Fiscal Analysis Department

Property Tax, Aids and Credit (PTAC) Expenditures

Dollars in Thousands

Positive numbers are expenditures, negative numbers (in parenthesis) are cost savings

Row #	HF #	Author	Item	Effective Date	Actual FY22-23	House			House-Feb 24	House			House-Feb 24
						FY24	FY25	FY24-25	FY24-25	FY26	FY27	FY26-27	FY26-27
29			<b>Local Aids</b>										
30			<i>Local Homeless Prevention Aid - Change Items:</i>										
31		Gomez	One Time Aid Increase to Counties	Pay 2024	-	-	4,400	4,400	4,400	-	-	-	-
32		Gomez	One Time Aid Increase to MN Tribes		-	-	600	600	600	-	-	-	-
33			<b>Total</b>		-	-	5,000	5,000	5,000	-	-	-	-
34			<i>Change Item:</i>										
35	5075	Lee	Aid to Cities for Emerald Ash Borer Financial Assistance	DFE	-	-	1,000	1,000	1,000	-	-	-	-
36			<b>Subtotal: All Change Items</b>		-	-	6,000	6,000	6,000	-	-	-	-
37			<b>Taconite Tax Relief Area Aids &amp; Credits</b>										
38			<i>Change Item:</i>										
39	5198	Lislegard	Taconite Homestead Credit Adjustment	Pay 2025	-	-	-	-	-	-	-	-	-
40	5198	Lislegard	Property Tax Refund Interaction - HF5198		-	-	-	-	-	(850)	(850)	(1,700)	(1,700)
41			<b>Total</b>		-	-	-	-	-	(850)	(850)	(1,700)	(1,700)
42			<b>Subtotal: All Change Items</b>		-	-	-	-	-	(850)	(850)	(1,700)	(1,700)
43			<b>Other Aids &amp; Credits</b>										
44			<i>Change Items:</i>										
45	5177	Gillman	Penalty Forgiveness for the City of Stewart	DFE	-	-	-	-	-	-	-	-	-
46	4892	Wiener	Browerville Public Schools Roof Collapse Remediation Grant	7.1.24	-	-	580	580	580	-	-	-	-
47	2436	Hansen	One-Time Grant to South St. Paul for Planning and Development	DFE	-	100	-	100	100	-	-	-	-
48	4658	Koegel	Grant to Anoka County Soil and Water Conservation District	DFE	-	-	50	50	50	-	-	-	-
49			<b>Subtotal: All Change Items</b>		-	100	630	730	730	-	-	-	-

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Row #	HF #	Author	Item	Effective Date	Actual FY22-23	House			House-Feb 24	House			House-Feb 24
						FY24	FY25	FY24-25	FY24-25	FY26	FY27	FY26-27	FY26-27
50			<b>Other Non-Property Tax Expenditures/Transfers</b>										
51			<i>Change Items:</i>										
52	5247	Gomez	Transfer Out - Child Tax Credit	FY 25 only	-	-	32,300	32,300	32,300	-	-	-	-
53	5247	Gomez	Transfer In - Child Tax Credit	FY 26-27	-	-	-	-	-	(16,000)	(16,300)	(32,300)	(32,300)
54	4826	Robbins	Appropriation: Advance Property Tax Refund for Seniors Administration	Pay 2026	-	-	158	158	158	118	116	234	234
55	4728	Bahner	Appropriation: Political Contribution Refund Electronic Requirements	Contrib. after 12.31.25	-	-	147	147	147	59	59	118	118
56	4830	Gomez	Appropriation: Direct Free File System, Minnesota Income Tax	DFE	-	-	5,000	5,000	5,000	-	2,300	2,300	2,300
57	1938	Gomez	Transfer In: Tax Modernization Account in Special Revenue Fund, Repeal	7/1/24	-	-	(5,000)	(5,000)	(5,000)	-	-	-	-
58	4831	Gomez	Appropriation: Tax Credit Outreach Grants	FY 2025	-	-	1,237	1,237	1,237	1,277	1,289	2,566	2,566
59	4831	Gomez	Appropriation: Taxpayer Assistance Grants	FY 2025	-	-	750	750	750	750	750	1,500	1,500
60	4535	Gomez	Appropriation: Corporate Tax Base Erosion Study	DFE	-	-	655	655	655	-	-	-	-
61	4513	Gomez	Appropriation: Corporate Franchise Tax Information Disclosure Requirements	TY 2025	-	-	480	480	480	198	198	396	396
62	5335	Gomez	Appropriation Local Sales Tax Authorization, State Auditor Administration	7/1/2024	-	-	150	150	150	110	116	226	226
63			<b>Subtotal: All Change Items</b>		-	-	<b>35,877</b>	<b>35,877</b>	<b>35,877</b>	<b>(13,488)</b>	<b>(11,472)</b>	<b>(24,960)</b>	<b>(24,960)</b>

**Minnesota House of Representatives - House Fiscal Analysis Department**

**2024 REGULAR SESSION - HF 5247 -1E A11 amendment, As Referred to Ways and Means**

**February 2024 Forecast**

**All Numbers in Thousands**

*Note : Positive numbers represent revenue gains or cost-savings , negative numbers or numbers in parenthesis represent revenue losses or expenditures.*

	Effective Date	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE
		FY 2024	FY 2025	FY2024-25	FY2026	FY2027	FY2026-27
1 <b>NON GENERAL FUND - TOTAL</b>		-	25,261	25,261	(26,950)	(29,650)	(56,600)
2 <b>Health Care Access Fund - Subtotal</b>		-	-	-	-	-	-
3     Provider Tax - Research Credit, Fix Rate at 0.5%		-	-	-	-	-	-
4 <b>Special Revenue - Child Tax Credit Account - Subtotal</b>		-	32,300	32,300	(16,000)	(16,300)	(32,300)
5     Transfer In, Child Tax Credit Payment Protection Pilot	TY 25-28	-	32,300	32,300	-	-	-
6     Transfer Out, Child Tax Credit Payment Protection Pilot	TY 25-28			-	(16,000)	(16,300)	(32,300)
7 <b>Special Revenue - Tax Modernization Account - Subtotal</b>		-	(5,000)	(5,000)	-	-	-
8     Transfer Out, Tax Modernization Account	7/1/2024		(5,000)	(5,000)	-	-	-
9 <b>Special Revenue - DOR Service &amp; Recovery Account- Subtotal</b>		-	-	-	-	-	-
10     Transfer In, DOR Service & Recovery Account	DFE		-	-	-	-	-
11 <b>Special Revenue - Equalization Distribution Account - Subtotal</b>		-	-	-	-	-	-
12     Transfer In, DOR Service & Recovery Account	DFE		-	-	-	-	-
13 <b>Special Revenue - State Auditor Service &amp; Recovery Account - Subtotal</b>		-	-	-	-	-	-
14     Transfer In, State Auditor Service and Recovery Account	DFE		-	-	-	-	-
15 <b>Legacy Funds * - Subtotal</b>		-	(40)	(40)	-	-	-
16     Const. Material Purchases Exempt, City of Woodbury	various 7/1/2024	-	(40)	(40)	-	-	-
17     Coin-Operated Amusement Devices Gross Receipts Tax Established -Sales Tax	7/1/2024	-	(Unknown)	(Unknown)	(Unknown)	(Unknown)	(Unknown)
18     Coin-Operated Amusement Devices Gross Receipts Tax Established - Gross Receipts	7/1/2024	-	Unknown	Unknown	Unknown	Unknown	Unknown
19 <b>Environment Fund - Subtotal</b>		-	1,821	1,821	-	-	-
20     Solid Waste Management Account, Additional One-time Dedication	FY 25	-	1,821	1,821	-	-	-
21 <b>Taconite Property Tax Relief Fund - Subtotal</b>		-	(3,520)	(3,520)	(7,050)	(7,050)	(14,100)
22     Taconite Homestead Credit Adjustment	Pay 2025	-	(3,520)	(3,520)	(7,050)	(7,050)	(14,100)

**Minnesota House of Representatives - House Fiscal Analysis Department**

**All Numbers in Thousands**

*Note : Positive numbers represent revenue gains or cost-savings , negative numbers or numbers in parenthesis represent revenue losses or expenditures.*

	Effective Date	HOUSE FY 2024	HOUSE FY 2025	HOUSE FY2024-25	HOUSE FY2026	HOUSE FY2027	HOUSE FY2026-27
23 <b>Range Association of Municipalities and Schools Account - Subtotal</b>		-	98	<b>98</b>	65	66	<b>131</b>
24     Distribution Increase	2024 Distribution	-	98	<b>98</b>	65	66	<b>131</b>
25 <b>Taconite Municipal Aid Account- Subtotal</b>		-	(98)	<b>(98)</b>	(65)	(66)	<b>(131)</b>
26     Transfer out to Range Association of Municipalities and Schools Account	2024 Distribution	-	(98)	<b>(98)</b>	(65)	(66)	<b>(131)</b>
27 <b>Taconite Economic Development Fund - Subtotal</b>		-	(300)	<b>(300)</b>	-	-	-
City of Chisholm: Senator David Tomassoni Bridge of Peace	DFE	-	(300)	<b>(300)</b>	-	-	-
28 <b>Iron Range School Consolidation and Cooperatively Operated School Fund - Subtotal</b>		-	2,750	<b>2,750</b>	(900)	(3,300)	<b>(4,200)</b>
29     Distribution Increase^	2024 Distribution	-	2,750	<b>2,750</b>	3,000	3,000	<b>6,000</b>
30     Authorization of IRRR Bonds (49M)	DFE	-	-	-	(3,900)	(3,900)	<b>(7,800)</b>
31     Authorization of IRRR Bonds (31M)	DFE	-	-	-	-	(2,400)	<b>(2,400)</b>
32 <b>Douglas J Johnson Economic Protection Fund - Subtotal</b>		-	(2,750)	<b>(2,750)</b>	(3,000)	(3,000)	<b>(6,000)</b>
33     Transfer out to Iron Range School Consolidation Account^	2024 Distribution	-	(2,750)	<b>(2,750)</b>	(3,000)	(3,000)	<b>(6,000)</b>

" \* " Amounts in the Legacy funds aggregate the revenue changes that affect these funds: outdoor heritage; arts and cultural heritage; clean water and parks and trails.

"DFE" denotes an effective date of Day Following Enactment

^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.