

## Omnibus Tax Bill - Joint House/Senate Fiscal Tracking

### 2022 REGULAR SESSION - TAX POLICY AND TAX AIDS & CREDITS - SUMMARY

Updated: 5/15/22 3:51 PM

House HF 3669 - 3E/ Senate HF 3669 - 2UE - Summary of Change Items

ALL FUNDS, DOLLARS IN THOUSANDS

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

AIDS & CREDITS: Positive amounts indicate expenditure

LINE	ITEM	Actual	HF 3669 Governor (Mar 2022)		House HF 3669 -3E		Senate HF 3669 -2UE	
		FY 2021-22	FY 2022-23	FY 2024-25	FY 2022-23	FY 2024-25	FY 2022-23	FY 2024-25
1	<b>GENERAL FUND FORECAST:</b>							
2	TAX POLICY (REVENUE) <sup>1</sup>	47,737,661	54,594,416	58,105,887	54,594,416	58,105,887	54,594,416	58,105,887
3	PROPERTY TAX REFUNDS, AIDS, & CREDITS (EXPENDITURES) <sup>1</sup>	3,892,681	4,153,638	4,342,803	4,153,638	4,342,803	4,153,638	4,342,803
4								
5	<b>GENERAL FUND - CHANGE ITEMS:</b>							
6	TAX POLICY		(238,480)	(257,630)	(1,477,230)	(1,629,040)	(3,430,460)	(5,201,100)
7	LESS PROPERTY TAX REFUNDS, AIDS, & CREDITS		2,135,173	243,391	167,727	(29,956)	139	14,918
8	<b>SUBTOTAL: GENERAL FUND CHANGE ITEMS</b>		<b>(2,373,653)</b>	<b>(501,021)</b>	<b>(1,644,957)</b>	<b>(1,599,084)</b>	<b>(3,430,599)</b>	<b>(5,216,018)</b>
9								
10	<b>NON-GENERAL FUND - CHANGE ITEMS:</b>							
11	LEGACY FUNDS		(5,580)	(8,410)	(7,130)	(1,960)	(610)	(1,080)
12	ENVIRONMENTAL FUND				3,100	6,400	-	-
13	SPECIAL REVENUE FUND				290	640	-	-
14	RESTRICTED MISCELLANEOUS SPECIAL REVENUE FUND				(5)	20	-	-
15	HOUSING DEVELOPMENT FUND				-	-	-	-
16	IRON RANGE SCHOOL CONSOLIDATION FUND				-	2,775	-	2,775
17	TACONITE ENVIRONMENTAL PROTECTION FUND				-	(1,850)	-	-
18	DJJ ECONOMIC PROTECTION FUND				-	(926)	-	-
19	COUNTY ROAD & BRIDGE FUND						-	(2,775)
20	<b>SUBTOTAL: NON-GENERAL FUND CHANGE ITEMS</b>		<b>(5,580)</b>	<b>(12,155)</b>	<b>(3,745)</b>	<b>4,489</b>	<b>(610)</b>	<b>(1,240)</b>

(1) General Fund state tax revenues are based on the February 2022 Forecast

2022 Legislature - House HF 3669 -3E, Senate HF 3669-2UE, Omnibus Tax Bills (based on the February 2022 Forecast)

Note: Positive numbers = revenue gains, negative numbers = revenue reduction, bracketed numbers and are not included in the total

	EFFECTIVE	GOV	GOV	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE	SENATE	SENATE	SENATE	SENATE	SENATE	SENATE
		FY2022-23	FY2024-25	FY2022	FY2023	FY2022-23	FY2024	FY2025	FY2024-25	FY2022	FY2023	FY2022-23	FY2024	FY2025	FY2024-25
<b>NON-DEDICATED TAX REVENUE (\$ IN THOUSANDS)</b>															
1	<b>TOTAL - Non Dedicated General Fund Tax Revenue, Current Law Forecast</b>	<b>54,594,416</b>	<b>58,105,887</b>	<b>26,552,098</b>	<b>28,042,318</b>	<b>54,594,416</b>	<b>28,768,606</b>	<b>29,337,281</b>	<b>58,105,887</b>	<b>26,552,098</b>	<b>28,042,318</b>	<b>54,594,416</b>	<b>28,768,606</b>	<b>29,337,281</b>	<b>58,105,887</b>
2															
3	<b>Tax Policy -Change Items - Summary</b>														
4	Tax Policy - Change Items	(143,600)	(227,050)	-	(1,396,400)	(1,396,400)	(789,120)	(805,120)	(1,594,240)	-	(3,335,580)	(3,335,580)	(2,512,590)	(2,657,930)	(5,170,520)
5	Tax Policy - Federal Conformity - Change Items	(94,880)	(30,580)	-	(80,830)	(80,830)	(18,260)	(16,540)	(34,800)	-	(94,880)	(94,880)	(15,360)	(15,220)	(30,580)
6	<b>Total - General Fund, Tax Policy - All Change Items</b>	<b>(238,480)</b>	<b>(257,630)</b>	<b>-</b>	<b>(1,477,230)</b>	<b>(1,477,230)</b>	<b>(807,380)</b>	<b>(821,660)</b>	<b>(1,629,040)</b>	<b>-</b>	<b>(3,430,460)</b>	<b>(3,430,460)</b>	<b>(2,527,950)</b>	<b>(2,673,150)</b>	<b>(5,201,100)</b>
7															
16	<b>INDIVIDUAL INCOME TAX</b>														
23	<b>Change Items - Federal Conformity</b>														
24	*FCAA: Expansion of Section 529 Plans	Retro, TY 19 (530)	(320)	-	(530)	(530)	(160)	(160)	(320)	-	(530)	(530)	(160)	(160)	(320)
25	*CARES: Increase Limitation, Charitable Deduction Limit - Food Inventory to 25%	TY 20 only (190)	50	-	(190)	(190)	40	10	50	-	(190)	(190)	40	10	50
26	*CARES: Exclusion of Certain Employer Student Loan Payments	TY 20 only		-	(5,000)	(5,000)									
27	*CAA: Exclusion, Discharge of Indebtedness, Qual. Principle Residence (Full Retro.	TY 21-25 (2,800)	(3,200)	-	(2,800)	(2,800)	(1,600)	(1,600)	(3,200)	-	(2,800)	(2,800)	(1,600)	(1,600)	(3,200)
28	*CAA: Exclusion of Benefits for Volunteer Firefighters & Emergency Medical	TY 21 only (590)	(800)	-	(590)	(590)	(400)	(400)	(800)	-	(590)	(590)	(400)	(400)	(800)
29	*CAA: Exclusion of Certain Employer Student Loan Payments	TY 21-25 (13,900)	(14,700)	-	-	-	-	-	-	-	(13,900)	(13,900)	(7,300)	(7,400)	(14,700)
30	*CAA: Exclusion of Certain Employer Student Loan Payments	TY 21-25		-	(14,300)	(14,300)	(7,300)	(7,400)	(14,700)						
31	*CAA: Partial Above the Line Deduction of Charitable Contributions	TY 21 only (13,900)	-	-	-	-	-	-	-	-	(13,900)	(13,900)	-	-	-
32	*CAA: Increase Limitation, Charitable Contributions Deductions, 60% to 100% FAGI	TY 21 only (6,500)	3,900	-	-	-	-	-	-	-	(6,500)	(6,500)	2,700	1,200	3,900
33	*CAA: Special disaster-related rules for use of retirement funds (Full Retroactive Conformity)	TY 21 only (10)	10	-	(10)	(10)	10	-	10	-	(10)	(10)	10	-	10
34	*CAA: Temporary increase in limitation on qualified contributions	TY 21-22 (900)	(800)	-	(900)	(900)	(400)	(400)	(800)	-	(900)	(900)	(400)	(400)	(800)
35	*CAA: Exclusion of SBA Loan Assistance	TY 21 (2,700)	(400)	-	-	-	-	-	-	-	(2,700)	(2,700)	(300)	(100)	(400)
36	*CAA: Exclusion of SBA Loan Assistance (Full Retroactive Conformity)	TY 21		-	(2,800)	(2,800)	(300)	(100)	(400)						
37	*CAA: Exclusion of Shuttered Venue Grants	TY 21 (2,300)	(600)	-	-	-	-	-	-	-	(2,300)	(2,300)	(400)	(200)	(600)
38	*CAA: Exclusion of Shuttered Venue Grants (Full Retroactive Conformity)	TY 21		-	(2,400)	(2,400)	(400)	(200)	(600)						
39	*CAA: Accelerated Depreciation for Business Property on Indian Reservation	TY21 (80)	(10)	-	(80)	(80)	(10)	(Negli.)	(10)	-	(80)	(80)	(10)	(Negli.)	(10)
40	*CAA: Depreciation of Certain Residential Rental Property over 30 years	Retro, TY18 (8,200)	(2,000)	-	(8,200)	(8,200)	(1,100)	(900)	(2,000)	-	(8,200)	(8,200)	(1,100)	(900)	(2,000)
41	*CAA: Special Expensing Rules for Certain Film, Television and Live Theatrical	TY 21-25 (3,300)	(1,200)	-	(3,300)	(3,300)	(600)	(600)	(1,200)	-	(3,300)	(3,300)	(600)	(600)	(1,200)
42	*CAA: Energy-Efficient Commercial Building Deduction	TY 21 (410)	(400)	-	(410)	(410)	(200)	(200)	(400)	-	(410)	(410)	(200)	(200)	(400)
43	*CAA: Special Rule for the Production Period for Beer, Wine and Distilled Spirits	TY 21 (120)	(80)	-	(120)	(120)	(40)	(40)	(80)	-	(120)	(120)	(40)	(40)	(80)
44	*ARPA: Employer-Provided Dependent Care Assistance, Exclusion Increased	TY 21 only (760)	-	-	(760)	(760)	-	-	-	-	(760)	(760)	-	-	-
45	*ARPA: Discharged Student Loans, Exclusion Provided (Fully Retroactive	TY 21-25 (200)	(200)	-	(200)	(200)	(100)	(100)	(200)	-	(200)	(200)	(100)	(100)	(200)
46	*ARPA: Increase maximum unearned income for Working Family Credit	TY 21 (900)	(1,000)	-	(900)	(900)	(500)	(500)	(1,000)	-	(900)	(900)	(500)	(500)	(1,000)
47	*ARPA: Exclusion of EIDL Loan Advances	TY 21 only (5,800)	(900)	-	-	-	-	-	-	-	(5,800)	(5,800)	(600)	(300)	(900)
48	*ARPA: Exclusion of EIDL Loan Advances (Full Retroactive Conformity)	TY 21 only		-	(6,300)	(6,300)	(600)	(300)	(900)						
49	*ARPA: Exclusion of Restaurant Revitalization Grants	TY 21 only (4,200)	(600)	-	-	-	-	-	-	-	(4,200)	(4,200)	(400)	(200)	(600)
50	*ARPA: Exclusion of Restaurant Revitalization Grants (Full Retroactive Conformity)	TY 21 only		-	(4,400)	(4,400)	(400)	(200)	(600)						
51	*IJA: Private Activity Bonds for Qualified Broadband Projects	TY22 (80)	(460)	-	(80)	(80)	(170)	(290)	(460)	-	(80)	(80)	(170)	(290)	(460)
52	*IJA: Tax Exempt Bonds for Qualified Carbon Dioxide Capture Facilities	TY22 (20)	(60)	-	(20)	(20)	(20)	(40)	(60)	-	(20)	(20)	(20)	(40)	(60)
53															
54	<b>Subtotal - Change Items - Incom Tax, Federal Conformity</b>	<b>(68,390)</b>	<b>(23,770)</b>	<b>-</b>	<b>(54,290)</b>	<b>(54,290)</b>	<b>(14,250)</b>	<b>(13,420)</b>	<b>(27,670)</b>	<b>-</b>	<b>(68,390)</b>	<b>(68,390)</b>	<b>(11,550)</b>	<b>(12,220)</b>	<b>(23,770)</b>

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	EFFECTIVE	GOV	GOV	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE	SENATE	SENATE	SENATE	SENATE	SENATE	SENATE
		FY2022-23	FY2024-25	FY2022	FY2023	FY2022-23	FY2024	FY2025	FY2024-25	FY2022	FY2023	FY2022-23	FY2024	FY2025	FY2024-25
<b>NON-DEDICATED TAX REVENUE (\$ IN THOUSANDS)</b>															
<b>Change Items</b>		-	-												
Renters Income Tax Credit to Replace Renters Credit (Refundable)	TY 2022			-	(372,600)	(372,600)	(378,200)	(386,100)	(764,300)						
Repeal of Renter Property Tax Credit ( See Property Tax Expenditure Section) ^^	Pay 2023			-	-	-	[231,600]	[234,700]	[466,300]						
Student Loan Tax Credit: Credit Size Modified and Made Refundable	TY 22-28			-	(32,000)	(32,000)	(32,600)	(33,300)	(65,900)						
Beginning Farmer Tax Management and Incentive Credits: Eligibility Modified	TY 2022			-	(3,700)	(3,700)	(4,000)	-	(4,000)						
Stillborn Tax Credit Modifications	Retro TY 16			Negli.	Negli.	Negli.	Negli.	Negli.	Negli.						
K-12 Education Tax Credit: Phaseout \$70,000 FAGI and Indexed	TY 2022	(13,300)	(28,200)	-	(13,300)	(13,300)	(14,000)	(14,200)	(28,200)						
<i>K-12 Education Tax Credit Interaction: K-12 Subtraction</i>		1,100	2,200	-	1,100	1,100	1,100	1,100	2,200						
Child & Depend. Care Tax Credit: Increase Tax Credit by 30 percent	TY22 -23 only	(8,200)	(8,400)	-	-	-	-	-	-						
Child & Depend. Care Tax Credit: Increase Increase Phaseout Threshold & Index	TY 2022	(5,700)	(12,200)	-	-	-	-	-	-						
Child & Depend. Care Tax Credit: Interactions with Tax Credit and Phaseout		(1,600)	(1,700)	-	-	-	-	-	-						
Child & Depend. Care Tax Credit: Expand Eligibility for Newborn Tax Credit	TY 2022	(1,400)	(2,800)	-	-	-	-	-	-						
Child & Depend. Care Tax Credit: Interactions with Newborn Tax Credit Expansion		(1,000)	(1,400)	-	-	-	-	-	-						
Child & Dependent Care Tax Credit: Increased Credit, Income Phaseout & Other Changes	TY 22-28			-	(196,600)	(196,600)	(202,300)	(204,100)	(406,400)						
<i>Child &amp; Dependent Care Tax Credit Interaction: Addition- Dependent Care Expenses</i>				-	14,300	14,300	14,700	14,800	29,500						
Rebate Credit, Children under Age 17, \$140,000 FAGI Phaseout (Refundable)	only			-	(308,000)	(308,000)	-	-	-						
Polar Vortex Response Tax Credit (Refundable)	TY20 21 only			-	(14,700)	(14,700)	-	-	-						
<i>Polar Vortex Response Tax Credit Interaction: Addition for Deducted Excess Energy Costs</i>				-	300	300	-	-	-						
Working Family Tax Credit: Expand Eligibility to Include ITIN Taxpayers	TY 2022	(9,800)	(20,800)	-	(9,800)	(9,800)	(10,400)	(10,400)	(20,800)						
Small Business Investment (Angel) Tax Credit: Allocation Increase, Sunset Extended	TY 22-30	(7,000)	(10,000)	-	-	-	-	-	-						
Small Business Investment (Angel) Tax Credit: Allocation Increase	TY 22 only			-	(7,000)	(7,000)	-	-	-	-	(7,000)	(7,000)	-	-	-
Credit for Taxes Paid to Another State, Disregarded LLCs	TY 2022			-	-	-	-	-	-						
Film Production Tax Credit, Modifies the Minimum Expense for Eligibility	TY 2022			-	-	-	-	-	-						
Pass-Through Entity (PTE), Various Modifications	Retro TY 2021			(Unknown)	(Unknown)	(Unknown)	(Unknown)	(Unknown)	(Unknown)	(Unknown)	(Unknown)	(Unknown)	(Unknown)	(Unknown)	(Unknown)
Unemployment Insurance Subtraction, \$10,200 Max. Subtraction, \$150,000 FAGI Phaseout	TY2021 only			-	(160,900)	(160,900)	-	-	-						
Social Security Subtraction, Modified Subtraction and Phaseout	TY 2022			-	(114,200)	(114,200)	(127,500)	(134,900)	(262,400)						
Covid Business Assistance Aid, Subtraction	Retro TY 2020			-	(11,500)	(11,500)	-	-	-						
Military Pension Subtraction, Eligibility Expanded	Retro TY 2021			-	(1,300)	(1,300)	(700)	(700)	(1,400)						
Emergency Assistance Post-Secondary Grants, Subtraction	TY 2022			-	(10)	(10)	(10)	(10)	(20)						
Workforce Grant Payment, Subtraction	TY 2022			-	-	-	-	-	-						
Reduce 1st Bracket Rate to 2.8% (from 5.35%)	TY22									-	(2,822,100)	(2,822,100)	(1,951,400)	(2,028,500)	(3,979,900)
<i>Interaction: Rate Reduction &amp; Other Income Tax Base Modifications</i>	TY22									-	47,530	47,530	50,630	54,130	104,760
100% Subtraction of Social Security Income	TY22									-	(509,600)	(509,600)	(547,300)	(578,600)	(1,125,900)
Child & Dependent Care Credit: Increase Phaseout Threshold to \$70,000	TY22									-	(5,700)	(5,700)	(6,100)	(6,100)	(12,200)
K12 Credit: FAGI Basis; Phaseout Threshold to \$50,000; Indexed TY23	TY22									-	(6,100)	(6,100)	(6,400)	(6,600)	(13,000)
K12 Subtraction: Amounts increased by 100%; Indexed TY23	TY22									-	(5,900)	(5,900)	(6,300)	(6,400)	(12,700)
Establish Credit for Preceptors	TY23-25									-	-	-	(3,300)	(3,300)	(6,600)
Establish Subtraction for Eligible Public Safety Pension Income <sup>1</sup>	TY23									-	-	-	(700)	(1,500)	(2,200)
Establish Subtraction for Nuclear Decommissioning Trust Fund Income <sup>2</sup>	TY25									-	-	-	-	(1,200)	(1,200)
Establish Credit for Eligible Parental Leave Expenditures	TY24-26									-	-	-	-	(12,700)	(12,700)
R&D Credit: Increase 2nd Tier Rate to 4.25% (from 4%)	TY22									-	(1,200)	(1,200)	(900)	(1,000)	(1,900)

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	EFFECTIVE	GOV	GOV	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE	SENATE	SENATE	SENATE	SENATE	SENATE	SENATE
		FY2022-23	FY2024-25	FY2022	FY2023	FY2022-23	FY2024	FY2025	FY2024-25	FY2022	FY2023	FY2022-23	FY2024	FY2025	FY2024-25
<b>NON-DEDICATED TAX REVENUE (\$ IN THOUSANDS)</b>															
99 Establish Credit for New Markets <sup>3</sup>	TY23									-	-	-	-	(3,000)	(3,000)
100 Repeal Addition of 529 Plan Amounts Used for Private School Tuition (TCJA Conformity)	TY22									-	(100)	(100)	(100)	(100)	(200)
101															
102 Interaction with Property Taxes: Public Safety Aid			940												
103 Interaction with Property Taxes: Local Government Aid							350	350	700						
104 Interaction with Property Taxes: County Program Aid							130	130	260						
105 Interaction with Property Taxes: School LOR Levy							690	850	1,540						
106 Interaction with Property Taxes: School Building Bond Agricultural Aid, 85%							-	580	580						
107 Interaction with Property Taxes: School District LTFM Levy							(10)	(10)	(20)						
108 Interaction with Property Taxes: Payment-in-Lieu of Taxes (PILT)							90	100	190						
109 Interaction with Property Taxes: Local Affordable Housing Aid							340	370	710						
110 Interaction with Property Taxes: Ely School Bond Debt Service							(10)	(10)	(20)						
111 Interaction with Property Taxes: Local Homeless Prevention Aid for tribal governments							(20)	(20)	(40)						
112 Interaction: State General Levy Reduction										-	-	-	280	280	560
113 Interaction: Riparian Buffer Credit										-	-	-	-	300	300
114 Interaction: Electric Generation Transition Aid to Local Governments										-	-	-	-	60	60
115 Interaction: Mille Lacs Reimbursement for Lost Revenue										-	-	-	Negl.	Negl.	Negl.
116 Interaction: Class 4d Modifications										-	-	-	-	10	10
119															
120 <b>Subtotal - Other Income Tax Change Items</b>		(46,900)	(82,360)	-	(1,229,910)	(1,229,910)	(752,350)	(765,470)	(1,517,820)	-	(3,310,170)	(3,310,170)	(2,471,590)	(2,594,220)	(5,065,810)
121															
122															
123															
124 <b>CORPORATE FRANCHISE TAX</b>															
129															
130 <b>Change Items - Federal Conformity</b>															
131 *FCAA: Seven-Year Recovery Period for Motorsports Entertainment Complexes	TY18-20	(360)	(60)	-	(360)	(360)	(40)	(20)	(60)	-	(360)	(360)	(40)	(20)	(60)
132 *CARES: Modify Charitable Contributions Deductions Limitation, 20% of FTI	TY 20 only	(550)	270	-	-	-	-	-	-	-	(550)	(550)	170	100	270
133 *CARES: Charitable Deduction Limitation Increased for Food Inventory from 15% to 25%	TY 20 only	(90)	30	-	(90)	(90)	30	-	30	-	(90)	(90)	30	-	30
134 *CAA: Exclusion of SBA Loan Assistance	TY 21	(2,500)	(200)	-	-	-	-	-	-	-	(2,500)	(2,500)	(100)	(100)	(200)
135 *CAA: Exclusion of SBA Loan Assistance (Full Retroactive Conformity)	TY 21			-	(2,600)	(2,600)	(100)	(100)	(200)						
136 *CAA: Exclusion of Shuttered Venue Grants	TY 21	(2,300)	(600)	-	-	-	-	-	-	-	(2,300)	(2,300)	(400)	(200)	(600)
137 *CAA: Exclusion of Shuttered Venue Grants (Full Retroactive Conformity)	TY 21			-	(2,400)	(2,400)	(400)	(200)	(600)						
138 *CAA: Seven-Year Recovery Period for Motorsports Entertainment Complexes	TY 21-25	(190)	(210)	-	(190)	(190)	(100)	(110)	(210)	-	(190)	(190)	(100)	(110)	(210)
139 *CAA: Accelerated Depreciation for Business Property on Indian Reservation	TY 21	(60)	(10)	-	(60)	(60)	(10)	-	(10)	-	(60)	(60)	(10)	-	(10)
140 *CAA: Depreciation of Certain Residential Rental Property over 30 years	Retro TY18	(4,100)	(900)	-	(4,100)	(4,100)	(500)	(400)	(900)	-	(4,100)	(4,100)	(500)	(400)	(900)
141 *CAA: Special Expensing Rules- Certain Film, Television and Live Theatrical Productions	TY 21-25	(3,800)	(1,400)	-	(3,800)	(3,800)	(700)	(700)	(1,400)	-	(3,800)	(3,800)	(700)	(700)	(1,400)
142 *CAA: Energy-Efficient Commercial Building Deduction	TY 21	(660)	(640)	-	(660)	(660)	(320)	(320)	(640)	-	(660)	(660)	(320)	(320)	(640)
143 *CAA: Special Rule for the Production Period for Beer, Wine and Distilled Spirits	TY 21	(180)	(140)	-	(180)	(180)	(70)	(70)	(140)	-	(180)	(180)	(70)	(70)	(140)
144 *CAA: Special Disaster-Related Rules - Qualified Disaster-Related Personal Casualty L	TY 21-22	(100)	50	-	-	-	-	-	-	-	(100)	(100)	30	20	50
145 *ARPA: Exclusion of EIDL Loan Advances	TY 21 only	(5,800)	(900)	-	-	-	-	-	-	-	(5,800)	(5,800)	(600)	(300)	(900)
146 *ARPA: Exclusion of EIDL Loan Advances (Full Retroactive Conformity)	TY 21 only			-	(6,100)	(6,100)	(600)	(300)	(900)						
147 *ARPA: Exclusion of Restaurant Revitalization Grants	TY 21 only	(4,100)	(600)	-	-	-	-	-	-	-	(4,100)	(4,100)	(400)	(200)	(600)
148 *ARPA: Exclusion of Restaurant Revitalization Grants (Full Retroactive Conformity)	TY 21 only			-	(4,300)	(4,300)	(400)	(200)	(600)						
149 *ARPA: Worldwide Interest Allocation Rules, Repeal	TY21	Unknown	Unknown	-	Unknown	Unknown	Unknown	Unknown	Unknown	-	Unknown	Unknown	Unknown	Unknown	Unknown
150 *IIJA: Tax Treatment of Contributions to the Capital of a Corporation Modified	TY21	(1,700)	(1,500)	-	(1,700)	(1,700)	(800)	(700)	(1,500)	-	(1,700)	(1,700)	(800)	(700)	(1,500)
151															
152 <b>Subtotal - Change Items - Corporate Franchise Tax, Federal Conformity</b>		(26,490)	(6,810)	-	(26,540)	(26,540)	(4,010)	(3,120)	(7,130)	-	(26,490)	(26,490)	(3,810)	(3,000)	(6,810)

2022 Legislature - House HF 3669 -3E, Senate HF 3669-2UE, Omnibus Tax Bills (based on the February 2022 Forecast)

Note: Positive numbers = revenue gains, negative numbers = revenue reduction, bracketed numbers and are not included in the total

	EFFECTIVE	GOV	GOV	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE	SENATE	SENATE	SENATE	SENATE	SENATE	SENATE	
		FY2022-23	FY2024-25	FY2022	FY2023	FY2022-23	FY2024	FY2025	FY2024-25	FY2022	FY2023	FY2022-23	FY2024	FY2025	FY2024-25	
<b>NON-DEDICATED TAX REVENUE (\$ IN THOUSANDS)</b>																
153	<b>Change Items</b>															
154	Historic Rehabilitation Tax Credit: Timing of Credit & Sunset Delayed	DFE to TY30			(31,800)	(31,800)	(14,600)	(19,700)	(34,300)							
155	Historic Structure Rehabilitation Credit: Repeal Sunset <sup>4</sup>	DFE								-	(6,700)	(6,700)	(12,600)	(19,600)	(32,200)	
156	Covid Business Assistance Aid, Subtraction	Retro TY 2020	-	-	(9,400)	(9,400)	(900)	(900)	(1,800)							
157	Establish Credit for Eligible Parental Leave Expenditures	TY24-26								-	-	-	-	(6,900)	(6,900)	
158	R&D Credit: Increase 2nd Tier Rate to 4.25% (from 4%)	TY22								-	(2,200)	(2,200)	(1,700)	(1,800)	(3,500)	
159																
160	Interaction with Property Taxes: Public Safety Aid		-	1,100												
161	Interaction with Property Taxes: Local Government Aid		-	-												
162	Interaction with Property Taxes: County Program Aid		-	-												
163	Interaction with Property Taxes: School LOR Levy		-	-												
164	Interaction with Property Taxes: School Building Bond Agricultural Aid, 85%		-	-												
165	Interaction with Property Taxes: School District LTFM Levy															
166	Interaction with Property Taxes: Payment-in-Lieu of Taxes (PILT)															
167	Interaction with Property Taxes: Local Affordable Housing Aid															
168	Interaction with Property Taxes: Ely School Bond Debt Service		-	-												
169																
170	<b>Subtotal - Other Corporate Franchise Tax, Change Items</b>		-	1,100	-	(41,200)	(41,200)	(15,500)	(20,600)	(36,100)	-	(8,900)	(8,900)	(14,300)	(28,300)	(42,600)
171																
172																
173	<b>SALES AND USE TAXES</b>															
174	<b>Change Items</b>															
175	Exemption by Refund, Construction Mats. Purchased by a Contractor, Local Govts & Nonprofit	7/1/21	(96,700)	(145,790)												
176	Exemption by Refund, Construction Mats. Purchased by a Contractor, Local Govts & Nonprofit	7/1/21 - 12/31/22			-	(95,500)	(95,500)									
177	Construction Exemption, Duluth - I.S.D. 709	various			-	(240)	(240)	(250)				(250)				
178	Construction Exemption, Ely - I.S.D. 696	various			-	(320)	(320)									
179	Construction Exemption, Various School Building Projects	various			-	(1,400)	(1,400)	(3,180)	(1,320)	(4,500)						
180	Construction Exemption, Itasca County Courts & Courthouses	various			-	-	-	(250)	(250)	(500)						
181	Construction Exemption, North Metro Regional Public Safety Training Facility - Maple Grove	various			-	(290)	(290)				-	(290)	(290)			
182	Construction Exemption, City of Wayzata, Various Projects	various	-		-	-	-	(520)	-	(520)						
183	Capital Equipment Exemption, Expansion to Restaurant Food Service	7/1/2022			-	(7,700)	(7,700)	(8,600)	(8,800)	(17,400)						
184	Exemption Expanded, Fiber & Conduit by Internet/Broadband Service Providers	7/1/2017			-	(13,150)	(13,150)	(2,900)	(3,050)	(5,950)						
185	Exemption for Sole Member of Disregarded LLC and the Disregarded LLCs	7/1/2022			-	(660)	(660)	(710)	(760)	(1,470)						
186	Exemption, Expanded Agricultural Fencing	Retro 7/1/21			-	(2,580)	(2,580)	(1,310)	(1,320)	(2,630)						
187	Exemption, National Sports Center- Blaine, Amateur Sports Comm	7/1/2022			-	(290)	(290)	(320)	(320)	(640)						
188	Exemption, Pre-sales by Agricultural Societies	DFE			(Negli.)	(30)	(30)	(30)	(30)	(60)						
189	Exemption Extended, MN State High School League To Tax Year 2030	DFE			-	-	-	-	-	-						
190	Construction Exemption Extended, City of Mazeppa - Properties Destroyed by Fire	Retro 3/11/18			-	(20)	(20)									
191	Establish Exemption for Suite License Food & Beverages, Amenities Included w/ Admi	7/1/2023									-	-	-	(1,170)	(1,190)	(2,360)
192	Expand Farm Machinery Exemption to Include Agricultural Fencing	Retro 7/1/21									-	(3,430)	(3,430)	(1,740)	(1,760)	(3,500)
193	Establish Exemption for Nonprofit Animal Shelters	7/1/2022									-	(1,560)	(1,560)	(1,700)	(1,700)	(3,400)
194	Exempt Polar Vortex-related Natural Gas Charges	Retro 9/1/21									-	(5,180)	(5,180)	(2,380)	(2,380)	(4,760)
195	Exemption for Construction Materials by School Districts <sup>5</sup>	7/1/2024									-	-	-	-	(4,570)	(4,570)
196																
197																
198	<b>Subtotal - Sales &amp; Use Tax, Change Items</b>		(96,700)	(145,790)	-	(122,180)	(122,180)	(18,070)	(15,850)	(33,920)	-	(10,460)	(10,460)	(6,990)	(11,600)	(18,590)

Omnibus Tax Bill - Joint House/Senate Fiscal Tracking

2022 Legislature - House HF 3669 -3E, Senate HF 3669-2UE, Omnibus Tax Bills (based on the February 2022 Forecast)

Note: Positive numbers = revenue gains, negative numbers = revenue reduction, bracketed numbers and are not included in the total

	EFFECTIVE	GOV	GOV	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE	SENATE	SENATE	SENATE	SENATE	SENATE	SENATE
		FY2022-23	FY2024-25	FY2022	FY2023	FY2022-23	FY2024	FY2025	FY2024-25	FY2022	FY2023	FY2022-23	FY2024	FY2025	FY2024-25	
<b>NON-DEDICATED TAX REVENUE (\$ IN THOUSANDS)</b>																
<b>ESTATE TAX</b>																
<i>Change Items</i>																
Special Ag Homestead Market Value Credit	various	-	-	-	-	-	(Unknown)	(Unknown)	(Unknown)	-	(1,100)	(1,100)	(3,600)	(6,800)	(10,400)	
Spousal Exclusion Portability	FY23															
<b>Subtotal - Estate Taxes, Change Items</b>		-	-	-	-	-	(Unknown)	(Unknown)	(Unknown)	-	(1,100)	(1,100)	(3,600)	(6,800)	(10,400)	
<b>STATEWIDE PROPERTY TAX (STATE GENERAL LEVY)</b>																
<i>Change Items</i>																
Indian Tribe Owned Property - State General Levy refund	Pay 2022	-	-	-	(10)	(10)	-	-	-	-	(10)	(10)	-	-	-	
Proportional Reduction to CI/SRR LevY (& 10-yr. Phaseout) <sup>6</sup>	Various	-	-	-	-	-	-	-	-	-	(4,940)	(4,940)	(9,310)	(9,310)	(18,620)	
<b>Subtotal - Statewide Property Tax, Change Items</b>		-	-	-	(10)	(10)	-	-	-	-	(4,950)	(4,950)	(9,310)	(9,310)	(18,620)	
<b>LAWFUL GAMBLING TAXES</b>																
<i>Change Items</i>																
Modify Combined Net Receipts 1st Bracket and 1st Rate	FY24												(6,800)	(7,700)	(14,500)	
<b>Subtotal - Lawful Gambling Taxes, Change Items</b>		-	-	-	-	-	-	-	-	-	-	-	(6,800)	(7,700)	(14,500)	
<b>OTHER TAX REVENUE</b>																
<i>Change Items</i>																
Solid Waste Management - % Reallocation Change, Environmental Fund to Gen. Fund	DFE						(3,100)	(3,100)	(3,200)	(3,200)	(6,400)					
Repeal June Acceleration Requirement, Budget Reserve (see appendix A)	7/1/2022															
<b>Subtotal - Other Tax Revenue, Change Items</b>		-	-	-	(3,100)	(3,100)	(3,200)	(3,200)	(6,400)							

\*Federal Conformity Act Acronyms:

- FCAA: Further Consolidated Appropriations Act (Public law 11-94)
- CARES: Coronavirus, Aid, Relief and Security Act (Public Law 116-127)
- CAA: Consolidated Appropriations Act (Public Law 116-260)
- ARPA: American Rescue Plan (Public Law 117-2)
- IJA: Infrastructure, Investment and Jobs Act (Public Law - 117-58)

Commonly used spreadsheet acronyms:

- "Negli." denotes negligible cost/savings of plus or minus \$5,000
- "Feb-22" denotes current law estimates based on MMB's February 2022 Forecast
- ^^ The estimates in brackets "[ ]" are not included in the total.
- "DFE" denotes a provision is effective day following enactment

FOOTNOTES

- <sup>1</sup> According to analysis by the Department of Revenue (DOR), "The fiscal impact of this subtraction grows linearly over time as the number of retirees who attained age 55 before December 31, 2022 makes up a larger share of annuitants. If the birth year restriction were not in place for tax year 2023, the fiscal impact would be about \$21,300,000."
- <sup>2</sup> The full effects of this provision occur in FY 26 (-\$4.1 million) and will be ongoing.
- <sup>3</sup> The full effect of the credit is -\$10 million annually, starting in FY26. The total amount of tax credits would equal \$100 million for all years through tax year 2030.
- <sup>4</sup> Due to the credit's five-year expensing schedule, FY 28 is the first fiscal year where the full revenue effect occurs (approx. -\$35 million).
- <sup>5</sup> The full effect of this provision is first realized in FY26 (-\$10 million).
- <sup>6</sup> This provision phases out the state general levy over 10 years, beginning in TY26. The full effect of this proposal in FY 36 is a General Fund revenue reduction of -\$749.4 million.

**2022 Legislature - House HF 3669 -3E, Senate HF 3669-2UE, Omnibus Tax Bills**

5/15/2022

**Changes to General Fund Tax Aids, Credits & Refunds - 2022 February Forecast**

Dollars in Thousands

Note: Positive numbers are program expenditures/revenue losses, negative numbers are cost savings/revenue gains.

Change Item Description	Effective Date	GOV	GOV	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE	SENATE	SENATE	SENATE	SENATE	SENATE
		FY2022-23	FY2024-25	FY2023	FY2022-23	FY2024	FY2025	FY2024-25	FY2023	FY2022-23	FY2024	FY2025	FY2024-25
<b>GENERAL FUND SUMMARY</b>													
1 Property Tax Aids, Credits and Refunds													
2 February 2022 forecast		4,153,638	4,342,803	2,078,513	4,153,638	2,151,796	2,191,007	4,342,803	2,078,513	4,153,638	2,151,796	2,191,007	4,342,803
3 <b>HF 3669 OTB -Total Proposed GF Changes</b>		<b>2,135,173</b>	<b>243,391</b>	<b>167,727</b>	<b>167,727</b>	<b>(33,168)</b>	<b>3,212</b>	<b>(29,956)</b>	<b>139</b>	<b>139</b>	<b>2,224</b>	<b>12,694</b>	<b>14,918</b>
4 Property Tax Aids, Credits and Refunds - February 2022 + HF 3669 OTB Chgs		6,288,811	4,586,194	2,246,240	4,321,365	2,118,628	2,194,219	4,312,847	2,078,652	4,153,777	2,154,020	2,203,701	4,357,721
<b>PROPERTY TAX REFUNDS</b>													
<b>Homestead Credit State Refund (HCSR) PTR changes</b>													
8 Homeowner PTR - Incrs max refund \$200, reduce thrshds 0.1% incm \$21.8K-\$32.8K, reduce copays 5% incm \$33K-\$77K	2022 Rfds/ Pay 2023			0	0	35,200	36,800	72,000					
9 Expand Homestead to Indiv taxpayer ID number (ITIN)	App filed 2022	0	3,600	0	0	1,800	1,800	3,600					
11 Manufactured home park classification modified. PTR interaction	Pay 2024			0	0	0	270	270					
12 Homestead Market Value Exclusion changes \$80,300 thrshld, max exclusion \$32,120, max mkt value \$437,100 PTR interaction	Assmt 2023			0	0	0	(1,610)	(1,610)					
13 Homestead Market Value Exclusion changes \$95K thrshld, max exclusion \$38K, max mkt value \$517,200 PTR interaction	Assmt 2023								0	0	0	(7,330)	(7,330)
15 Affordable Hsg Market Value Exclusion changes PTR interaction <sup>7</sup>	Assmt 2023								0	0	0	0	0
16 Community land trust property class 4d(2) rate @ 0.75% - PTR	Pay 2023			0	0	(180)	(180)	(360)					
18 Senior citizens' property tax deferral requirements: incrs HH incm to \$75K - PTR	Pay 2023	0	180										
19 Senior citizens' property tax deferral requirements: lower occupancy req to 5 yr, incrs HH incm to \$96K - PTR	Pay 2023			0	0	270	660	930					
20 Senior citizens' property tax deferral requirements: lower occupancy req to 5 yr, incrs HH incm to \$75K - PTR	Pay 2023								0	0	180	450	630
21 Elderly living facilities exempted from taxation - PTR	Assmt 2023			0	0	0	10	10					
23 Energy storage system exemption established - PTR	Assmt 2022			0	0	20	20	40					
24 Energy storage system exemption established - PTR	Assmt 2023										0	20	20
25 Cooperative utility distribution line chg - PTR	Assmt 2023			0	0	0	520	520					

**2022 Legislature - House HF 3669 -3E, Senate HF 3669-2UE, Omnibus Tax Bills**

5/15/2022

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Dollars in Thousands

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Change Item Description	Effective Date	GOV	GOV	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE	SENATE	SENATE	SENATE	SENATE	SENATE
		FY2022-23	FY2024-25	FY2023	FY2022-23	FY2024	FY2025	FY2024-25	FY2023	FY2022-23	FY2024	FY2025	FY2024-25
26 Cooperative utility distribution line chg - PTR	Assmt 2023										0	20	20
27 Electric Generation Transition Aid to Local Gov'ts - PTR	Pay 2024											(160)	(160)
28 Solar energy production tax exemption created - PTR	DFE			0	0	30	30	60					
29 Solar generating system real property class clarified - PTR	Pay 2023			0	0	(Negligible)	(Negligible)	(Negligible)					
30													
31 School District levy - Long-term Facilities Revenue - PTR	FY 2024			0	0	20	20	40					
32 Ely School Bond debt service - PTR	Local appl + file			0	0	30	30	60					
33													
34 Ag homestead property 1st tier valuation modification	Assmt 2023								0	0	0	360	360
35 Special Ag Hmstd- qualifying relatives expanded PTR	App filed 2022/ Pay 2023			0	0	Unknown	Unknown	Unknown					
36 Class 2a land ag product def include hemp - PTR	Assmt 2023			0	0	0	30	30					
37 Ag Product Definition - Include hemp PTR interaction	Assmt 2023	0	30										
38													
39 Class 1c (Ma Pa Resorts) class tier modifications	Pay 2023										10	10	20
40 Disabled veterans' homestead market value exclusion application deadline extended for qualifying spouses PTR	Assmt 2022			0	0	(Negligible)	(Negligible)	(Negligible)		0	(Negligible)	(Negligible)	(Negligible)
41 Airport property - exempt "manufacture" of aircraft - PTR	Pay 2023			0	0	20	20	40	0	0	20	20	40
42 Indian tribe-owned property extnd p tax exmptn - PTR	Pay 2022			0	0	Negligible	Negligible	Negligible		0	Negligible	Negligible	Negligible
43 <b>Other HCSR Aid/Credit change related PTR interactions</b>													
44 PTR interaction - Public Safety Aid approp		0	(5,220)										
45 PTR interaction - LGA approp increase	Pay 2023			0	0	(900)	(900)	(1,800)					
46 PTR interaction - CPA approp increase	Pay 2023			0	0	(340)	(340)	(680)					
47 PTR interaction - PILT valuation increase	Pay 2023			0	0	(240)	(260)	(500)					
48 PTR interaction - Local Affordable Hsg Aid	Pay 2023			0	0	(870)	(950)	(1,820)					
49 PTR interaction - School Equalization LOR levy/aid	FY 2024			0	0	(3,320)	(4,080)	(7,400)					
50 PTR interaction - Increase SBB Ag Credit 85%	Pay 2024			0	0	0	680	680					
51 PTR interaction -Earmark \$2.2M of Local Homeless Prevention Aid for tribal governments	Pay 2023/ FY 2024			0	0	60	60	120					
52 PTR interaction - Mille Lacs Reimbursement Aid	DFE										(Negligible)	(Negligible)	(Negligible)
53 PTR interaction - Class 4d modifications	Pay 2024-25										0	2,920	2,920
54 <b>Subtotal - Homestead Credit State Refund PTR changes</b>		<b>0</b>	<b>(1,410)</b>	<b>0</b>	<b>0</b>	<b>31,600</b>	<b>32,630</b>	<b>64,230</b>	<b>0</b>	<b>0</b>	<b>210</b>	<b>(3,690)</b>	<b>(3,480)</b>



**2022 Legislature - House HF 3669 -3E, Senate HF 3669-2UE, Omnibus Tax Bills**

5/15/2022

**Changes to General Fund Tax Aids, Credits & Refunds - 2022 February Forecast**

Dollars in Thousands

*Note: Positive numbers are program expenditures/revenue losses, negative numbers are cost savings/revenue gains.*

Change Item Description	Effective Date	GOV	GOV	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE	SENATE	SENATE	SENATE	SENATE	SENATE
		FY2022-23	FY2024-25	FY2023	FY2022-23	FY2024	FY2025	FY2024-25	FY2023	FY2022-23	FY2024	FY2025	FY2024-25
<b>55 Renter / Targeting Property Tax Refund changes</b>													
56 Renters Credit - Convert to Income Tax Credit													
57 Repeal Renter PTR, sunset rent paid 2022, taxes filed in 2023	Rnt Pd 2022			0	0	(231,600)	(234,700)	(466,300)					
58 Special (Targeting) PTR -Thrsd to 10%, max rfnd to \$2,000	2022 Rfnds / Pay 2023			0	0	1,900	2,000	3,900	0	0	1,900	2,000	3,900
59 <b>Subtotal - Renter / Targeting PTR changes</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(229,700)</b>	<b>(232,700)</b>	<b>(462,400)</b>	<b>0</b>	<b>0</b>	<b>1,900</b>	<b>2,000</b>	<b>3,900</b>
<b>61 AIDS AND CREDITS</b>													
<b>62 Local Aid changes</b>													
63 Local Government Aid formula chg/approp increase	Pay 2023			0	0	34,220	34,220	68,440					
64 City of Echo 2021 LGA penalty forgiveness (\$46,060)	DFE			0	0	0	0	0	0	0	0	0	0
65 City of Morton 2021 LGA penalty forgiveness (\$79,476)	DFE			0	0	0	0	0	0	0	0	0	0
66 City of Roosevelt 2019 LGA penalty forgiveness (\$25,410)	DFE								25	25	0	0	0
67 City of Bena 2021 LGA penalty forgiveness (\$43,774)	DFE												
68 City of Boy River 2021 LGA penalty forgiveness (\$19,578)	DFE												
69													
70 City of Mahanomen Property Tax Reimbursement Aid incrs	Pay 2023	0	0	0	0	160	160	320					
71 Mille Lacs Reimbursement Aid	DFE								114	114	114	114	228
72													
73 County Program Aid appropriation increase	Pay 2023	0	0	0	0	13,000	13,000	26,000					
74													
75 County grants - Community Career Workforce Academies	FY 2023 only	0	0	40,000	40,000	0	0	0					
76 County Pandemic Business Aid / report	FY 2023 only	0	0	50,000	50,000	0	0	0					
77 County Pandemic Rental Assistance / report	FY 2023 only	0	0	25,000	25,000	0	0	0					
78													
79 Establish Local Affordable Housing Aid program	Pay 2023												
80 LAHA to Counties		0	0	0	0	25,600	28,000	53,600					
81 LAHA to Cities with population of at least 10,000		0	0	0	0	7,400	8,000	15,400					
82 LAHA to MHFA - Local Affordable Housing grants		0	0	0	0	4,000	4,000	8,000					
83 Subtotal Local Affordable Housing Aid		0	0	0	0	37,000	40,000	77,000					
84 Transition Aid to Cities - Class 4d modifications	Pay 2024-25										0	810	810
85 Electric Generation Transition Aid to Local Govts <sup>8</sup>	Pay 2024										0	5,200	5,200
86													
87													

**2022 Legislature - House HF 3669 -3E, Senate HF 3669-2UE, Omnibus Tax Bills**

5/15/2022

**Changes to General Fund Tax Aids, Credits & Refunds - 2022 February Forecast**

Dollars in Thousands

Note: Positive numbers are program expenditures/revenue losses, negative numbers are cost savings/revenue gains.

Change Item Description	Effective Date	GOV	GOV	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE	SENATE	SENATE	SENATE	SENATE	SENATE
		FY2022-23	FY2024-25	FY2023	FY2022-23	FY2024	FY2025	FY2024-25	FY2023	FY2022-23	FY2024	FY2025	FY2024-25
88 Stronger Community Aid Program created, replaces Performance Measurement													
89 Sunset Performance Measurement Aid	1/1/2024	0	0	0	0	0	(497)	(497)					
90 Stronger Community Aid Program	Pay 2024	0	0	0	0	0	497	497					
91													
92 Public Safety Aid to Local Governments	Pay 2022	100,000	200,000										
93 Soil and Water Conservation District Aid created	Pay 2022	22,000	44,000	22,000	22,000	22,000	22,000	44,000					
94 Increase Payments in Lieu of Taxes (PILT) valuation/report	Pay 2023	0	0	0	0	9,200	9,800	19,000					
95 School District Equalization Aid - Local Option Rev levy/aid	FY 2024	0	0	0	0	38,740	51,950	90,690					
96 <b>Subtotal - Local Aid changes</b>		<b>122,000</b>	<b>244,000</b>	<b>137,000</b>	<b>137,000</b>	<b>154,320</b>	<b>171,130</b>	<b>325,450</b>	<b>139</b>	<b>139</b>	<b>114</b>	<b>6,124</b>	<b>6,238</b>
97 <b>Property Tax Credit changes</b>													
98 Riparian Buffer Credit @ 100% rate											0	8,620	8,620
99 Ag Homestead Market Value Credit intct - Class 2a incld hemp	Assmt 2023	0	10	0	0	0	10	10					
100 Special Ag Hmstd- qualifying relatives expanded Ag MVC	Pay 2023	0	0	0	0	Unknown	Unknown	Unknown					
101 Increase School Building Bond Agricultural Credit to 85%	Pay 2024	0	0	0	0	0	21,800	21,800					
102 SBB intct Ag homestead property 1st tier valuation modfy	Assmt 2023										0	(360)	(360)
103 School Bldg Bond Ag Credit intct - LTFM chg	FY 2024	0	0	0	0	10	10	20					
104 School Bldg Bond Ag Credit intct - Ely School bond debt serv	Local appvl + file	0	0	0	0	30	30	60					
105 School Bldg Bond Ag Credit intct - Class 2a land, hemp	Assmt 2023	0	20	0	0	0	30	30					
106 School Bldg Bond Ag Credit intct - Solar engy tax exmptn	DFE	0	0	0	0	20	20	40					
107 <b>Subtotal - Property Tax Credit changes</b>		<b>0</b>	<b>30</b>	<b>0</b>	<b>0</b>	<b>60</b>	<b>21,900</b>	<b>21,960</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,260</b>	<b>8,260</b>
108 <b>Other changes</b>													
109 Housing Development Fund, Workforce & Affordable Homeownership account <sup>9</sup>	Beg 7/1/22 FYs 23-30	0	0	10,000	10,000	10,000	10,000	20,000					
110 Polar Vortex - Rebate to municipal utilities avail til Dec 31, 2022	FY 2023	0	0	20,000	20,000	0	0	0					
111 Revenue Recapture, Hospital Claims disallowed	DFE	0	0	252	252	252	252	504					
112 Free Filing Report	FY 2023	0	0	175	175	0	0	0					
113													
114 Direct Payments to Minnesotans	FY 2023	2,004,600	0										
115 Legislative Auditor admin - Review county costs child protection	FY 2023	0	0	0	0	0	0	0					

**2022 Legislature - House HF 3669 -3E, Senate HF 3669-2UE, Omnibus Tax Bills**

5/15/2022

**Changes to General Fund Tax Aids, Credits & Refunds - 2022 February Forecast**

Dollars in Thousands

*Note: Positive numbers are program expenditures/revenue losses, negative numbers are cost savings/revenue gains.*

Change Item Description	Effective Date	GOV	GOV	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE	SENATE	SENATE	SENATE	SENATE	SENATE
		FY2022-23	FY2024-25	FY2023	FY2022-23	FY2024	FY2025	FY2024-25	FY2023	FY2022-23	FY2024	FY2025	FY2024-25
116 Begin Farmer Credit - Rural Finance Authority admin	TY 2022	0	0	300	300	300	0	300					
117 Aid Payment Shift, Budget Reserve	Pay 2023												
118 Dept of Revenue administration		8,573	771										
119													
120 <b>Subtotal - Other changes</b>		<b>2,013,173</b>	<b>771</b>	<b>30,727</b>	<b>30,727</b>	<b>10,552</b>	<b>10,252</b>	<b>20,804</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
121													
122 <b>Total GF Changes, Tax Aids, Credits &amp; Refunds</b>		<b>\$2,135,173</b>	<b>\$243,391</b>	<b>\$167,727</b>	<b>\$167,727</b>	<b>(\$33,168)</b>	<b>\$3,212</b>	<b>(\$29,956)</b>	<b>\$139</b>	<b>\$139</b>	<b>\$2,224</b>	<b>\$12,694</b>	<b>\$14,918</b>
123													
124 <b>GF Summary PTAC</b>		<b>FY 2022-23</b>	<b>FY 2024-25</b>	<b>FY 2023</b>	<b>FY 2022-23</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2024-25</b>	<b>FY 2023</b>	<b>FY 2022-23</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2024-25</b>
125 <b>Subtotal - Homestead Credit State Refund PTR changes</b>		<b>0</b>	<b>(1,410)</b>	<b>0</b>	<b>0</b>	<b>31,600</b>	<b>32,630</b>	<b>64,230</b>	<b>0</b>	<b>0</b>	<b>210</b>	<b>(3,690)</b>	<b>(3,480)</b>
126 <b>Subtotal - Renter / Targeting PTR changes</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(229,700)</b>	<b>(232,700)</b>	<b>(462,400)</b>	<b>0</b>	<b>0</b>	<b>1,900</b>	<b>2,000</b>	<b>3,900</b>
127 <b>Subtotal - Local Aid changes</b>		<b>122,000</b>	<b>244,000</b>	<b>137,000</b>	<b>137,000</b>	<b>154,320</b>	<b>171,130</b>	<b>325,450</b>	<b>139</b>	<b>139</b>	<b>114</b>	<b>6,124</b>	<b>6,238</b>
128 <b>Subtotal - Property Tax Credit changes</b>		<b>0</b>	<b>30</b>	<b>0</b>	<b>0</b>	<b>60</b>	<b>21,900</b>	<b>21,960</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,260</b>	<b>8,260</b>
129 <b>Subtotal - Other changes</b>		<b>2,013,173</b>	<b>771</b>	<b>30,727</b>	<b>30,727</b>	<b>10,552</b>	<b>10,252</b>	<b>20,804</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
130 <b>TOTAL GF Changes, Property Tax Aids &amp; Credits</b>		<b>2,135,173</b>	<b>243,391</b>	<b>167,727</b>	<b>167,727</b>	<b>(33,168)</b>	<b>3,212</b>	<b>(29,956)</b>	<b>139</b>	<b>139</b>	<b>2,224</b>	<b>12,694</b>	<b>14,918</b>

**FOOTNOTES**

<sup>7</sup> The Department of Revenue (DOR) is unable to estimate the number of participating municipalities. Therefore, the amount of property tax refunds paid beginning in FY 26 is estimated as "unknown."

<sup>8</sup> Additional electric generating units are expected to be retired in future years and qualify for the aid under this formula. The effects of those retirements would occur outside of the forecast window.

<sup>9</sup> With a term of 8 years ending in FY 2030, the total value of this appropriation will be \$80 million.

2022 Legislature - HF 3669 3E, HF 3669-2UE - Non General Fund Tax Revenue - Summary of Change Items, February (Feb 2022) Forecast

Note: Positive numbers = revenue gains, negative numbers = revenue reduction, bracketed numbers and are not included in the total

	EFFECTIVE	GOV	GOV	HOUSE	HOUSE	HOUSE	HOUSE	HOUSE	SENATE	SENATE	SENATE	SENATE	SENATE
		FY2022-23	FY2024-25	FY2023	FY2022-23	FY2024	FY2025	FY2024-25	FY2023	FY2022-23	FY2024	FY2025	FY2024-25
<b>1 Total Non General Fund</b>		(5,580)	(8,410)	(13,740)	(13,740)	(7,541)	(7,380)	(14,921)	(610)	(610)	515	1,180	1,695
<b>2 Total - Legacy Funds:</b>		(5,580)	(8,410)	(7,130)	(7,130)	(1,060)	(900)	(1,960)	(610)	(610)	(410)	(670)	(1,080)
3 Exemption by Refund, Construction Mats. Purchased by a Contractor, Local Govts & Nonprofits	Retroactive 7/1/21	(5,580)	(8,410)	-	-	-	-	-	-	-	-	-	-
4 Exemption by Refund, Construction Mats. Purchased by a Contractor, Local Govts & Nonprofits	7/1/21 to 12/31/22	-	-	(5,510)	(5,510)	-	-	-	-	-	-	-	-
5 Construction Exemption, Duluth - I.S.D. 709	Varous	-	-	(10)	(10)	(20)	-	(20)	-	-	-	-	-
6 Construction Exemption, Ely - I.S.D. 696	Varous	-	-	(20)	(20)	-	-	-	-	-	-	-	-
7 Construction Exemption, Various School Building Projects	Varous	-	-	(70)	(70)	(180)	(70)	(250)	-	-	-	-	-
8 Construction Exemption, Itasca County Courts & Courthouses	Varous	-	-	-	-	(10)	(10)	(20)	-	-	-	-	-
9 Construction Exemption, North Metro Regional Public Safety Training Facility - Maple Grove	Varous	-	-	(20)	(20)	-	-	-	-	-	-	-	-
10 Construction Exemption, City of Wayzata, Various Projects	1/1/2024	-	-	-	-	(30)	-	(30)	-	-	-	-	-
11 Capital Equipment Exemption, Expansion to Restaurant Food Service	7/1/2022	-	-	(460)	(460)	(500)	(500)	(1,000)	-	-	-	-	-
12 Exemption Expanded, Fiber/Conduit by Internet/Broadband Service Providers	Retro 7/1/2017	-	-	(850)	(850)	(200)	(200)	(400)	-	-	-	-	-
13 Exemption for Sole Member of Disregarded LLC and the Disregarded LLCs	7/1/2022	-	-	(40)	(40)	(40)	(40)	(80)	-	-	-	-	-
14 Exemption Expanded, Agricultural Fencing	Retroactive 7/1/21	-	-	(150)	(150)	(80)	(80)	(160)	-	-	-	-	-
15 Exemption, National Sports Center- Blaine, Amateur Sports Comm	7/1/2022	-	-	-	-	-	-	-	-	-	-	-	-
16 Exemption, Pre-sales by Agricultural Societies	DFE	-	-	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	-	-	-	-	-
17 Exemption Extended, MN State High School League To Tax Year 2030	DFE	-	-	-	-	-	-	-	-	-	-	-	-
18 Construction Exemption Extended, City of Mazeppa - Properties Destroyed by Fire	retro 3/11/18	-	-	(Negli.)	(Negli.)	-	-	-	-	-	-	-	-
19 Establish Exemption for Suite License Food & Beverages, Amenities Included w/ Admission	7/1/2023	-	-	-	-	-	-	-	-	-	(70)	(70)	(140)
20 Farm Machinery Exemption Expanded to Include Agricultural Fencing	Retro 7/1/21	-	-	-	-	(200)	(200)	(400)	(200)	(200)	(100)	(100)	(200)
21 Establish Exemption for Nonprofit Animal Shelters	7/1/2022	-	-	-	-	(90)	(90)	(180)	(90)	(90)	(100)	(100)	(200)
22 Exempt Polar Vortex-related Natural Gas Charges	Retro 9/1/21	-	-	-	-	(300)	(300)	(600)	(300)	(300)	(140)	(140)	(280)
23 Exemption for Construction Materials by School Districts	7/1/2024	-	-	-	-	-	-	-	-	-	-	(260)	(260)
24 Exemption for Construction Materials Used in North Metro Range	Retro 9/1/21	-	-	-	-	(20)	(20)	(40)	(20)	(20)	-	-	-
25													
26 <b>Total - Environmental Fund:</b>		-	-	3,100	3,100	3,200	3,200	6,400					
27 Solid Waste Management - Reallocation of Tax Revenue from General Fund	DFE	-	-	3,100	3,100	3,200	3,200	6,400					
28													
29 <b>Total - Special Revenue Fund:</b>		-	-	290	290	320	320	640					
30 Exemption, National Sports Center- Blaine, Amateur Sports Comm	DFE	-	-	290	290	320	320	640					
31													
32 <b>Total - Restricted Miscellaneous Special Revenue Fund</b>		-	-	(5)	(5)	10	10	20					
33 Revenue Recapture; Certain Nonprofit Hospitals Claims Disallowed	DFE	-	-	(5)	(5)	10	10	20					
34													
35 <b>Total - Housing Development Fund</b>		-	-	-	-	-	-	-					
36 Workforce & Affordable Homeownership from general fund (REV)	FYs 23-30	-	-	(10,000)	(10,000)	(10,000)	(10,000)	(20,000)					
37 Workforce & Affordable Homeownership program	FYs 23-30	-	-	10,000	10,000	10,000	10,000	20,000					
38													
39 <b>Total - Iron Range School Consolidation</b>		-	-	-	-	925	1,850	2,775	-	-	925	1,850	2,775
40 Extend 10 cnt/ton distribution (House to 2043, Senate to 2033) then 5 cnt/ton beyond	DFE	-	-	-	-	925	1,850	2,775	-	-	925	1,850	2,775
41													
42 <b>Total - Taconite Environmental Protection Fund:</b>		-	-	-	-	(617)	(1,233)	(1,850)	-	-	-	-	-
43 Distributes add 5 cnt/ton from production tax to 2043, the 5 cnt/ton in 2044 and beyond	DFE	-	-	-	-	(617)	(1,233)	(1,850)	-	-	-	-	-
44													
45 <b>Total - DJJ Economic Protection Fund:</b>		-	-	-	-	(309)	(617)	(926)	-	-	-	-	-
46 Distributes add 5 cnt/ton from production tax to 2043, the 5 cnt/ton in 2044 and beyond	DFE	-	-	-	-	(309)	(617)	(926)	-	-	-	-	-
47													
48 <b>Total - County Road &amp; Bridge Fund:</b>		-	-	-	-	-	-	-	-	-	(925)	(1,850)	(2,775)
49 Eliminates 5 cnt increased allocation that would begin in 2024	DFE	-	-	-	-	-	-	-	-	-	(925)	(1,850)	(2,775)
50													
51													

2022 Legislature - House HF 3669 -3E, Senate HF 3669-2UE Omnibus Tax Bills

Tax and Property Tax No Cost Change Items

HF	Author	Change Item Description	Effective date	House	Senate	
<b>Tax changes - Miscellaneous (no state fund impact)</b>						
1	HF 3083	Marquart	Tax Expenditure purpose statements	DFE	X	
2			DOR Policy and Technical, including HCSR eligibility date extension to 12.31 and Renter CRP e-filing reqmts	various	X	X
<b>Property tax changes - Miscellaneous (no state fund impact)</b>						
3	HF 2800	Hertaus	Delinquent Property Tax interest rate	Jan 1, 2023	X	X
4	HF 3042	Davnie	Tourism Improvement Special Taxing Districts	DFE	X	
5	HF 4577	Marquart	Local Government debt financing (Public Finance bill)	DFE	X	X
6	HF 4022	Lislegard	City of Virginia exempted from net debt limit	DFE	X	X
<b>Property tax changes for Tax Increment Financing (TIF)</b>						
7	HF 4281	Youakim	Tax Increment Financing - Various pooling provisions clarified, administrative expense limitations clarified, and application of violations and remedies expanded.	DFE +1	X	X
8	HF 2775	Klevorn	Plymouth TIF district spec rules (10yr extnd,uses)	Local appvl + file	X	
9	HF 4082	Youakim	Hopkins TIF District 2-11 amd special rules (30% incmt, uses)	Local appvl + file	X	
10	HF4127	Hanson, J	Savage TIF district special rules (5-6yr) extended	Local appvl + file	X	X
11	HF 2700	Sandell	Woodbury TIF District 13 special rules amended, Central Park	Local appvl + file	X	X
12	HF4297	Bernardy	Fridley TIF district 20 special rules established, housing uses	Local appvl + file	X	
13			Shakopee TIF	Local appvl + file		X
<b>Local Lodging / Food &amp; Beverage Taxes (no state fund impact)</b>						
14	HF 3074	Ecklund	Cook County local 1% lodging tax extended from 15 to 30 yrs	Local appvl + file	X	X
15	HF 551	Klevorn	Plymouth 3% local lodging, eliminate 10-yr sunset	DFE	X	
16	HF 1676	Sandell	Woodbury 3% local lodging tax (current authority), allow 2/3 use	Local appvl + file	X	
17			Lake of the Woods 3% local lodging tax for Event/Visitors Bureau	Local appvl + file		X
<b>Local Option Sales Taxes (no state fund impact)</b>						
18	HF 3381	Youakim	Local taxes; resolution submission and referendum requirements clarified for modifying new & existing local sales tax	Local appvl + file	X	
19			Temp authority pandemic-related construction cost incrs, up to \$3M, sbjct to local approval	Local appvl		X
20	HF 3107	Igo	Grand Rapids modify 0.5% local sales for \$10.6M/12y IRA Cvc Cntr	Local appvl + file	X	
21	HF 3443	Gruenhagen	Henderson new 0.5% local sales for \$240K Allanson Pk Cmpgrnd	Local appvl + file	X	X
22	HF 3716	Murphy	Proctor addl 0.5% to exst 1.0% local sales for \$3.85M/ 20y	Local appvl + file	X	X
23	HF 2923	Pelowski	Winona County new 0.25% local sales for \$28M / 25y Corrcn Facity	Local appvl + file	X	X
24	HF3748	Lippert	Rice County new 3/8% for \$77M/ 30y public sfty facity	Local appvl + file	X	X
25	HF 3606	Carlson	Bloomington addl 0.5% local sales for \$135M/ 20y Ice Gdn/Well Cntr+	Local appvl + file	X	X
26	HF2702	Edelson	Edina expand 0.5% local sale rev to \$46.9M/17y Braemar Pk + impvmts	Local appvl + file	X	
27	HF3760	Vang	Brooklyn Center new 0.5% local sales for \$55M/20y for Com Cntr	Local appvl + file	X	X
28	HF 3194	Becker-Finn	Roseville new 0.5% local sales for \$65M/ 16y Maintnc Facity/Psspt Cntr+	Local appvl + file	X	X
29	HF 3829	Lueck	Aitkin new 1.0% local sales for \$9.3M/ 20y Muny Bldg/pk impvmts	Local appvl + file	X	X
30	HF 3473	Freiberg	Golden Valley new 0.75% local sales for \$73M/ 30y Public Wks +Safety	Local appvl + file	X	X
31	HF 3703	Grossell	Blackduck new 0.5% local sales for \$1.0M/ 20y 4 projcts	Local appvl + file	X	X
32	HF 3763	Kiel	East Grand Forks new 1.25% local sales for \$21.5M/20y CvcCntr/VFW	Local appvl + file	X	X
33	HF 3822	Liebling	Rochester extnd 0.5% local sales \$155M/16.5y St constr/flood contrl/Rec	Local appvl + file	X	X
34	HF 3969	Swedzinski	Marshall extnd 0.5% for \$16M/ 30y for aquatic cntr	Local appvl + file	X	X
35			Waite Park modify 0.5% local sales use for \$15M 10th Ave Corridor Pjct	Local appvl + file		X
36			Park Rapids new 0.5% locals sales for \$8.8M /20 y for 5 pjcts	Local appvl + file		X
37			Moorehead extnd 0.5% local sales from 22 y to 30 y, \$31.6M for Reg Lib	Local appvl + file		X
38			Oakdale extnd 0.5% local sales 25 y to 30 y, \$37M for Pub Wk/Police Cntr	Local appvl + file		X

**APPENDIX A**

**PRELIMINARY FISCAL IMPACT OF HF 3669-3E: Budget Reserve Priority Modifications in Article 10, section 3**

Note: Positive numbers = revenue gain, negative numbers = revenue reduction

	FY 2022	FY 2023	FY 2022-23	FY 2024	FY 2025	FY 2024-25
<b>Priority #6: June Accelerated Requirement in 16A.152 (Assumes: June 2023 liabilities)</b>						
Repeal of Payment Requirement for Remaining Tax Types - General Fund Subtotal		(70,100)	(70,100)	(600)	-	(600)
Repeal of Payment Requirement for Remaining Tax Types - Penalty Impact - General Fund Subtotal		(9)	(9)	(9)	(9)	(18)
Repeal of Payment Requirement for Remaining Tax Types - Legacy Funds Subtotal		(4,100)	(4,100)	-	100	100
			-			-
Total All Funds - Priority #6	-	(74,209)	(74,209)	(609)	91	(518)
<b>Priority #7: Aid Payment Shifts</b>						
Selected State Aid Payments in Article 10, Section 26 - General Fund Subtotal			-	(488,813)	-	(488,813)
			-			-
Total General Fund - Priority #7	-	-	-	(488,813)	-	(488,813)
			-			-
(a) Estimated Total Net Change to the General Fund for Priority 6-7	-	(74,209)	(74,209)	(489,422)	91	(489,331)
(b) Estimated Total Net Change to the Legacy Funds for Priority 6	-	(4,100)	(4,100)	-	100	100

Note (a) reflects the estimated amount of a positive unrestricted general fund balance that would need to be allocated in the November 2022 forecast to address priorities 6 & 7 in Minnesota Statute 16A.152.

Note (b) reflects the estimated impact to the Legacy Funds: Outdoor Heritage (33%), Arts and Cultural Heritage (19.75%), Clean Water (33%), and Parks and Trails (14.25%)

Source:

HF 3827 - Revenue Estimate by MN Dept. of Revenue, Published on March 2, 2022

HF 3827 Fiscal Note, Legislative Budget Office, Published on March 28, 2022