

Major State Aids and Taxes: An Overview of the 2010 Update

This provides a brief overview of the report *Major State Aids and Taxes: A Comparative Analysis, 2010 Update*, which highlights major aids provided to the local governments and people in Minnesota and lists the major taxes collected. The per capita amounts were calculated using 2010 population. Some aids are presented on a different basis in other settings (e.g., per pupil for education aid); however, in the report they are presented on a per capita basis to allow comparison of different aids.

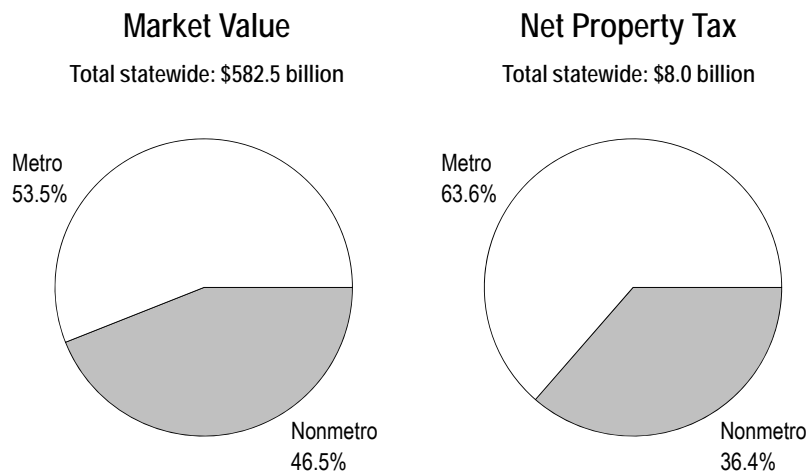
STATE AIDS

Program	Year	Amount (millions)	Per Capita
Education aid <i>Aid paid to school districts for all K-12 educational expenses</i>	2009/2010 (school year)	\$6,145.2 State \$3,426.9 Metro \$2,718.3 Nonmetro	\$1,159 State \$1,203 Metro \$1,108 Nonmetro
Human services aid <i>State's share of human services aid for various income and medical assistance programs</i>	2010	\$3,606.7 State \$1,971.4 Metro \$1,635.3 Nonmetro	\$680 State \$692 Metro \$666 Nonmetro
Highway aid <i>Distributed to counties, cities, and towns for highway purposes</i>	2010	\$590.8 State \$182.0 Metro \$408.7 Nonmetro	\$111 State \$64 Metro \$167 Nonmetro
Local government aid <i>Provides property tax relief by providing general purpose financial support to cities</i>	2010	\$426.4 State \$133.2 Metro \$293.2 Nonmetro	\$80 State \$47 Metro \$119 Nonmetro
Disparity reduction aid <i>Provides aid to jurisdictions (counties, towns, and school districts) that had inordinately high tax rates in 1988</i>	2010	\$18.0 State \$1.4 Metro \$16.7 Nonmetro	\$3 State – Metro \$7 Nonmetro
County program aid <i>County general purpose aids: includes former homestead and agricultural credit, county criminal justice aid, family preservation aid, and attached machinery aid</i>	2010	\$164.9 State \$67.0 Metro \$97.9 Nonmetro	\$31 State \$24 Metro \$40 Nonmetro
Community corrections funding <i>Aid that provides a portion of counties' costs for community correctional services</i>	2010	\$84.8 State \$42.2 Metro \$42.7 Nonmetro	\$16 State \$15 Metro \$17 Nonmetro
Property tax refund (excludes targeting) <i>Reimburses homeowners and renters for a portion of property taxes if those taxes exceed a household income threshold</i>	2009 (filed in 2010)	\$411.5 State \$283.1 Metro \$128.4 Nonmetro	\$78 State \$99 Metro \$53 Nonmetro
Targeting <i>Additional homeowner property tax refund if property taxes increased a certain percentage threshold over previous year (no income limits)</i>	2009 (filed in 2010)	\$2.3 State \$1.0 Metro \$1.3 Nonmetro	– State – Metro \$1 Nonmetro

MAJOR TAXES

	Year	Amount (millions)	Per capita
Individual income tax <i>Imposed on income of state residents and income derived from state sources of nonresidents</i>	2009 (filed in 2010)	\$6,167.4 Total \$5,933.3 Residents \$3,935.0 Metro \$1,998.2 Nonmetro	\$1,119 State \$1,381 Metro \$814 Nonmetro
Sales and use tax <i>Imposed on gross receipts of people who sell, lease, or rent tangible personal property at retail at a rate of 6.5 percent (does not include local sales taxes)</i>	2010	\$4,511.9 (After refunds) \$3,792.8 Residents \$2,438.0 Metro \$1,354.9 Nonmetro	\$715 State \$856 Metro \$552 Nonmetro
Motor vehicle sales tax <i>Imposed on new and used motor vehicles at the time of sale at the same rate of state sales tax</i>	2010	\$468.5 State \$244.2 Metro \$224.3 Nonmetro	\$88 State \$86 Metro \$91 Nonmetro
Motor vehicle registration tax <i>Imposed annually on vehicles licensed in the state</i>	2010	\$539.7 State \$290.7 Metro \$249.0 Nonmetro	\$102 State \$102 Metro \$101 Nonmetro
Motor vehicle fuels tax (gas tax) <i>Imposed on gasoline, diesel fuel, and other motor fuels used by vehicles and on aviation fuels</i>	2010	\$844.4 State \$395.9 Metro \$448.6 Nonmetro	\$159 State \$139 Metro \$183 Nonmetro
Corporate franchise (income) tax <i>Imposed at a rate of 9.8 percent on the net income of corporations (or alternative minimum tax)</i>	2010	\$661.9 State \$479.8 Metro \$182.0 Nonmetro	\$125 State \$168 Metro \$74 Nonmetro
State general property tax <i>Imposed on commercial/industrial/public utility property and seasonal recreational property</i>	2010	\$776.7 State \$520.7 Metro \$256.0 Nonmetro	\$146 State \$183 Metro \$104 Nonmetro

PROPERTY TAX DATA



For more information: Contact legislative analyst Nina Manzi at 651-296-5204. See [Major State Aids and Taxes: Comparative Analysis, 2010 Update](#) (June 2014) for further details about each aid program and tax and data by county and economic development region.

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