

2024 REGULAR SESSION - CHAPTER 127 / HF 5247 CONFERENCE COMMITTEE REPORT (ARTICLES 68-71)

FEBRUARY 2024 FORECAST

\$\$\$ in thousands | Tax Revenues & Non-General Fund Items: Negative # = Revenue Reduction | Property Tax, Aids & Credits: Negative # = Spending Reduction

LINE	ITEM	EFFECTIVE DATE	CONFERENCE					
			FY 2024	FY 2025	FY 2024-25	FY 2026	FY 2027	FY 2026-27
	<b>GENERAL FUND TAX REVENUES:</b>							
	<b>INDIVIDUAL INCOME TAX</b>							
1	Child Tax Credit - Minimum Credit Establishment	TY 25				(5,400)	(5,500)	(10,900)
2	Interaction - Taconite Homestead Credit Increase .	Pay 25	-	-	-	40	40	80
3	<b>SUBTOTAL: INDIVIDUAL INCOME TAX</b>		-	-	-	(5,360)	(5,460)	(10,820)
	<b>SALES &amp; USE TAXES</b>							
6	Moist Snuff Definition Change - Demand Elasticity Effect	7/1/2024	-	(500)	(500)	(590)	(650)	(1,240)
7	<b>SUBTOTAL: SALES &amp; USE TAXES</b>		-	(500)	(500)	(590)	(650)	(1,240)
	<b>OTHER TAXES</b>							
10	Moist Snuff Definition Change - Tobacco Products Excise Tax Revenue	7/1/2024	-	2,930	2,930	3,510	3,860	7,370
11	<b>SUBTOTAL: OTHER TAXES</b>		-	2,930	2,930	3,510	3,860	7,370
13	<b>TOTAL: TAX REVENUE/TAX POLICY</b>		-	2,430	2,430	(2,440)	(2,250)	(4,690)
	<b>GENERAL FUND PROPERTY TAX AIDS &amp; CREDITS:</b>							
	<b>HOMESTEAD PROPERTY TAX REFUNDS</b>							
18	Interaction - Taconite Homestead Credit Increase	Pay 25	-	-	-	(850)	(850)	(1,700)
19	<b>SUBTOTAL: HOMESTEAD PROPERTY TAX REFUNDS</b>		-	-	-	(850)	(850)	(1,700)
	<b>DIRECT APPROPRIATIONS</b>							
22	Dept. of Revenue - Tax Credit Outreach Grants	7/1/2024	-	1,000	1,000	500	500	1,000
23	Dept. of Revenue - Taxpayer Assistance Grants	7/1/2024		1,000	1,000	500	500	1,000
24	Dept. of Revenue - Act Administration <sup>1</sup>	7/1/2024	-	4,000	4,000	-	-	-
25	<b>SUBTOTAL: DIRECT APPROPRIATIONS</b>		-	6,000	6,000	1,000	1,000	2,000

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			FY 2024	FY 2025	FY 2024-25	FY 2026	FY 2027	FY 2026-27
	<b>OTHER CHANGES</b>							
28	Property Tax Forfeiture - Purchase of Mineral Interests (Open Appropriation)	Forfeitures after	-	125	125	125	125	250
29	Property Tax Forfeiture - Payment of Minerals Interests Claims (Open Appropriation)	12/31/23	-	2,100	2,100	2,100	2,100	4,200
30	Property Tax Forfeiture - Housing Support Fund	DFE	-	450	450	450	450	900
31	Dept. of Natural Resources - Property Tax Forfeiture	7/1/2024	-	1,537	1,537	1,537	1,537	3,074
32	<b>SUBTOTAL: OTHER CHANGES</b>		-	<b>4,212</b>	<b>4,212</b>	<b>4,212</b>	<b>4,212</b>	<b>8,424</b>
34	<b>TOTAL: TAX AIDS AND CREDITS</b>		-	<b>10,212</b>	<b>10,212</b>	<b>4,362</b>	<b>4,362</b>	<b>8,724</b>
36	<b>GENERAL FUND TOTAL: TAX POLICY,TAX AIDS &amp; CREDITS</b>			<b>(7,782)</b>	<b>(7,782)</b>	<b>(6,802)</b>	<b>(6,612)</b>	<b>(13,414)</b>
	<b>NON-GENERAL FUND ITEMS</b>							
	<b>SPECIAL REVENUE FUND</b>							
41	Housing Support Account - Transfer In	DFE	-	450	450	450	450	900
	<b>LEGACY FUNDS</b>							
44	Moist Snuff Definition Change - Demand Elasticity Effect	7/1/2024	-	(30)	(30)	(30)	(40)	(70)
	<b>TACONITE ECONOMIC DEVELOPMENT FUND</b>							
47	Transfer to City of Chisholm - David Tomassoni Bridge of Peace	DFE	-	(300)	(300)	-	-	-
	<b>TACONITE PROPERTY TAX RELIEF ACCOUNT</b>							
50	Taconite Homestead Credit Increase	Pay 25	-	(3,520)	(3,520)	(7,050)	(7,050)	(14,100)
	<b>TACONITE MUNICIPAL AID ACCOUNT</b>							
53	Increase Distribution to Range Association of Municipalities & Schools	Distribution 24	-	(98)	(98)	(65)	(66)	(131)

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LINE	ITEM	EFFECTIVE DATE	CONFERENCE					
			FY 2024	FY 2025	FY 2024-25	FY 2026	FY 2027	FY 2026-27
56	<b>RANGE ASSOCIATION OF MUNICIPALITIES AND SCHOOLS</b> Increase Distribution to Range Association of Municipalities & Schools	Distribution 24	-	98	98	65	66	131
59	<b>TACONITE ENVIRONMENTAL PROTECTION FUND</b> Increased Production Tax Distribution to Iron Range Schools & Comm. Develop. Account <sup>2</sup>	Distribution 24	-	(4,900)	(4,900)	(3,270)	(3,270)	(6,540)
62	<b>DOUGLAS J JOHNSON ECONOMIC PROTECTION FUND</b> Increased Production Tax Distribution to Iron Range Schools & Comm. Develop. Account <sup>2</sup>	Distribution 24	-	(2,450)	(2,450)	(1,630)	(1,630)	(3,260)
65	<b>IRON RANGE SCHOOLS &amp; COMMUNITY DEVELOPMENT ACCOUNT<sup>3</sup></b> Increased Production Tax Distribution to Iron Range Schools & Comm. Develop. Account <sup>2</sup>	Distribution 24	-	7,350	7,350	4,900	4,900	9,800
66	2024 Production Tax Revenue Bonds Debt Service <sup>4</sup>	DFE	-	-	-	(3,900)	(3,900)	(7,800)
67	2025 Production Tax Revenue Bonds Debt Service <sup>4</sup>	DFE	-	-	-	-	(2,400)	(2,400)
68	<b>SUBTOTAL: IRON RANGE SCHOOLS &amp; COMMUNITY DEVELOPMENT ACCOUNT</b>		-	7,350	7,350	1,000	(1,400)	(400)
70	<b>NON-GENERAL FUND TOTAL: ALL FUNDS</b>		-	(3,400)	(3,400)	(10,530)	(12,940)	(23,470)

1 - Appropriation available until June 30, 2027.  
2 - The production tax distribution to the Iron Range Schools & Community Development Account increases from 10cpt to 24cpt from Distribution Year 2024 through Distribution Year 2032.  
3 - Account formerly known as the Iron Range School Consolidation & Cooperatively Operated School Account.  
4 - The Revenue Bonds Debt Service is expected to have a fiscal impact of 20 years.

## 2024 Conference Side-by-Side Comparison of Tax Bill

# 2024 REGULAR SESSION - CHAPTER 127/HF 5247-4E (ARTICLES 68-71)

## FEBRUARY 2024 FORECAST BASELINE

\$\$\$ in thousands | Tax Revenues & Non-General Fund Items: Negative # = Revenue Reduction | Property Tax, Aids & Credits: Negative # = Spending Reduction

LINE	ITEM	Forecast	GOVERNOR		HOUSE		SENATE		CONFERENCE	
		FY 2022-23	FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27	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	58,324,253	62,739,012	58,324,253	62,739,012	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	5,482,116	4,649,430	5,482,116	4,649,430	5,482,116	4,649,430
3										
4	<b>GENERAL FUND - CHANGE ITEMS:</b>									
5	TAX POLICY		-	(19,800)	(10,271)	(32,230)	(3,279)	(9,016)	2,430	(4,690)
6	LESS GENERAL FUND PROPERTY TAX REFUNDS, AIDS, & CREDITS		46,878	(14,968)	42,729	(28,640)	47,291	(9,916)	10,212	8,724
8	<b>TOTAL: GENERAL FUND CHANGE ITEMS</b>		-	(19,800)	(53,000)	(3,590)	(50,570)	900	(7,782)	(13,414)
10	<b>NON-GENERAL FUND - CHANGE ITEMS:</b>									
11	LEGACY FUNDS		-	-	(40)	-	(30)	(70)	(30)	(70)
12	HEALTH CARE ACCESS FUND		-	-	-	-	-	-	-	-
13	SPECIAL REVENUE FUND - CHILD TAX CREDIT ACCOUNT		45,000	(19,800)	32,300	(32,300)	9,900	(9,900)	-	-
14	SPECIAL REVENUE FUND - TAX MODERNIZATION ACCOUNT		-	-	(5,000)	-	(5,000)	-	-	-
15	SPECIAL REVENUE FUND - SERVICE & RECOVERY FUND		-	-	-	-	-	-	-	-
16	SPECIAL REVENUE FUND - LOCAL SALES TAX EQUALIZATION ACCOUNT		-	-	-	-	-	-	-	-
17	SPECIAL REVENUE FUND - 2024 SALES TAX ACCOUNT		-	-	-	-	22,595	(22,595)	-	-
18	SPECIAL REVENUE FUND - HOUSING SUPPORT ACCOUNT		-	-	-	-	-	-	450	900
19	ENVIRONMENTAL FUND		-	-	1,821	-	3,252	-	-	-
20	RANGE ASSOCIATION OF MUNICIPALITIES AND SCHOOLS ACCOUNT		-	-	98	131	98	131	98	131
21	IRON RANGE SCHOOLS & COMMUNITY DEVELOPMENT ACCOUNT <sup>2</sup>		-	-	2,750	(4,200)	2,750	(4,200)	7,350	(400)
22	TACONITE ECONOMIC DEVELOPMENT FUND		-	-	(300)	-	(300)	-	(300)	-
23	TACONITE MUNICIPAL AID ACCOUNT		-	-	(98)	(131)	(98)	(131)	(98)	(131)
24	DOUGLAS J JOHNSON ECONOMIC PROTECTION FUND		-	-	(2,750)	(6,000)	(2,750)	(6,000)	(2,450)	(3,260)
25	TACONITE ENVIRONMENTAL PROTECTION FUND		-	-	-	-	-	-	(4,900)	(6,540)
26	TACONITE PROPERTY TAX RELIEF ACCOUNT		-	-	(3,520)	(14,100)	(3,520)	(14,100)	(3,520)	(14,100)
27	<b>SUBTOTAL: NON-GENERAL FUND CHANGE ITEMS</b>		45,000	(19,800)	25,261	(56,600)	26,897	(56,865)	(3,400)	(23,470)

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

(2) Account formerly known as the Iron Range School Consolidation & Cooperatively Operated School Account

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LINE	ITEM	EFFECTIVE DATE	GOVERNOR		HOUSE		SENATE		CONFERENCE	
			FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27
	<b>GENERAL FUND TAX REVENUES:</b>									
	<b>INDIVIDUAL INCOME TAX</b>									
5247 Gomez	<b>1</b> Child Tax Credit - Minimum Credit Establishment <sup>1</sup>	Various	-	(19,800)	-	(16,800)	-	(9,900)	-	-
5247 Gomez	<b>2</b> Child Tax Credit - Minimum Credit Establishment (SW 180 Language)								-	(10,900)
4823 Norris	<b>3</b> Child Tax Credit - Expanded Eligibility (18 year-olds)	TY25			(7,800)	(15,500)			-	-
4572 Greenman	<b>4</b> Section 530 Exclusion	TY25			Unknown	Unknown	Unknown	Unknown	-	-
3327 Norris	<b>5</b> Subtraction for Foreign Service Worker Pay	TY24					(10)	(20)	-	-
3667 Norris	<b>6</b> Discharged/Coerced Debt Subtraction	TY24			(Negl.)	(Negl.)	(Negl.)	(Negl.)	-	-
3667 Norris	<b>7</b> Discharged/Coerced Debt Renters Credit Income Definition Modification	TY24					(Negl.)	(Negl.)	-	-
1717 Elkins	<b>8</b> Short Line Railroad Infrastructure Modernization Credit Transferability	TY23 (Retro)					-	-	-	-
2404 Urdahl	<b>9</b> Teachers' Masters Degree Attainment Credit - Expansion to Special Education	TY24					(500)	(1,200)	-	-
	<b>10</b> Minnesota Education Credit - Expansion for CTE Expenses/Transportation Costs	TY24					(1,800)	(3,600)	-	-
3914 Tabke	<b>11</b> Employer Scholarship Credit - Scott County <sup>2</sup>	TY24 - TY28					(40)	(80)	-	-
2433 Brand	<b>12</b> Employer-Paid Tuition Credit for Aerospace Programs	TY25					(10)	(80)	-	-
4934 Norris	<b>13</b> Limitations on Assessments	7/1/2024					-	-	-	-
2277 Vang	<b>14</b> Beginning Farmer Tax Credit Allocation/Timing Changes	TY24			-	-			-	-
5198 Lislegard	<b>15</b> <i>Interaction - Taconite Homestead Credit Increase</i>				-	80	-	80	-	80
	<b>16 SUBTOTAL: INDIVIDUAL INCOME TAX</b>		-	(19,800)	(7,800)	(32,220)	(2,360)	(14,800)	-	(10,820)
	<b>CORPORATE FRANCHISE TAX</b>									
1717 Elkins	<b>19</b> Short Line Railroad Infrastructure Modernization Credit Transferrability	TY23 (Retro)					-	-	-	-
3914 Tabke	<b>20</b> Employer Scholarship Credit - Scott County	TY24 - TY28					-	-	-	-
2433 Brand	<b>21</b> Employer-Paid Tuition Credit for Aerospace Programs	TY25					(20)	(170)	-	-
4463 Tabke	<b>22</b> Housing Tax Credit Carryover	TY23 (Retro)			-	-			-	-
	<b>23 SUBTOTAL: CORPORATE FRANCHISE TAX</b>		-	-	-	-	(20)	(170)	-	-
	<b>SALES &amp; USE TAXES</b>									
4929 Lislegard	<b>26</b> Data Centers Exemption <sup>3</sup>	7/1/2024					-	-	-	-
	<b>27</b> Moist Snuff Definition Change - Interaction/Demand Elasticity Effect	7/1/2024					(500)	(1,240)	(500)	(1,240)
4575 Davids	<b>28</b> Exemption: Amusement Devices	10/1/2024			(Unknown)	(Unknown)			-	

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			FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27
2410 Lislegard	<b>29</b> Exemption: Certain Sales to Snowmobile Clubs	7/1/2024			-	-	(50)	(100)	-	-
	<b>30</b> Exemption: Firearm Safety Devices	7/1/2024			-	-	(27)	(66)	-	-
4869 Niska	<b>31</b> Exemption, Construction Materials - Ramsey - Trunk Water Main	1/1/23 - 6/30/27					-	-	-	-
3559 Cha	<b>32</b> Exemption, Construction Materials - City of Woodbury - Water Tower <sup>4</sup>	2/1/24 - 6/30/25			(650)	-			-	
	<b>33</b> SUBTOTAL: SALES & USE TAXES		-	-	(650)	-	(577)	(1,406)	(500)	(1,240)
	<b>OTHER TAXES</b>									
4575 Davids	<b>36</b> Amusement Devices - Gross Receipts Tax Establishment	7/1/2024			Unknown	Unknown			-	
3788 Hanson, J.	<b>37</b> Illegal Controlled Substances Tax - Repeal	8/1/2024			(Negl.)	(10)	(Negl.)	(10)	-	-
4915 Hornstein	<b>38</b> Solid Waste Management Account - Additional Onetime Distribution	7/1/2024			(1,821)	-	(3,252)	-	-	-
	<b>39</b> Moist Snuff Definition Change - Tobacco Products Excise Tax Revenue	7/1/2024			-	-	2,930	7,370	2,930	7,370
	<b>40</b> SUBTOTAL: OTHER TAXES		-	-	(1,821)	(10)	(322)	7,360	2,930	7,370
	<b>42</b> TOTAL TAX REVENUES		-	(19,800)	(10,271)	(32,230)	(3,279)	(9,016)	2,430	(4,690)
	<b>NON-TAX REVENUES:</b>									
5247 Gomez	<b>46</b> Transfer In from Tax Modernization Account				5,000	-	5,000	-	-	-
5247 Gomez	<b>47</b> Transfer In from Child Tax Credit Account		-	19,800	-	32,300	-	9,900	-	-
	<b>49</b> TOTAL NON-TAX REVENUES		-	19,800	5,000	32,300	5,000	9,900	-	-
	<b>PROPERTY TAX AIDS &amp; CREDITS:</b>									
	<b>HOMESTEAD PROPERTY TAX REFUNDS</b>									
3667 Norris	<b>54</b> Income Definition Modification - Discharged/Coerced Debt Exclusion	Pay 25			-	Negl.	-	Negl.	-	-
4728 Bahner	<b>55</b> Political Contribution Refund Electronic Requirements	Contrib. after 12.31.25			-	Negl.	-	Negl.	-	-
1171 Brand	<b>56</b> Interaction - Attachments & Appurtenances Clarification	AY24	-	60	-	60	-	60	-	-
4265 Norris	<b>57</b> Interaction - Abatement for Land Bank Properties	DFE			-	20	-	20	-	-
4990 Davids	<b>58</b> Interaction - Homestead Resort Tier Limit Increase	AY25			-	30			-	-
5247 Gomez	<b>59</b> Interaction - Class 4d(2) Community Land Trusts Classification Modifications	AY24			-	(460)			-	-
5062 Sencer-Mura	<b>60</b> Interaction - Tribal Property Tax Exemption (Minneapolis - Leech Lake Band of Ojibwe)	AY25			-	10	-	10	-	-

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			FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27
4540 Kozlowski	<b>61</b> Interaction - Tribal Property Tax Exemption (Cook County - Grand Portage Band of Chippewa)	AY25			-	Negl.	-	Negl.	-	-
SF4216 Weber	<b>62</b> Interaction - Exemption for Properties Used by Nonprofits for Grazing	Pay 25					-	Negl.	-	-
5198 Lislegard	<b>63</b> Interaction - Taconite Homestead Credit Increase	Pay 25			-	(1,700)	-	(1,700)	-	(1,700)
3505 Knudsen	<b>64</b> Interaction - Disabled Vets. Mkt. Value Exclusion Increase - Qualifying Homesteads	AY24			-	(2,830)	-	-	-	-
3505 Knudsen	<b>65</b> Interaction - Disabled Vets. Mkt. Value Exclusion Increase - Other Homesteads	AY24			-	1,190	-	-	-	-
1342 Elkins	<b>66</b> Interaction - Land Value Taxation District Establishment	Pay 25			-	Unknown			-	-
SF4828 Putnam	<b>67</b> Interaction - Agricultural Property Classification Modification for Market Farms	AY25					-	Negl.	-	-
	<b>68</b> SUBTOTAL: HOMESTEAD PROPERTY TAX REFUNDS		-	60	-	(3,680)	-	(1,610)	-	(1,700)
	<b>SCHOOL BUILDING BOND AGRICULTURAL CREDIT</b>									
4540 Kozlowski	<b>71</b> Interaction - Tribal Property Tax Exemption (Cook County - Grand Portage Band of Chippewa)	AY25			-	(Negl.)	-	(Negl.)	-	-
SF4828 Putnam	<b>72</b> Interaction - Agricultural Property Classification Modification for Market Farms	AY25					-	Negl.	-	-
	<b>73</b> SUBTOTAL: SCHOOL BUILDING BOND AGRICULTURAL CREDIT		-	-	-	-	-	-	-	-
	<b>AGRICULTURAL HOMESTEAD MARKET VALUE CREDIT</b>									
SF4828 Putnam	<b>76</b> Interaction - Agricultural Property Classification Modification for Market Farms	AY25					-	Negl.	-	-
	<b>77</b> SUBTOTAL: AGRICULTURAL HOMESTEAD MARKET VALUE CREDIT		-	-	-	-	-	-	-	-
	<b>LOCAL GOVERNMENT AIDS</b>									
5247 Gomez	<b>80</b> Local Homeless Prevention Aid - Onetime Increase - Counties	Pay 24			4,400	-			-	-
5247 Gomez	<b>81</b> Local Homeless Prevention Aid - Onetime Increase - Tribal Governments	Pay 24			600	-			-	-
5247 Gomez	<b>82</b> Local Homeless Prevention Aid - Repeal MS477A.30 (Aid Expiration in Pay 28) <sup>5</sup>	Pay 28			-	-			-	-
SF5234 Rest	<b>83</b> Tribal Nation Aid Payment Shift + Appropriation	Various	-	-			-	-	-	-
5075 Lee	<b>84</b> Emerald Ash Borer Aid	DFE			1,000	-			-	-
SF5234 Rest	<b>85</b> Local Government Aid - 2025 Payment Shift	Pay 25					2,179	(2,179)	-	-
3757 Hauschild	<b>86</b> Township Aid - Onetime Increase	Pay 24					2,000	-	-	-
4422 Hauschild	<b>87</b> Soil & Water Conservation District Aid - Onetime Increase	Pay 24					2,000	-	-	-
	<b>88</b> SUBTOTAL: LOCAL GOVERNMENT AIDS		-	-	6,000	-	6,179	(2,179)	-	-



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			FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27
	<b>OTHER PROPERTY TAX, AIDS &amp; CREDITS CHANGES</b>									
4301 Gomez	<b>91</b> Tribal Property Tax Exemption (Minneapolis - Red Lake Nation) - Onetime Payment	DFE			122	-	122	-	-	-
5177 Gillman	<b>92</b> 2023 LGA Penalty Forgiveness - City of Stewart	DFE			-	-	-	-	-	-
5247 Gomez	<b>93</b> Public Charity Exemption Modification for Rental Housing	Pay 25			-	-			-	-
SF4186 Gustafson	<b>94</b> Public Safety Aid Reporting Requirements	DFE					-	-	-	-
	<b>95</b> Class 4(d) Eligibility Modifications	AY25					-	-	-	-
SF4875 Mitchell	<b>96</b> Maintenance of Effort Requirement for Affordable Housing Aid	Pay 24					-	-	-	-
4826 Robins	<b>97</b> Advanced Property Tax Refund for Seniors	Pay 26			-	-			-	-
	<b>98</b> Property Tax Forfeiture - Housing Support Fund	DFE							450	900
4822 Feist	<b>99</b> Property Tax Forfeiture - Purchase of Mineral Interests	Forfeitures after							125	250
4822 Feist	<b>100</b> Property Tax Forfeiture - Payment of Mineral Interest Claims	12/31/2023							2,100	4,200
	<b>101 SUBTOTAL: OTHER PROPERTY TAX, AIDS, &amp; CREDITS CHANGES</b>		-	-	122	-	122	-	2,675	5,350
	<b>GRANTS TO LOCAL GOVERNMENTS</b>									
4892 Wiener	<b>104</b> Browerville Public Schools - Roof Collapse Mediation	7/1/2024			580	-			-	-
2436 Hansen	<b>105</b> City of South Saint Paul - Planning and Development Costs	DFE			100	-	250	-	-	-
4648 Koegel	<b>106</b> Anoka County Soil & Water Conservation District - No Purpose Specified	DFE			50	-			-	-
	<b>107 SUBTOTAL: GRANTS TO LOCAL GOVERNMENTS</b>		-	-	730	-	250	-	-	-
	<b>DIRECT APPROPRIATIONS</b>									
4826 Robins	<b>110</b> Dept. of Revenue - Advanced Property Tax Refund for Seniors	7/1/2024			158	234			-	-
4728 Bahner	<b>111</b> Dept. of Revenue - Political Contribution Refund Electronic Requirements	7/1/2024			147	118	147	118	-	-
4830 Gomez	<b>112</b> Dept. of Revenue - Direct Free File System	7/1/2024			5,000	2,300			-	-
4831 Gomez	<b>113</b> Dept. of Revenue - Tax Credit Outreach Grants	7/1/2024			1,237	2,566	1,000	2,089	1,000	1,000
4831 Gomez	<b>114</b> Dept. of Revenue - Taxpayer Assistance Grants	7/1/2024			750	1,500	750	1,500	1,000	1,000
4535 Gomez	<b>115</b> Dept. of Revenue - Corporate Tax Base Erosion Study	7/1/2024			655	-			-	-
4513 Gomez	<b>116</b> Dept. of Revenue - Corporate Franchise Tax Information Disclosure	7/1/2024			480	396			-	-
5247 Gomez	<b>117</b> Dept. of Revenue - Administration of Minimum/Advanced Child Tax Credit	7/1/2024	1,878	4,772					-	-
	<b>118</b> Dept. of Revenue - Administration	7/1/2024							4,000	-
1717 Elkins	<b>119</b> MNDOT - Short Line Railroad Infrastructure Modernization Credit Transferability	7/1/2024					33	66	-	-
5335 Gomez	<b>120</b> Office of the State Auditor - Local Sales Tax Task Force Recommendations Implementation	7/1/2024			150	226			-	-

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LINE	ITEM	EFFECTIVE DATE	GOVERNOR		HOUSE		SENATE		CONFERENCE	
			FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27
4822	Fiest	<b>121</b>	Dept. of Natural Resources - Property Tax Forfeiture Administration		7/1/2024				1,537	3,074
		<b>122</b>	<b>SUBTOTAL: DIRECT APPROPRIATIONS</b>				<b>1,878</b>	<b>4,772</b>	<b>8,577</b>	<b>7,340</b>
			<b>LOCAL TAXES CHANGES</b>				<b>1,930</b>	<b>3,773</b>	<b>7,537</b>	<b>5,074</b>
3414	Coulter	<b>125</b>	Accommodation Intermediaries Lodging Tax Modifications		7/1/2024		-	-	-	-
3715	Agbaje	<b>126</b>	Downtown Minneapolis Tax Modifications		10/1/2024		-	-	-	-
		<b>128</b>	TRANSFER: General Fund -> 2024 Sales Tax Refund Account		DFE		-	-	33,910	-
		<b>130</b>	TRANSFER: General Fund -> Child Tax Credit Account				45,000	-	32,300	-
5248	Gomez	<b>132</b>	Public Finance Modifications		Various		-	-	-	-
		<b>134</b>	<b>TOTAL TAX AIDS AND CREDITS</b>				<b>46,878</b>	<b>4,832</b>	<b>47,729</b>	<b>3,660</b>
			<b>NON-GENERAL FUND ITEMS</b>							
			<b>SPECIAL REVENUE FUND - 2024 SALES TAX REFUND ACCOUNT</b>							
		<b>140</b>	Transfer In from General Fund						33,910	-
4840	Schomacker	<b>141</b>	Exemption, Construction Materials - Adrian ISD - Various Projects		4/1/24 - 8/31/25		(Negl.)	(Negl.)	-	-
3630	Bierman	<b>142</b>	Exemption, Construction Materials - Apple Valley - Central Maintenance Facility		3/1/24 - 6/30/28		(180)	(360)	-	-
3218	Mekeland	<b>143</b>	Exemption, Construction Materials - Becker ISD - Various Projects		1/1/22 - 12/31/25		(1,180)	-	-	-
4897	Mekeland	<b>144</b>	Exemption, Construction Materials - Big Lake ISD - Various Projects		1/1/22 - 12/31/24		(780)	-	-	-
4892	Weiner	<b>145</b>	Exemption, Construction Materials - Browerville ISD - Various Projects		1/1/24 - 12/31/25		-	(580)	-	-
4674	Berg	<b>146</b>	Exemption, Construction Materials - Burnsville - City Hall		1/1/25 - 6/30/28		-	(760)	-	-
3716	Swedzinski	<b>147</b>	Exemption, Construction Materials - Canby ISD - Various Projects		1/1/24 - 12/31/25		-	(860)	-	-
4381	Bliss	<b>148</b>	Exemption, Construction Materials - Cass Lake-Bena ISD - Various Projects		7/1/23 - 9/30/25		(490)	(490)	-	-
4527	Rehm	<b>149</b>	Exemption, Construction Materials - Chanhassen - Sports Complex		9/1/25 - 9/30/26		-	(1,480)	-	-
3482	Feist	<b>150</b>	Exemption, Construction Materials - Columbia Heights - City Hall		9/1/21 - 3/31/24		(220)	-	-	-
3690	McDonald	<b>151</b>	Exemption, Construction Materials - Delano - Ice Rink		12/1/23 - 12/31/25		-	(310)	-	-
4476	Edelson	<b>152</b>	Exemption, Construction Materials - Edina - Parks Projects		1/1/24 - 6/30/28		(290)	(580)	-	-
4840	Schomacker	<b>153</b>	Exemption, Construction Materials - Ellsworth ISD - Various Projects		1/1/25 - 9/30/25		(80)	(80)	-	-
3340	Davis	<b>154</b>	Exemption, Construction Materials - Grand Rapids - IRA Civic Center		7/1/21 - 6/30/24		(580)	-	-	-
4840	Schomacker	<b>155</b>	Exemption, Construction Materials - Heron Lake-Okabena ISD - Various Projects		6/1/24 - 12/31/24		(100)	-	-	-

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		LINE	ITEM	EFFECTIVE DATE	GOVERNOR		HOUSE		SENATE		CONFERENCE	
					FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27
4840	Schomacker	156	Exemption, Construction Materials - Hills-Beaver Creek ISD - Various Projects	3/1/24 - 12/31/25					(440)	(440)	-	-
5118	Igo	157	Exemption, Construction Materials - Itasca County - Courthouse	5/1/21 - 12/31/24					(470)	-	-	-
3806	Skraba	158	Exemption, Construction Materials - Lake Superior ISD - Various Projects	1/1/23 - 12/31/25					-	(1,320)	-	-
4919	Pfarr	159	Exemption, Construction Materials - LeSeuer-Henderson ISD - Various Projects	6/1/23 - 12/31/24					-	(930)	-	-
4840	Schomacker	160	Exemption, Construction Materials - Martin County West ISD - Various Projects	10/1/25 - 12/31/26					-	(2,280)	-	-
3382	Feist	161	Exemption, Construction Materials - Plymouth - City Center Revitalization	1/1/24 - 6/30/28					(130)	(490)	-	-
		162	Exemption, Construction Materials - Rochester - Sports Complex	7/1/23 - 6/30/28					-	(1,320)	-	-
4840	Schomacker	163	Exemption, Construction Materials - Round Lake-Brewster ISD - Various Projects	1/1/24 - 8/31/26					(290)	(580)	-	-
4840	Schomacker	164	Exemption, Construction Materials - Russell Tyler Ruthton ISD - Various Projects	1/1/20 - 12/31/23					(1,590)	-	-	-
3696	Koegel	165	Exemption, Construction Materials - Spring Lake Park - City Hall	1/1/24 - 12/31/25					(180)	(180)	-	-
4918	Pfarr	166	Exemption, Construction Materials - St. Clair ISD - Various Projects	11/1/21 - 10/31/25					(175)	(175)	-	-
3716	Swedzinski	167	Exemption, Construction Materials - Tracy ISD - Various Projects	1/1/23 - 12/31/24					(650)	-	-	-
3728	Harder	168	Exemption, Construction Materials - Watertown - Water Tower	5/1/24 - 2/1/26					(70)	(70)	-	-
4840	Schomacker	169	Exemption, Construction Materials - Windom ISD - Various Projects	7/1/24 - 12/31/26					(290)	(580)	-	-
3559	Cha	170	Exemption, Construction Materials - City of Woodbury - Water Tower	2/1/24 - 6/30/28					(690)	(1,380)	-	-
4840	Schomacker	171	Exemption, Construction Materials - Worthington ISD - Various Projects	5/1/20 - 12/31/27					(1,420)	(1,420)	-	-
5083	Kozlowski	172	Exemption, Construction Materials - Housing Development Projects in Duluth & Ely	1/1/24 - 6/30/26					-	(3,890)	-	-
		173	Exemption: Construction Materials - Private Redevelopment in St. Cloud	6/1/24 - 5/31/26					(1,020)	(2,040)	-	-
		174	SUBTOTAL: 2024 SALES TAX REFUND ACCOUNT		-	-	-	-	22,595	(22,595)	-	-
			LEGACY FUNDS									
		177	Exemption, Construction Materials - City of Woodbury - Water Tower	2/1/24 - 12/31/28			(40)	-			-	-
4575	Davids	178	Exemption: Amusement Devices	10/1/2024			(Unknown)	(Unknown)			-	-
4575	Davids	179	Amusement Devices - Gross Receipts Tax Establishment	7/1/2024			Unknown	Unknown			-	-
		180	Moist Snuff Definition Change - Demand Elasticity Effect	7/1/2024					(30)	(70)	(30)	(70)
2410	Lislegard	181	Exemption: Certain Sales to Snowmobile Clubs	7/1/2024					(Negl.)	(Negl.)	-	-
		182	Exemption: Firearm Safety Devices	7/1/2024					(Negl.)	(Negl.)	-	-
		183	SUBTOTAL: LEGACY FUNDS		-	-	(40)	-	(30)	(70)	(30)	(70)
			HEALTH CARE ACCESS FUND									
5472	Gomez	186	Research Credit - Fixed Rate of 0.5% of Revenues for Patient Services	DFE			-	-	-	-	-	-

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LINE	ITEM	EFFECTIVE DATE	GOVERNOR		HOUSE		SENATE		CONFERENCE	
			FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27
	<b>SPECIAL REVENUE FUND - CHILD TAX CREDIT ACCOUNT</b>									
5472 Gomez	189 Transfer In - Child Tax Credit Minimum Credit		45,000	-	32,300	-	9,900	-	-	-
5472 Gomez	190 Transfer Out - Child Tax Credit Minimum Credit		-	(19,800)	-	(32,300)	-	(9,900)	-	-
	191 SUBTOTAL: CHILD TAX CREDIT ACCOUNT		45,000	(19,800)	32,300	(32,300)	9,900	(9,900)	-	-
	<b>SPECIAL REVENUE FUND - SERVICE &amp; RECOVERY FUND ACCOUNT</b>									
5335 Gomez	194 Local Sales Tax Authorization, Transfer In - 1 percent dedication	DFE			-	-	-	-	-	-
	195 SUBTOTAL: SERVICE & RECOVERY ACCOUNT - DOR & OSA		-	-	-	-	-	-	-	-
	<b>SPECIAL REVENUE FUND - LOCAL SALES TAX EQUALIZATION ACCOUNT</b>									
5335 Gomez	198 Local Sales Tax Authorization, Transfer In - 15/20 percent dedication	DFE			-	-			-	-
	199 SUBTOTAL: LOCAL SALES TAX EQUALIZATION ACCOUNT		-	-	-	-			-	-
	<b>SPECIAL REVENUE FUND - TAX MODERNIZATION ACCOUNT</b>									
5247 Gomez	202 Transfer Out / Repeal	7/1/24-7/2/24			(5,000)	(Repealed)	(5,000)	(Repealed)	-	-
	<b>SPECIAL REVENUE FUND</b>									
	206 Housing Support Account - Transfer In from General Fund	DFE							450	900
	207 SUBTOTAL: HOUSING SUPPORT FUND		-	-	-	-	-	-	450	900
	<b>ENVIRONMENTAL FUND</b>									
	210 Solid Waste Management Account - Additional Onetime Distribution	7/1/2024			1,821	-	3,252	-	-	-
	<b>TACONITE ECONOMIC DEVELOPMENT FUND</b>									
	213 Transfer to City of Chisholm - David Tomassoni Bridge of Peace	DFE			(300)	-	(300)	-	(300)	-
	<b>TACONITE PROPERTY TAX RELIEF ACCOUNT</b>									
	216 Taconite Homestead Credit Increase	Pay 25			(3,520)	(14,100)	(3,520)	(14,100)	(3,520)	(14,100)
	<b>TACONITE MUNICIPAL AID ACCOUNT</b>									
	219 Increase Distribution to Range Association of Municipalities & Schools	Distribution 24			(98)	(131)	(98)	(131)	(98)	(131)
	<b>RANGE ASSOCIATION OF MUNICIPALITIES AND SCHOOLS</b>									
	222 Increase Distribution to Range Association of Municipalities & Schools	Distribution 24			98	131	98	131	98	131

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LINE	ITEM	EFFECTIVE DATE	GOVERNOR		HOUSE		SENATE		CONFERENCE	
			FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27	FY 2024-25	FY 2026-27
	<b>TACONITE ENVIRONMENTAL PROTECTION FUND</b>									
225	Increased Prod. Tax Dist. to Iron Range Schools & Comm. Develop. Account <sup>9</sup>	DFE			-	-	-	-	(4,900)	(6,540)
	<b>DOUGLAS J JOHNSON ECONOMIC PROTECTION FUND</b>									
228	Increase Transfer to School and Development Account <sup>6</sup>	Distribution 24			(2,750)	(6,000)	(2,750)	(6,000)		
229	Increased Prod. Tax Dist. to Iron Range Schools & Comm. Develop. Account <sup>9</sup>	DFE			-	-	-	-	(2,450)	(3,260)
	<b>SUBTOTAL: DOUGLAS J JOHNSON ECONOMIC PROTECTION FUND</b>				(2,750)	(6,000)	(2,750)	(6,000)	(2,450)	(3,260)
	<b>IRON RANGE SCHOOLS &amp; COMMUNITY DEVELOPMENT ACCOUNT<sup>8</sup></b>									
233	Increased Distribution from Douglas J Johnson Economic Protection Fund <sup>6</sup>	Distribution 24			2,750	6,000	2,750	6,000		
234	Increased Prod. Tax Dist. to Iron Range Schools & Comm. Develop. Account <sup>9</sup>	DFE			-	-	-	-	7,350	9,800
235	2024 Production Tax Revenue Bonds Debt Service <sup>7</sup>	DFE			-	(7,800)	-	(7,800)	-	(7,800)
236	2025 Production Tax Revenue Bonds Debt Service <sup>7</sup>	DFE			-	(2,400)	-	(2,400)	-	(2,400)
237	<b>SUBTOTAL: IRON RANGE SCHOOLS &amp; COMMUNITY DEVELOPMENT ACCOUNT<sup>8</sup></b>		-	-	2,750	(4,200)	2,750	(4,200)	7,350	(400)

### Tax Policy Section Footnotes

<sup>1</sup> This House Child Tax Credit provision is estimated to have a revenue reduction (cost) to the general fund in FY 2028 and thereafter.

<sup>2</sup> This credit is contingent on an appropriation in the Senate Jobs and Economic Development Budget bill, SF 5289.

<sup>3</sup> The fiscal impact of this provision is affected by the extension of the sunset from 2042 to 2050.

<sup>4</sup> A similar exemption is also contained in the Senate tax bill, HF5247-1UE, and funded from a Sales Tax Refund special revenue account.

### Property Tax, Aids and Credits & Non General Section Fund Footnotes

<sup>5</sup> The fiscal impact of this repeal is a cost to the general fund of \$20M starting in FY30 and on-going.

<sup>6</sup> 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.

<sup>7</sup> The Revenue Bonds Debt Service is expected to have a fiscal impact of 20 years.

<sup>8</sup> Account formerly known as the Iron Range School Consolidation & Cooperatively Operated School Account.

<sup>9</sup> The production tax distribution to the Iron Range Schools & Community Development Account increases from 10cpt to 24cpt from Distribution Year 2024 through Distribution Year 2032.