

**2025 SESSION - HF 2274 with the A2 Amendment - Change Item Summary**

FEBRUARY 2025 FORECAST BASELINE

Dollars in Thousands

Tax Revenues, Non-General Fund Items, and Totals: Negative #s = Revenue Reduction

Property Tax, Aids & Credits: Negative #s = Spending Reduction

LINE	ITEM	Forecast	HF 2274		
		FY 2024-25	FY 2025	FY 2026-27	FY 2028-29
<b>CURRENT LAW GENERAL FUND FORECAST:</b>					
1	TAX POLICY (REVENUE) <sup>1</sup>	58,021,635		61,794,511	65,943,938
2	PROPERTY TAX REFUNDS, AIDS, & CREDITS (EXPENDITURES) <sup>1</sup>	5,556,139		4,753,249	4,957,360
3	<b>GENERAL FUND - CHANGE ITEMS:</b>				
4	Tax Revenue		-	(20,740)	(17,470)
5	Less General Fund Property Tax Refunds, Aids, & Credits		188	9,816	14,632
6	<b>TOTAL: NET GENERAL FUND CHANGE ITEMS</b>	-	<b>(188)</b>	<b>(30,556)</b>	<b>(32,102)</b>
7	<b>NON-GENERAL FUND - CHANGE ITEMS:</b>				
8	Outdoor Heritage Fund			(14)	(7)
9	Arts & Cultural Heritage Fund			(8)	(4)
10	Clean Water Fund			(14)	(7)
11	Parks & Trails Fund			(6)	(6)
12	Special Revenue Fund - Transportation Advancement Account			(160)	(200)
13	Housing Assistance Fund			(310)	(400)
14	Health Care Access Fund			-	-
15	<b>SUBTOTAL: NET NON-GENERAL FUND CHANGE ITEMS</b>	-	-	<b>(512)</b>	<b>(624)</b>

<sup>1</sup> Based on the February 2025 Forecast

All Dollars in Thousands									
Note: Positive dollars show revenue gains, negative dollars or dollars in parenthesis show revenue losses									
		A	B	C	D	E	F	G	H
Row		Effective Date	Feb 25 FY 2024-25	FY 2026	HF 2274 FY 2027	FY 2026-27	FY 2028	HF 2274 FY 2029	FY 2028-29
1	<b>Summary</b>								
2	<b>Total - Current Law - Tax Revenues</b>		58,087,737	30,527,166	31,267,345	61,794,511	32,451,374	33,492,564	65,943,938
3	<b>Total - Net Changes - Tax Revenues</b>		-	(12,270)	(8,470)	(20,740)	(8,770)	(8,700)	(17,470)
4	<b>Total - Net, Non Dedicated Tax Revenue</b>		58,087,737	30,514,896	31,258,875	61,773,771	32,442,604	33,483,864	65,926,468
	<b>Individual Income Tax</b>								
5	Change Items		-						
6	Child Tax Credit, Expand Eligibility 18 yrs.	TY 2025		(7,900)	(8,100)	(16,000)	(8,400)	(8,700)	(17,100)
7	Section 530 Exclusion	TY 2026		-	Unknown	Unknown	Unknown	Unknown	Unknown
8	Discharged Debt Subtraction	TY 2025	-	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)
9	Beg. Farmer Tax Credit, Priority Allocation/Timing Changes	TY 2025		-	-	-	-	-	-
10	<b>Subtotal: Change Items</b>			(7,900)	(8,100)	(16,000)	(8,400)	(8,700)	(17,100)
	<b>Corporate Franchise Tax</b>								
11	Change Items								
13	Housing Tax Credit Carryover	TY 2025		(4,000)	-	(4,000)	-	-	-
14	<b>Subtotal: Change Items</b>			(4,000)	-	(4,000)	-	-	-
	<b>Sales and Use Tax</b>								
15	Change Items								
17	Const. Material Purchases Exempt, City of Woodbury	1/1/24-1/1/28		(370)	(370)	(740)	(370)	-	(370)
18	Exemption, Amusement Devices	10/1/25		(5,520)	(8,470)	(13,990)	(8,660)	(8,850)	(17,510)
19	<b>Subtotal: Change Items</b>			(5,890)	(8,840)	(14,730)	(9,030)	(8,850)	(17,880)
	<b>Other Net Tax Revenue</b>								
20	Change Items								
22	Amusement Devices Gross Receipts Tax Established	10/1/25	-	5,520	8,470	13,990	8,660	8,850	17,510
23	Controlled Substances/Illegal Substances, Repeal	8/1/25	-	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)
24	<b>Subtotal: Change Items</b>			5,520	8,470	13,990	8,660	8,850	17,510
25	<b>TOTAL: Net, Non Dedicated Tax Revenue</b>			30,514,896	31,258,875	61,773,771	32,442,604	33,483,864	65,926,468

Feb is February 2025 General Fund Balance Analysis

End of Tax Revenue Spreadsheet

February 2025 Forecast

General Fund Fiscal Impact

**All Dollars in Thousands**

**Note:** Positive numbers represent expenditures, negative numbers represent cost savings.

Row	Effective Date	A	B	C	D	E	F	G	H	I
		Feb 25	HF 2274				HF 2274			
		FY 2024-25	FY 2025	FY 2026	FY 2027	FY 2026-27	FY 2028	FY 2029	FY 2028-29	
1										
2		5,556,139	2,735,905	2,328,998	2,424,251	4,753,249	2,459,963	2,497,397	4,957,360	
3		-	188	3,100	6,716	9,816	5,977	8,655	14,632	
4		<b>5,556,139</b>	<b>2,736,093</b>	<b>2,332,098</b>	<b>2,430,967</b>	<b>4,763,065</b>	<b>2,465,940</b>	<b>2,506,052</b>	<b>4,971,992</b>	
5										
6										
7	AY 2025		-	-	40	40	40	40	80	
8	Contributions after 12.31.26		-	-	negl.	negl.	negl.	negl.	negl.	
9	Pay 2026		-	-	-	-	negl.	negl.	negl.	
10	Pay 2026		-	-	-	-	-	-	-	
	<i>Interaction - Property Tax Refund</i>		-	-	10	10	10	10	20	
11	AY 2025		-	-	-	-	-	-	-	
	<i>Interaction - Property Tax Refund</i>		-	-	(210)	(210)	(210)	(210)	(420)	
12			-	-	-	-	-	-	-	
13	AY 2026		-	-	-	-	(negl.)	(negl.)	(negl.)	
14			-	-	-	-	negl.	negl.	(negl.)	
15			-	-	-	-	-	-	-	
16	AY 2026		-	-	-	-	10	10	20	
17	DFE		-	122	-	122	-	-	-	
18	DFE		-	-	-	-	-	-	-	
19			-	-	10	10	10	20	30	
20	Pay 2027		-	-	-	-	-	-	-	
21	Pay 2026		-	-	+/- unknown					
22			-	122	(150)	(28)	(140)	(130)	(270)	

February 2025 Forecast

General Fund Fiscal Impact

All Dollars in Thousands									
Note: Positive numbers represent expenditures, negative numbers represent cost savings.									
Row	Effective Date	Feb 25 FY 2024-25	HF 2274				HF 2274		
			FY 2025	FY 2026	FY 2027	FY 2026-27	FY 2028	FY 2029	FY 2028-29
23	<b>Local Aids</b>								
24	<i>Change Items</i>								
25	Penalty Forgiveness for the City of Stewart	DFE	88	-	-	-	-	-	-
26	Local Homeless Aid - Encampment Clearing Prohibited	Aids Pay 2025	-	-	-	-	-	-	-
27	Reporting Requirement - Local Homeless Prevention Aid	Aids Pay 2025	-	-	-	-	-	-	-
28	Repeal MS 477A.30 (Local Homeless Aid Expiration)^	8.1.25	-	-	-	-	-	-	-
29	^The fiscal impact of this repeal would be a cost to the general fund of \$20 million starting in FY 2030 and on-going.								
30	<b>Subtotal: Change Items</b>		<b>88</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
31	<b>Other Aids and Credits</b>								
32	<i>Change Items</i>								
33	Grant to Browerville Public Schools	7.1.25	-	520	-	520	-	-	-
34	Grant to South St. Paul for Planning and Development	DFE	100	-	-	-	-	-	-
35	Grant to Anoka County Soil & Water Conservation District	DFE	-	50	-	50	-	-	-
36	Aid to Minneapolis for Emerald Ash Borer Assistance	7.1.25	-	800	-	800	-	-	-
37	Cancellation - Laws 23 Ch 64 - Grant to Minneapolis	DFE	(8,000)	-	-	-	-	-	-
38	Cancellation - Laws 23 Ch 64 - Grant to PFA	DFE	(2,000)	-	-	-	-	-	-
39	Grant to City of Minneapolis - Lake Street Depot	DFE	8,000	-	-	-	-	-	-
40	Grant to Public Facilities Authority - Water Distribution	DFE	2,000	-	-	-	-	-	-
41	<b>Subtotal: Change Items</b>		<b>100</b>	<b>1,370</b>	<b>-</b>	<b>1,370</b>	<b>-</b>	<b>-</b>	<b>-</b>

February 2025 Forecast

General Fund Fiscal Impact

<b>All Dollars in Thousands</b>									
<b>Note:</b> Positive numbers represent expenditures, negative numbers represent cost savings.									
Row	A	B	C	D	E	F	G	H	I
	Effective Date	Feb 25	HF 2274				HF 2274		
		FY 2024-25	FY 2025	FY 2026	FY 2027	FY 2026-27	FY 2028	FY 2029	FY 2028-29
42	<b>Other</b>								
43	<i>Change Items</i>								
44	DOR Admin - Direct File	7.1.25	-	1,128	6,471	7,599	5,722	8,390	14,112
45	DOR Admin - Corporate Franchise Disclosure	7.1.25	-	480	198	678	198	198	396
46	DOR Admin - Advanced Senior Homestead Credit	7.1.25	-	-	197	197	197	197	394
47	<b>Subtotal: Change Items</b>		-	<b>1,608</b>	<b>6,866</b>	<b>8,474</b>	<b>6,117</b>	<b>8,785</b>	<b>14,902</b>
48	<b>TOTAL: Property Tax, Aids and Credits</b>		<b>5,556,139</b>	<b>2,736,093</b>	<b>2,332,098</b>	<b>2,430,967</b>	<b>4,763,065</b>	<b>2,465,940</b>	<b>2,506,052</b>

Feb 25 is February 2025, General Fund Balance Analysis  
DOR is the Department of Revenue  
PFA is Public Facilities Authority  
AY is Assessment Year  
Pay is Property Taxes Payable  
DFE is Day Following Enactment  
Aids Pay is Aids Payable

**End of Property Tax, Aids, and Credits General Fund Spreadsheet**

All Dollars in Thousands

Note: Positive dollars show revenue gains, negative dollars or dollars in parenthesis show revenue losses

Row		Effective Date	HF 2274			HF 2274		
			FY 2026	FY 2027	FY 2026-27	FY 2027	FY 2028	FY 2027-28
1	<b>Summary</b>							
2	<b>Total - Current Law - Tax Revenues</b>		2,059,990	2,202,382	4,262,372	2,355,504	2,459,833	4,815,337
3	<b>Total - Net Changes - Tax Revenues</b>		(201)	(311)	(512)	(321)	(303)	(624)
4	<b>Total - Net, Non Non General Fund Tax Revenue</b>		2,059,789	2,202,071	4,261,860	2,355,183	2,459,530	4,814,713
	<b><u>Outdoor Heritage Fund (Legacy/33%/2300 Fund)</u></b>							
5	Receipts		152,058	157,781	309,839	162,942	167,914	330,856
6	Change Items				-			-
7	Const. Material Purchases Exempt, City of Woodbury	1/1/24-1/1/28	(7)	(7)	(14)	(7)	-	(7)
8	SalesTax Exemption, Amusement Devices	10/1/25	(106)	(162)	(268)	(165)	(168)	(333)
9	Amusement Devices Gross Receipts Tax Established	10/1/25	106	162	268	165	168	333
10	Subtotal		(7)	(7)	(14)	(7)	-	(7)
11	<b><u>Arts &amp; Cultural Heritage (Legacy/19.75%/2301 Fund)</u></b>							
12	Receipts		91,005	94,430	185,435	97,519	100,494	198,013
13	Change Items							
14	Const. Material Purchases Exempt, City of Woodbury	1/1/24-1/1/28	(4)	(4)	(8)	(4)	-	(4)
15	SalesTax Exemption, Amusement Devices	10/1/25	(63)	(97)	(160)	(99)	(101)	(200)
16	Amusement Devices Gross Receipts Tax Established	10/1/25	63	97	160	99	101	200
17	Subtotal		(4)	(4)	(8)	(4)	-	(4)
18	<b><u>Clean Water (Legacy/33%/2302 Fund)</u></b>							
19	Receipts		152,058	157,781	309,839	162,942	167,914	330,856
20	Change Items				-			-
21	Const. Material Purchases Exempt, City of Woodbury	1/1/24-1/1/28	(7)	(7)	(14)	(7)	-	(7)

All Dollars in Thousands

Note: Positive dollars show revenue gains, negative dollars or dollars in parenthesis show revenue losses

Row		Effective Date	HF 2274			HF 2274		
			FY 2026	FY 2027	FY 2026-27	FY 2027	FY 2028	FY 2027-28
1	<b>Summary</b>							
22	SalesTax Exemption, Amusement Devices	10/1/25	(106)	(162)	(268)	(165)	(168)	(333)
23	Amusement Devices Gross Receipts Tax Established	10/1/25	106	162	268	165	168	333
24	Subtotal		(7)	(7)	(14)	(7)	-	(7)
25	<b><u>Parks &amp; Trails (Legacy/ 14.25%/2303 Fund)</u></b>							
26	Receipts		65,355	67,572	132,927	69,899	72,281	142,180
27	Change Items				-			-
28	Const. Material Purchases Exempt, City of Woodbury	1/1/24-1/1/28	(3)	(3)	(6)	(3)	(3)	(6)
29	SalesTax Exemption, Amusement Devices	10/1/25	(46)	(70)	(116)	(71)	(73)	(144)
30	Amusement Devices Gross Receipts Tax Established	10/1/25	46	70	116	71	73	144
31	Subtotal: Parks & Trails Fund		(3)	(3)	(6)	(3)	(3)	(6)
32								
33	<b><u>Transportation Advancement Account (Special Revenue Fund/2000 Fund)</u></b>							
34	Receipts		532,332	561,958	1,094,290	590,522	620,080	1,210,602
35	Change Items				-			-
36	SalesTax Exemption, Amusement Devices	10/1/25	(60)	(100)	(160)	(100)	(100)	(200)
37	Subtotal: Special Revenue Fund		(60)	(100)	(160)	(100)	(100)	(200)
38								
39	<b><u>Housing Assistance Fund (2310 Fund)</u></b>							
40	Receipts		178,900	186,000	364,900	192,500	198,700	391,200
41	Change Items				-			-
42	SalesTax Exemption, Amusement Devices	10/1/25	(120)	(190)	(310)	(200)	(200)	(400)
43	Subtotal: Special Revenue Fund		(120)	(190)	(310)	(200)	(200)	(400)
44	<b><u>Health Care Access Fund (HF2360)</u></b>							
45	Receipts		888,282	976,860	1,865,142	1,079,180	1,132,450	2,211,630
46	Change Items							

**All Dollars in Thousands**

**Note:** Positive dollars show revenue gains, negative dollars or dollars in parenthesis show revenue losses

Row		Effective Date	HF 2274			HF 2274		
			FY 2026	FY 2027	FY 2026-27	FY 2027	FY 2028	FY 2027-28
1	<b>Summary</b>							
47	Provider Research Credit , Fix Rate at 0.5%	DFE	-	-	-	-	-	-
48								
49	Subtotal: Health Care Access Fund		-	-	-	-	-	-
50	<b>TOTAL: Net, Non Dedicated Tax Revenue</b>		<b>2,059,789</b>	<b>2,202,071</b>	<b>4,261,860</b>	<b>2,355,183</b>	<b>2,459,530</b>	<b>4,814,713</b>

*Feb 24 is February 2025 General Fund Balance and Consolidated Fund Balance  
 DFE is Day Following Enactment*

Row	Provision
1	<b>Special Local Taxes</b>
2	Local Lodging Taxes Accommodation Intermediaries
3	City of Minneapolis - Downtown District - Liquor, Lodging, and Restaurant Taxes
4	<b>Tax Increment Financing (TIF)</b>
5	City of Ramsey
6	City of Maple Grove
7	City of St. Paul - Ford Site Redevelopment
8	City of Brooklyn Center
9	City of Brooklyn Park
10	City of Eden Prairie
11	City of Edina
12	City of Minnetonka
13	City of Moorhead
14	City of Plymouth
15	City of St. Cloud
16	<b>Other</b>
17	Lawful Purpose Expenditures Modifications