

2026 TAXES OMNIBUS BILL - HF 2438 A26-0187 DELETE-EVERYTHING AMENDMENT

\$\$\$ in thousands | Tax Revenues: Negative # = Revenue Reduction | Property Tax, Aids & Credits (and other) Expenditures: Negative # = Spending Reduction

LINE	SENATE FILE & AUTHOR	ITEM	EFFECTIVE DATE	HF 2438 DE AMENDMENT					
				FY2026	FY2027	FY26-27	FY2028	FY2029	FY28-29
		Tax Revenues		-	16,230	16,230	149,800	208,610	358,410
		Property Tax Aids & Credits (and other) Expenditures		-	40,342	40,342	7,820	8,416	16,236
		NET GENERAL FUND EFFECT (EXPENDITURES - REVENUES)		-	24,112	24,112	(141,980)	(200,194)	(342,174)
		GENERAL FUND TAX REVENUES							
		INDIVIDUAL INCOME TAX							
1	SF5052 (Governor)	Federal conformity - PL 119-21 - Enhancement of Dependent Care Assistance Program	TY26	-	(5,000)	(5,000)	(5,400)	(5,800)	(11,200)
3	SF5052 (Governor)	Federal conformity - PL 119-21 - Bonus Depreciation w/ 80% Addition & Subtractions Over 5 Years	TY25	-	3,700	3,700	9,400	3,800	13,200
4	SF5052 (Governor)	Federal conformity - PL 119-21 - Termination of Qualified Bicycle Commuting Reimbursement Exclusion	TY26	-	100	100	100	200	300
6	SF5052 (Governor)	Federal conformity - PL 119-21 - Extension and Modification of Limitation on Deduction and Exclusion for Moving Expenses	TY26	-	9,800	9,800	11,500	12,100	23,600
7	SF5052 (Governor)	Federal conformity - PL 119-21 - 0.5% Floor on Deduction of Charitable Contributions Made by Individuals (1% in Agreement)	TY26	-	32,500	32,500	34,400	36,400	70,800
8	SF5052 (Governor)	Federal conformity - PL 119-21 - Extension and Modification of Limitation on Wagering Losses	TY26	-	800	800	1,100	1,900	3,000
9	SF5052 (Governor)	Federal conformity - PL 119-21 - Extension of Rollovers from Qualified Tuition Programs to ABLE Accounts Permitted	TY26	-	(negl.)	(negl.)	(10)	(10)	(20)
12	SF5052 (Governor)	Federal conformity - PL 119-21 - 530A Accounts	TY26	-	(negl.)	(negl.)	(negl.)	(200)	(200)
14	SF5052 (Governor)	Federal conformity - PL 119-21 - FICA Tip Credit Expansion	TY25	-	200	200	100	100	200
15	SF5052 (Governor)	Federal conformity - PL 119-21 - Increased Dollar Limitation for Section 179 Expensing	TY25	-	(26,300)	(26,300)	(9,800)	(6,700)	(16,500)
16	SF5052 (Governor)	Federal conformity - PL 119-21 - Treatment of Certain Sound Recording Productions	TY25	-	(20)	(20)	(20)	(30)	(50)
17	SF5052 (Governor)	Federal conformity - PL 119-21 - Modification of Limit on Business Interest	TY25	-	(89,400)	(89,400)	(25,100)	(20,600)	(45,700)
18	SF5052 (Governor)	Federal conformity - PL 119-21 - Extension and Enhancement of Paid Family Medical Leave Credit	TY26	-	800	800	900	1,200	2,100
21	SF5052 (Governor)	Federal conformity - PL 119-21 - Exception to Percentage of Completion Method of Accounting for Certain Residential Construction Contracts	TY26	-	(5,800)	(5,800)	(3,500)	(2,100)	(5,600)
22	SF5052 (Governor)	Federal conformity - PL 119-21 - Qualified Small Business Stock Gain Exclusion	TY25	-	900	900	500	(300)	200
24	SF5052 (Governor)	Federal conformity - PL 119-21 - Restoration of Taxable REIT Subsidiary Asset Test	TY26	-	(700)	(700)	(800)	(900)	(1,700)
25	SF5052 (Governor)	Federal conformity - PL 119-21 - Termination of Energy Efficient Commercial Buildings Deduction	TY26	-	-	-	100	100	200
26	SF5052 (Governor)	Federal conformity - PL 119-21 - Termination of 5-year Cost Recovery for Wind and Solar Energy Property	TY25	-	300	300	200	200	400
27	SF5052 (Governor)	Federal conformity - PL 119-21 - Limitation on Excess Business Loss of Noncorporate Taxpayers	TY26	-	1,400	1,400	1,300	27,700	29,000
28	SF5052 (Governor)	Federal conformity - PL 119-21 - Enhancement of Employer-Provided Child Care Credit	TY26	-	55,300	55,300	43,300	77,200	120,500
29	SF5052 (Governor)	Federal Conformity - PL 119-21 - Full Expensing of Domestic Research and Experimental Expenditures (Agreement=Modified Proposal)	TY25	-	(27,400)	(27,400)	(800)	(800)	(1,600)
31	SF1419 (Putnam)	Beginning Farmer Credit Modifications (Agreement = cap removed for TY26 only)	Various	-	(1,400)	(1,400)	-	-	-
37	HF2438	Subtraction - Income from Nursing Facility Workforce Wage Supplement Program	Contingent TY26	-	-	-	-	-	-
38	HF3127 (Davids)	Pass-through Entity (PTE) Extension	Retro 1/1/26	-	-	-	-	-	-
40	SF1197 (Hauschild)	Interaction - School District Seasonal Tax Base Replacement Aid	Pay27	-	-	-	80	80	160
42		CORPORATE FRANCHISE TAX							
43	SF5052 (Rest)	Federal conformity - PL 119-21 - Bonus Depreciation w/ 80% Addition & Subtractions Over 5 Years	TY25	-	7,500	7,500	19,200	7,900	27,100
44	SF5052 (Rest)	Federal conformity - PL 119-21 - Excessive Employee Remuneration from Controlled Group Members & Allocation of Deduction	TY26	-	8,200	8,200	7,700	8,300	16,000
45	SF5052 (Governor)	Federal conformity - PL 119-21 - FICA Tip Credit Expansion	TY25	-	30	30	20	20	40
46	SF5052 (Governor)	Federal conformity - PL 119-21 - Increased Dollar Limitation for Section 179 Expensing	TY25	-	(9,900)	(9,900)	(3,700)	(2,500)	(6,200)
47	SF5052 (Governor)	Federal conformity - PL 119-21 - Treatment of Certain Sound Recording Productions	TY25	-	(40)	(40)	(40)	(50)	(90)
48	SF5052 (Governor)	Federal conformity - PL 119-21 - Modification of Limit on Business Interest	TY25	-	(20,000)	(20,000)	(5,600)	(4,600)	(10,200)
49	SF5052 (Governor)	Federal conformity - PL 119-21 - Extension and Enhancement of Paid Family Medical Leave Credit	TY26	-	800	800	900	1,200	2,100
51	SF5052 (Governor)	Federal conformity - PL 119-21 - 1% Floor on Deduction of Charitable Contributions Made by Corporations	TY26	-	-	-	12,500	9,700	22,200
52	SF5052 (Governor)	Federal conformity - PL 119-21 - Exception to Percentage of Completion Method of Accounting for Certain Residential Construction Contracts	TY26	-	(1,200)	(1,200)	(700)	(400)	(1,100)

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				FY2026	FY2027	FY26-27	FY2028	FY2029	FY28-29
55	SF5052 (Governor)	Federal conformity - PL 119-21 - Termination of Energy Efficient Commercial Buildings Deduction	TY26	-	-	-	10	10	20
56	SF5052 (Governor)	Federal conformity - PL 119-21 - Termination of 5-year Cost Recovery for Wind and Solar Energy Property	TY25	-	300	300	200	200	400
57	SF5052 (Governor)	Federal conformity - PL 119-21 - Enhancement of Employer-Provided Child Care Credit	TY26	-	76,500	76,500	59,800	61,500	121,300
58	SF5052 (Governor)	Federal conformity - PL 119-21 - Allow Subtraction for Net CFC Tested Income	TY26	-	unknown	unknown	unknown	unknown	unknown
60	SF5052 (Governor)	Federal conformity - PL 119-21 - Repeal of Election for 1-monty Deferral in Determination of Taxable Year of Specified Foreign Corporations	TY26	-	3,400	3,400	-	-	-
61	SF5052 (Governor)	Federal conformity - PL 119-21 - Restoration of Limitation on Downward Attribution of Stock Ownership in Applying Constructive Ownership Rules	TY26	-	(1,400)	(1,400)	(1,400)	(1,500)	(2,900)
62	SF5052 (Governor)	Federal conformity - PL 119-21 - Modification to Pro Rata Share Rules	TY26	-	7,600	7,600	8,700	9,300	18,000
63	SF1312 (Rest)	Sustainable Aviation Fuel Credit Modifications	Various	-	(5,300)	(5,300)	(5,300)	(2,100)	(7,400)
82									
83		SALES AND USE TAX							
87	HF3051 (Davids)	Exemption for PGA Events Admission (has effects on non-general funds)	7/1/2026 - 6/30/2030	-	(40)	(40)	(40)	(1,910)	(1,950)
93	SF4518 (Dibble)	Business Collection of Tourism Improvement District Charges	Retro post-6/30/25						
99		PROPERTY TAX AIDS & CREDITS							
100		HOMESTEAD PROPERTY TAX REFUNDS							
101	SF5010 (Hauschild)	Homestead Credit Refund Onetime Increase (14.88% in 2026)	Pay26	-	125,000	125,000	-	-	-
104	SF1197 (Hauschild)	Interaction - School District Seasonal Tax Base Replacement Aid	Pay27	-	-	-	(430)	(430)	(860)
107	SF2076 (Hauschild) / SF132	Interaction - Homestead Resort Property Tier Limit Modifications	AY27	-	-	-	40	40	80
115	SF4793 (Rarick)	Interaction - Tribal Property Exemption for Fond Du Lac Band of Chippewa - Medical Clinic	AY27	-	-	-	-	10	10
116	SF4794 (Rarick)	Interaction - Tribal Property Exemption for Fond Du Lac Band of Chippewa - Carlton County	Pay27	-	-	-	negl.	negl.	negl.
117									
126		LOCAL GOVERNMENT AIDS							
128	SF1197 (Hauschild)	School District Seasonal Tax Base Replacement Aid	Pay27	-	2,542	2,542	4,710	5,296	10,006
132	HF4161 (Duran)	City of Northern - LGA Eligibility	Pay27	-	-	-	-	-	-
133	SF2374 (Rest) / DE amendment	Local Homeless Prevention Aid - Sunset Repeal (current law = expires after aids payable in 2028) - 4 Year Extension (cost beyond budget horizon)*		-	-	-	-	-	-
135									
136		OTHER PROPERTY TAX ITEMS							
138	SF3589 (Rest)	Hennepin and Ramsey Counties Mortgage Registry and Deed Tax Extensions	7/1/2026	-	-	-	-	-	-
140		OTHER ITEMS							
143	SF4872 (Champion)	Transfer from Forward Fund		-	(15,000)	(15,000)	-	-	-
144	HF2438	Transfer from Driver and Vehicle Services Operating Account		-	(75,000)	(75,000)	-	-	-
146	HF30 (Gomez)	Direct Free Filing Establishment		-	2,300	2,300	3,500	3,500	7,000
151	HF2438	Nuclear Study		-	500	500	-	-	-
154	SF4455 (Drazkowski)	Lake City Port Authority Modifications	DFE	-	-	-	-	-	-
160	SF3597 (Rest)	Refund Claim Filing Time Limit Modification	DFE	-	-	-	-	-	-
162	SF4690 (Rest)	DoR Policy and Technical Bill	Various	-	-	-	-	-	-
163	SF3980 (Hemmingsen-Jaeger)	Public Finance		-	-	-	-	-	-
164	SF2766 A-1 Amendment (Hauschild)	Minerals (has effects on various non-general funds)	Various	-	-	-	-	-	-
165		SUBTOTAL: OTHER ITEMS		-	(87,200)	(87,200)	3,500	3,500	7,000

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				FY2026	FY2027	FY26-27	FY2028	FY2029	FY28-29
167		NON-GENERAL FUND CHANGES (Negative # = Revenue or Expenditure Reduction)							
168		LEGACY FUNDS							
172	HF3051 (Davids)	Exemption for PGA Events Admission	7/1/2026 - 6/30/2030	-	(negl.)	(negl.)	(negl.)	(110)	(110)
177		HOUSING ASSISTANCE FUND							
180	HF3051 (Davids)	Exemption for PGA Events Admission	7/1/2026 - 6/30/2030	-	(negl.)	(negl.)	(negl.)	(40)	(40)
185		SPECIAL REVENUE FUND							
188	HF3051 (Davids)	Exemption for PGA Events Admission	7/1/2026 - 6/30/2030	-	(negl.)	(negl.)	(negl.)	(20)	(20)
189	HF2438	Driver and Vehicle Services Operating Account - Transfer to General Fund		-	75,000	75,000	-	-	-
190	SF5032 (Drazkowski)	100% Tax on Amounts Obtained Through Fraud	Various	-	unknown	unknown	unknown	unknown	unknown
228		MINNESOTA FORWARD FUND							
229	HF2438	Forward Fund Cancellation of 2023 Appropriation	DFE	(15,000)	-	(15,000)	-	-	-
230	HF2438	Forward Fund Transfer to General Fund		-	15,000	15,000	-	-	-

TAX INCREMENT FINANCING

SENATE FILE & AUTHOR	DESCRIPTION	SENATE FILE & AUTHOR	DESCRIPTION
SF3608 (Rest)	OSA Excess Increment Clarification	SF3918 (Coleman)	Chaska - District Duration Extension
SF4644 (Weber)	Mountain Lake - 5/6 Yr. Rule Ext.	SF3552 (Kunesh)	Columbia Heights - 5/6 Yr. Rule Ext.
SF3581 (Johnson Stewart)	Wayzata - Additional Authorized Expenditures	SF4631 (Latz)	Hopkins - 5/6 Yr. Rule Ext.
SF5455 (Cwodzinski)	Eden Prairie - Extension to Approve TIF Districts		

*\$20m/year will be appropriated in FY30 through FY33. The aid is assumed to decrease income tax deductions and property tax refunds by unknown amounts.