

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

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

5/22/2022

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

9PM

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	CONFERENCE	
		FY 2021-22	FY 2022-23	FY 2024-25
	<b><u>GENERAL FUND FORECAST:</u></b>			
1	TAX POLICY (REVENUE) <sup>1</sup>	47,737,661	54,594,416	58,105,887
2	PROPERTY TAX REFUNDS, AIDS, & CREDITS (EXPENDITURES) <sup>1</sup>	3,892,681	4,153,638	4,342,803
	<b><u>GENERAL FUND - CHANGE ITEMS:</u></b>			
3	TAX POLICY		(1,376,610)	(2,593,940)
4	LESS PROPERTY TAX REFUNDS, AIDS, & CREDITS		74,315	(144,850)
5	<b>SUBTOTAL: GENERAL FUND CHANGE ITEMS</b>		<b>(1,450,925)</b>	<b>(2,449,090)</b>
	<b><u>NON-GENERAL FUND - CHANGE ITEMS:</u></b>			
6	LEGACY FUNDS		(650)	(1,270)
7	ENVIRONMENTAL FUND		(3,100)	(6,400)
8	SPECIAL REVENUE FUND		290	640
9	IRON RANGE SCHOOL CONSOLIDATION FUND		-	2,775
10	COUNTY ROAD & BRIDGE FUND		-	(2,775)
11	<b>SUBTOTAL: NON-GENERAL FUND CHANGE ITEMS</b>		<b>(3,460)</b>	<b>(7,030)</b>

<sup>1</sup> General Fund state tax revenues are based on the February 2022 Forecast

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

NON-DEDICATED GENERAL FUND TAX REVENUE (\$ IN THOUSANDS)		EFFECTIVE	CONFERENCE FY2022	CONFERENCE FY2023	CONFERENCE FY2022-23	CONFERENCE FY2024	CONFERENCE FY2025	CONFERENCE FY2024-25
1	<b>TOTAL - CURRENT LAW FORECAST (Non-Dedicated General Fund Tax Revenue)</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	<b>Summary of Tax Policy Change Items:</b>							
3	<i>Federal Conformity Change Items</i>		-	(101,880)	(101,880)	(15,360)	(15,220)	(30,580)
4	<i>Other Change Items</i>		-	(1,274,730)	(1,274,730)	(1,255,770)	(1,307,590)	(2,563,360)
5	<b>TOTAL - All Change Items</b>		<b>-</b>	<b>(1,376,610)</b>	<b>(1,376,610)</b>	<b>(1,271,130)</b>	<b>(1,322,810)</b>	<b>(2,593,940)</b>
<b>INDIVIDUAL INCOME TAX</b>								
<b>Change Items - Federal Conformity</b>								
11	*FCAA: Expansion of Section 529 Plans	Retro, TY 19	-	(530)	(530)	(160)	(160)	(320)
12	*CARES: Increase Limitation, Charitable Deduction Limit - Food Inventory to 25%	TY 20 only	-	(190)	(190)	40	10	50
13	*CARES: Exclusion of Certain Employer Student Loan Payments	TY 20 only	-	(5,000)	(5,000)	-	-	-
14	*CARES: Inclusion of certain over-the-counter medical products as medical expenses	TY 20	-	(Negli.)	(Neli.)	(Negli.)	(Negli.)	(Negli.)
15	*CAA: Exclusion, Discharge of Indebtedness, Qual. Principle Residence (Full Retro. Conformity)	TY 21-25	-	(2,800)	(2,800)	(1,600)	(1,600)	(3,200)
16	*CAA: Exclusion of Benefits for Volunteer Firefighters & Emergency Medical Responders	TY 21 only	-	(590)	(590)	(400)	(400)	(800)
17	*CAA: Exclusion of Certain Employer Student Loan Payments (Full Retroactive Conformity)	TY 21-25	-	(14,300)	(14,300)	(7,300)	(7,400)	(14,700)
18	*CAA: Partial Above the Line Deduction of Charitable Contributions	TY 21 only	-	(13,900)	(13,900)	-	-	-
19	*CAA: Increase Limitation, Charitable Contributions Deductions, 60% to 100% FAGI	TY 21 only	-	(6,500)	(6,500)	2,700	1,200	3,900
20	*CAA: Special disaster-related rules for use of retirement funds (Full Retroactive Conformity)	TY 21 only	-	(10)	(10)	10	-	10
21	*CAA: Temporary increase in limitation on qualified contributions	TY 21-22	-	(900)	(900)	(400)	(400)	(800)
22	*CAA: Exclusion of SBA Loan Assistance (Full Retroactive Conformity)	TY 21	-	(2,800)	(2,800)	(300)	(100)	(400)
23	*CAA: Exclusion of Shuttered Venue Grants (Full Retroactive Conformity)	TY 21	-	(2,400)	(2,400)	(400)	(200)	(600)
24	*CAA: Accelerated Depreciation for Business Property on Indian Reservation	TY21	-	(80)	(80)	(10)	(Negli.)	(10)
25	*CAA: Depreciation of Certain Residential Rental Property over 30 years	Retro, TY18	-	(8,200)	(8,200)	(1,100)	(900)	(2,000)
26	*CAA: Special Expensing Rules for Certain Film, Television and Live Theatrical Productions	TY 21-25	-	(3,300)	(3,300)	(600)	(600)	(1,200)
27	*CAA: Energy-Efficient Commercial Building Deduction	TY 21	-	(410)	(410)	(200)	(200)	(400)
28	*CAA: Special Rule for the Production Period for Beer, Wine and Distilled Spirits	TY 21	-	(120)	(120)	(40)	(40)	(80)
29	*ARPA: Employer-Provided Dependent Care Assistance, Exclusion Increased	TY 21 only	-	(760)	(760)	-	-	-
30	*ARPA: Discharged Student Loans, Exclusion Provided (Fully Retroactive Conformity)	TY 21-25	-	(200)	(200)	(100)	(100)	(200)
31	*ARPA: Increase maximum unearned income for Working Family Credit	TY 21	-	(900)	(900)	(500)	(500)	(1,000)
32	*ARPA: Exclusion of EIDL Loan Advances (Full Retroactive Conformity)	TY 21 only	-	(6,300)	(6,300)	(600)	(300)	(900)
33	*ARPA: Exclusion of Restaurant Revitalization Grants (Full Retroactive Conformity)	TY 21 only	-	(4,400)	(4,400)	(400)	(200)	(600)
34	*ARPA: Extend Limitation on Excess Business Losses	TY 26	-	-	-	-	-	-
35	*IIJA: Private Activity Bonds for Qualified Broadband Projects	TY22	-	(80)	(80)	(170)	(290)	(460)
36	*IIJA: Tax Exempt Bonds for Qualified Carbon Dioxide Capture Facilities	TY22	-	(20)	(20)	(20)	(40)	(60)
37	<b>Subtotal - Income Tax Federal Conformity, Change Items</b>		<b>-</b>	<b>(74,690)</b>	<b>(74,690)</b>	<b>(11,550)</b>	<b>(12,220)</b>	<b>(23,770)</b>
<b>Other Change Items</b>								
40	Renters Income Tax Credit to Replace Renters Credit (Refundable)	TY 22	-	(372,600)	(372,600)	(378,200)	(386,100)	(764,300)
41	Repeal of Renter Property Tax Credit (See Property Tax Expenditure Section) ^^	Pay 23	-	-	-	[231,600]	[234,700]	[466,300]
42	Beginning Farmer Tax Management and Incentive Credits: Eligibility Modified	TY22	-	(3,700)	(3,700)	(4,000)	-	(4,000)
43	K-12 Education Tax Credit: Phaseout \$70,000 FAGI and Indexed	TY22	-	(13,300)	(13,300)	(14,000)	(14,200)	(28,200)

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NON-DEDICATED GENERAL FUND TAX REVENUE (\$ IN THOUSANDS)		EFFECTIVE	CONFERENCE FY2022	CONFERENCE FY2023	CONFERENCE FY2022-23	CONFERENCE FY2024	CONFERENCE FY2025	CONFERENCE FY2024-25
44	<i>Interaction: K-12 Subtraction</i>		-	1,100	1,100	1,100	1,100	2,200
45	Child & Dependent Care Tax Credit: Increased Credit, Income Phaseout & Other Changes	TY22	-	(55,500)	(55,500)	(57,100)	(57,600)	(114,700)
46	<i>Interaction: Addition for Dependent Care Expenses</i>		-	2,700	2,700	2,800	2,800	5,600
47	Small Business Investment (Angel) Tax Credit: Allocation Increase	TY22 only	-	(7,000)	(7,000)	-	-	-
48	Credit for Taxes Paid to Another State, Disregarded LLCs	TY22	-	-	-	-	-	-
49	Film Production Tax Credit, Modifies the Minimum Expense for Eligibility	TY22	-	-	-	-	-	-
50	Pass-Through Entity (PTE), Various Modifications	TY22	-	(Unknown)	(Unknown)	(Unknown)	(Unknown)	(Unknown)
51	Military Pension Subtraction, Eligibility Expanded	Retro TY21	-	(1,300)	(1,300)	(700)	(700)	(1,400)
52	Emergency Assistance Post-Secondary Grants, Subtraction	TY22-29	-	(10)	(10)	(10)	(10)	(20)
53	Reduce 1st Bracket Rate to 5.1% (from 5.35%)	TY22	-	(276,700)	(276,700)	(191,400)	(199,100)	(390,500)
54	<i>Interaction: Rate Reduction &amp; Other Income Tax Base Modifications</i>		-	4,540	4,540	4,780	5,190	9,970
55	100% Subtraction of Social Security Income	TY22	-	(509,600)	(509,600)	(547,300)	(578,600)	(1,125,900)
56	R&D Credit: Increase 2nd Tier Rate to 4.25% (from 4%)	TY22	-	(1,200)	(1,200)	(900)	(1,000)	(1,900)
57	Establish Credit for New Markets <sup>2</sup>	TY23	-	-	-	-	(1,800)	(1,800)
58	<i>Interaction with Property Taxes: Local Government Aid</i>		-	-	-	310	310	620
59	<i>Interaction with Property Taxes: County Program Aid</i>		-	-	-	310	310	620
60	<i>Interaction with Property Taxes: School LOR Levy</i>		-	-	-	470	660	1,130
61	<i>Interaction with Property Taxes: School Building Bond Agricultural Aid, 85%</i>		-	-	-	-	580	580
62	<i>Interaction with Property Taxes: School District LTFM Levy</i>		-	-	-	(10)	(10)	(20)
63	<i>Interaction with Property Taxes: Payment-in-Lieu of Taxes (PILT)</i>		-	-	-	90	100	190
64	<i>Interaction with Property Taxes: Ely School Bond Debt Service</i>		-	-	-	(10)	(10)	(20)
65	<i>Interaction: State General Levy Reduction</i>		-	-	-	900	900	1,800
66	<i>Interaction: Class 4d Modifications</i>		-	-	-	-	10	10
67	<i>Interaction: Cook county &amp; Lake county property tax refunds</i>		-	10	10	-	-	-
68	<b>Subtotal - Other Income Tax Change Items</b>		-	<b>(1,232,560)</b>	<b>(1,232,560)</b>	<b>(1,182,870)</b>	<b>(1,227,170)</b>	<b>(2,410,040)</b>
<b>CORPORATE FRANCHISE TAX</b>								
<i>Change Items - Federal Conformity</i>								
73	*FCAA: Seven-Year Recovery Period for Motorsports Entertainment Complexes	TY18-20	-	(360)	(360)	(40)	(20)	(60)
74	*CARES: Modify Charitable Contributions Deductions Limitation, 20% of FTI	TY 20 only	-	(550)	(550)	170	100	270
75	*CARES: Charitable Deduction Limitation Increased for Food Inventory from 15% to 25%	TY 20 only	-	(90)	(90)	30	-	30
76	*CAA: Exclusion of SBA Loan Assistance (Full Retroactive Conformity)	TY 21	-	(2,600)	(2,600)	(100)	(100)	(200)
77	*CAA: Exclusion of Shuttered Venue Grants (Full Retroactive Conformity)	TY 21	-	(2,400)	(2,400)	(400)	(200)	(600)
78	*CAA: Seven-Year Recovery Period for Motorsports Entertainment Complexes	TY 21-25	-	(190)	(190)	(100)	(110)	(210)
79	*CAA: Accelerated Depreciation for Business Property on Indian Reservation	TY 21	-	(60)	(60)	(10)	-	(10)
80	*CAA: Depreciation of Certain Residential Rental Property over 30 years	Retro TY18	-	(4,100)	(4,100)	(500)	(400)	(900)
81	*CAA: Special Expensing Rules- Certain Film, Television and Live Theatrical Productions	TY 21-25	-	(3,800)	(3,800)	(700)	(700)	(1,400)
82	*CAA: Energy-Efficient Commercial Building Deduction	TY 21	-	(660)	(660)	(320)	(320)	(640)
83	*CAA: Special Rule for the Production Period for Beer, Wine and Distilled Spirits	TY 21	-	(180)	(180)	(70)	(70)	(140)
84	*CAA: Special Disaster-Related Rules	TY 21-22	-	(100)	(100)	30	20	50
85	*ARPA: Exclusion of EIDL Loan Advances (Full Retroactive Conformity)	TY 21 only	-	(6,100)	(6,100)	(600)	(300)	(900)

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<b>NON-DEDICATED GENERAL FUND TAX REVENUE (\$ IN THOUSANDS)</b>		<b>EFFECTIVE</b>	<b>CONFERENCE FY2022</b>	<b>CONFERENCE FY2023</b>	<b>CONFERENCE FY2022-23</b>	<b>CONFERENCE FY2024</b>	<b>CONFERENCE FY2025</b>	<b>CONFERENCE FY2024-25</b>
86	*ARPA: Exclusion of Restaurant Revitalization Grants (Full Retroactive Conformity)	TY 21 only	-	(4,300)	(4,300)	(400)	(200)	(600)
87	*ARPA: Worldwide Interest Allocation Rules, Repeal	TY21	-	Unknown	Unknown	Unknown	Unknown	Unknown
88	*ARPA: Deny Deduction for Highly Compensated Executives	TY26	-	-	-	-	-	-
89	*IIJA: Tax Treatment of Contributions to the Capital of a Corporation Modified	TY21	-	(1,700)	(1,700)	(800)	(700)	(1,500)
90								
91	<b>Subtotal - Corporate Franchise Tax Federal Conformity, Change Items</b>		-	<b>(27,190)</b>	<b>(27,190)</b>	<b>(3,810)</b>	<b>(3,000)</b>	<b>(6,810)</b>
	<b>Other Change Items</b>							
94	Historic Structure Rehabilitation Credit: Repeal Sunset <sup>3</sup>	DFFE	-	(6,700)	(6,700)	(12,600)	(19,600)	(32,200)
95	R&D Credit: Increase 2nd Tier Rate to 4.25% (from 4%)	TY22	-	(2,200)	(2,200)	(1,700)	(1,800)	(3,500)
96	<b>Subtotal - Other Corporate Franchise Tax, Change Items</b>		-	<b>(8,900)</b>	<b>(8,900)</b>	<b>(14,300)</b>	<b>(21,400)</b>	<b>(35,700)</b>
	<b>SALES AND USE TAXES</b>							
	<b>Change Items</b>							
100	Construction Exemption, Duluth - I.S.D. 709 <sup>4</sup>	Various	-	[(240)]	[(240)]	[(250)]	-	[(250)]
101	Construction Exemption, Ely - I.S.D. 696 <sup>4</sup>	Various	-	[(320)]	[(320)]	-	-	-
102	Construction Exemption, Various School Building Projects	Various	-	(1,320)	(1,320)	(4,050)	(1,300)	(5,350)
103	Construction Exemption, Itasca County Courts & Courthouses	Various	-	-	-	(250)	(250)	(500)
104	Construction Exemption, North Metro Regional Public Safety Training Facility - Maple Grove	Various	-	(290)	(290)	-	-	-
105	Construction Exemption, City of Wayzata, Various Projects	Various	-	-	-	(520)	-	(520)
106	Construction Exemption, Minneapolis-St. Paul Airport	7/1/22-12/31/24	-	(190)	(190)	(1,300)	(800)	(2,100)
107	Exemption for Sole Member of Disregarded LLC and the Disregarded LLCs	7/1/22	-	(660)	(660)	(710)	(760)	(1,470)
108	Exemption, National Sports Center- Blaine, Amateur Sports Comm	7/1/22	-	(290)	(290)	(320)	(320)	(640)
109	Exemption, Pre-sales by Agricultural Societies	DFFE	(Negli.)	(30)	(30)	(30)	(30)	(60)
110	Construction Exemption Extended, City of Mazeppa - Properties Destroyed by Fire	Retro 3/11/18 to 12/31/23	-	(20)	(20)	-	-	-
111	Establish Exemption for Suite License Food & Beverages, Amenities Included w/ Admission	7/1/22	-	(1,140)	(1,140)	(1,170)	(1,190)	(2,360)
112	Establish Exemption for Nonprofit Animal Shelters	7/1/22	-	(1,560)	(1,560)	(1,700)	(1,700)	(3,400)
113	Exempt Polar Vortex-related Natural Gas Charges	Retro 9/1/21 to 12/31/26	-	(5,180)	(5,180)	(2,380)	(2,380)	(4,760)
114	Exempt Selected Health Care Materials	7/1/22	-	(630)	(630)	(720)	(740)	(1,460)
115	<b>Subtotal - Sales &amp; Use Tax, Change Items</b>		-	<b>(11,310)</b>	<b>(11,310)</b>	<b>(13,150)</b>	<b>(9,470)</b>	<b>(22,620)</b>
	<b>ESTATE TAX</b>							
	<b>Change Items</b>							
120	Special Ag Homestead Market Value Credit	Retro Applications 2022	-	-	-	(Unknown)	(Unknown)	(Unknown)
121	Spousal Exclusion Portability	FY23	-	(1,100)	(1,100)	(3,600)	(6,800)	(10,400)
122	<b>Subtotal - Estate Taxes, Change Items</b>		-	<b>(1,100)</b>	<b>(1,100)</b>	<b>(3,600)</b>	<b>(6,800)</b>	<b>(10,400)</b>
	<b>STATEWIDE PROPERTY TAX (STATE GENERAL LEVY)</b>							
	<b>Change Items</b>							
126	Indian Tribe Owned Property - State General Levy refund	Pay 22	-	(10)	(10)	-	-	-

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<b>NON-DEDICATED GENERAL FUND TAX REVENUE (\$ IN THOUSANDS)</b>		<b>EFFECTIVE</b>	<b>CONFERENCE FY2022</b>	<b>CONFERENCE FY2023</b>	<b>CONFERENCE FY2022-23</b>	<b>CONFERENCE FY2024</b>	<b>CONFERENCE FY2025</b>	<b>CONFERENCE FY2024-25</b>
127	Reduction to SGL (CI & SRR)	Pay 23	-	(15,900)	(15,900)	(30,000)	(30,000)	(60,000)
128	<b>Subtotal - Statewide Property Tax, Change Items</b>		-	<b>(15,910)</b>	<b>(15,910)</b>	<b>(30,000)</b>	<b>(30,000)</b>	<b>(60,000)</b>
<b>LAWFUL GAMBLING TAXES</b>								
<b>Change Items</b>								
132	Modify Combined Net Receipts 1st Bracket and Reduce 1st Rate to 5% (from 9%)	Games Played After 6/30/23	-	-	-	(6,800)	(7,700)	(14,500)
133	<b>Subtotal - Lawful Gambling Taxes, Change Items</b>		-	-	-	<b>(6,800)</b>	<b>(7,700)</b>	<b>(14,500)</b>
<b>OTHER TAX &amp; NON-TAX REVENUE CHANGES</b>								
<b>Change Items</b>								
137	Solid Waste Management Tax - % Reallocation Change, Environmental Fund to Gen. Fund	DFFE	-	(3,100)	(3,100)	(3,200)	(3,200)	(6,400)
138	Eliminate \$50 DOR Fee for Entering Payment Agreement	6/24/2022	-	(1,850)	(1,850)	(1,850)	(1,850)	(3,700)
139	<b>Subtotal - Other Tax Revenue, Change Items</b>		-	<b>(4,950)</b>	<b>(4,950)</b>	<b>(5,050)</b>	<b>(5,050)</b>	<b>(10,100)</b>

\*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)
- IIJA: 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.
- "DFFE" denotes a provision is effective the day following final enactment
- "CONFERENCE" denotes Conference Committee Agreement

**FOOTNOTES**

- <sup>2</sup> The full effect of this provision is first realized in FY26 (-\$12 million). The aggregate amount of tax credits would equal \$60 million for all years through tax year 2030.
- <sup>3</sup> Due to the credit's five-year expensing schedule, FY 28 is the first fiscal year where the full revenue effect occurs (≈\$35 million reduction).
- <sup>4</sup> The revenue reductions for these bracketed construction exemption provisions are included in the line item for "various school building projects."

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

5/22/2022

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.

GENERAL FUND SUMMARY		EFFECTIVE	CONFERENCE FY2022	CONFERENCE FY2023	CONFERENCE FY2022-23	CONFERENCE FY2024	CONFERENCE FY2025	CONFERENCE FY2024-25
<b>Property Tax Aids, Credits and Refunds</b>								
201	February 2022 forecast		2,075,125	2,078,513	4,153,638	2,151,796	2,191,007	4,342,803
202	<b>HF 3669 OTB -Total Proposed GF Changes</b>		<b>2,500</b>	<b>71,815</b>	<b>74,315</b>	<b>(87,020)</b>	<b>(57,830)</b>	<b>(144,850)</b>
203	Property Tax Aids, Credits and Refunds - February 2022 + HF 3669 OTB Chgs		2,077,625	2,150,328	4,227,953	2,064,776	2,133,177	4,197,953
<b>PROPERTY TAX REFUNDS</b>								
<b>Homestead Credit State Refund (HCSR) PTR changes</b>								
207	Homeowner PTR - Incrs max refund \$200, reduce thrshds 0.1% incm \$21.8K-\$32.8K, reduce copays 5% incm \$33K-\$77K	Pay 2023 Claims	\$ -	\$ -	\$ -	\$ 35,200	\$ 36,800	\$ 72,000
208	Manufactured home park classification modified. PTR interaction	Pay 2024	\$ -	\$ -	\$ -	\$ -	\$ 270	\$ 270
209	Homestead Market Value Exclusion changes \$95K thrshld, max exclusion \$38K, max mkt value \$517,200 PTR interaction	Assmt 2023	\$ -	\$ -	\$ -	\$ -	\$ (7,330)	\$ (7,330)
210	Affordable Hsg Market Value Exclusion changes PTR interaction	Assmt 2023	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
211	Community land trust property class 4d(2) rate @ 0.75% - PTR	Pay 2023	\$ -	\$ -	\$ -	\$ (180)	\$ (180)	\$ (360)
212	Senior citizens' property tax deferral requirements: lower occupancy req to 5 yr, incrs HH incm to \$75K - PTR	Applications for Pay 23	\$ -	\$ -	\$ -	\$ 180	\$ 450	\$ 630
213	Elderly living facilities exempted from taxation - PTR	Assmt 2023	\$ -	\$ -	\$ -	\$ -	\$ 10	\$ 10
214	Energy storage system exemption established - PTR	Assmt 2023	\$ -	\$ -	\$ -	\$ -	\$ 20	\$ 20
215	Cooperative utility distribution line chg - PTR	Assmt 2023	\$ -	\$ -	\$ -	\$ -	\$ 20	\$ 20
216	Solar energy production tax exemption created - PTR	DFE	\$ -	\$ -	\$ -	\$ 30	\$ 30	\$ 60
217	School District Levy - Long-term Facilities Revenue - PTR	FY2024	\$ -	\$ -	\$ -	\$ 20	\$ 20	\$ 40
218	Ely School Bond debt service - PTR	Local appvl + file	\$ -	\$ -	\$ -	\$ 30	\$ 30	\$ 60
219	Ag homestead property 1st tier valuation modification	Assmt 2023	\$ -	\$ -	\$ -	\$ -	\$ 360	\$ 360
220	Special Ag Hmstd- qualifying relatives expanded PTR	Retro Applications 2022	\$ -	\$ -	\$ -	Unknown	Unknown	Unknown
221	Class 2a land ag product def include hemp - PTR	Assmt 2023	\$ -	\$ -	\$ -	\$ -	\$ 30	\$ 30
222	Class 1c (Ma Pa Resorts) class tier modifications	Pay 2023	\$ -	\$ -	\$ -	\$ 10	\$ 10	\$ 20
223	Disabled veterans' homestead market value exclusion application deadline extended for qualifying spouses PTR	Assmt 2022	\$ -	\$ -	\$ -	(Negligible)	(Negligible)	(Negligible)
224	Airport property - exempt "manufacture" of aircraft - PTR	Pay 2023	\$ -	\$ -	\$ -	\$ 20	\$ 20	\$ 40
225	Indian tribe-owned property, extnd pt exmptn 8 yr (expires w/ Payable 2032) - PTR	Pay 2022	\$ -	\$ -	\$ -	Negligible	Negligible	Negligible
226	PTR interaction - LGA approp increase	Pay 2023	\$ -	\$ -	\$ -	\$ (790)	\$ (790)	\$ (1,580)
227	PTR interaction - CPA approp increase	Pay 2023	\$ -	\$ -	\$ -	\$ (790)	\$ (790)	\$ (1,580)
228	PTR interaction - PILT valuation increase	Pay 2023	\$ -	\$ -	\$ -	\$ (240)	\$ (260)	\$ (500)
229	PTR interaction - School Equalization LOR levy/aid	FY 2024	\$ -	\$ -	\$ -	\$ (2,240)	\$ (3,190)	\$ (5,430)
230	PTR interaction - Increase SBB Ag Credit 85%	Pay 2024	\$ -	\$ -	\$ -	\$ -	\$ 680	\$ 680
231	PTR interaction - Class 4d modifications	Assmt 2023	\$ -	\$ -	\$ -	\$ -	\$ 2,920	\$ 2,920
232	<b>Subtotal - Homestead Credit State Refund PTR changes</b>		\$ -	\$ -	\$ -	\$ 31,250	\$ 29,130	\$ 60,380
<b>Renter / Targeting Property Tax Refund changes</b>								
235	Renters Credit - Convert to Income Tax Credit							
236	Repeal Renter PTR, sunset rent paid 2022, taxes filed in 2023	Rnt Pd 2022	\$ -	\$ -	\$ -	\$ (231,600)	\$ (234,700)	\$ (466,300)
237	Special (Targeting) PTR -Thrshd to 10%, max rfnd to \$2,000	Pay 2023 Claims	\$ -	\$ -	\$ -	\$ 1,900	\$ 2,000	\$ 3,900
238	<b>Subtotal - Renter / Targeting PTR changes</b>		\$ -	\$ -	\$ -	\$ (229,700)	\$ (232,700)	\$ (462,400)
<b>AIDS AND CREDITS</b>								
<b>Local Aid changes</b>								
242	Local Government Aid approp increase with one year no reduction provision	Pay 2023	\$ -	\$ -	\$ -	\$ 30,000	\$ 30,000	\$ 60,000
243	City of Echo 2021 LGA penalty forgiveness (\$46,060)	DFFE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
244	City of Morton 2021 LGA penalty forgiveness (\$79,476)	DFFE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

GENERAL FUND SUMMARY		EFFECTIVE	CONFERENCE FY2022	CONFERENCE FY2023	CONFERENCE FY2022-23	CONFERENCE FY2024	CONFERENCE FY2025	CONFERENCE FY2024-25
245	City of Roosevelt 2019 LGA penalty forgiveness (\$25,410)	FY 2023 only	\$ -	\$ 25	\$ 25	\$ -	\$ -	\$ -
246	City of Bena 2021 LGA penalty forgiveness (\$43,774)	DFFE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
247	City of Boy River 2021 LGA penalty forgiveness (\$19,578)	DFFE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
248	County Program Aid appropriation increase	Pay 2023	\$ -	\$ -	\$ -	\$ 30,000	\$ 30,000	\$ 60,000
249	Career Workforce Academies - DEED grants to Community Workforce Dev Bds	FY 2023 only	\$ -	\$ 24,000	\$ 24,000	\$ -	\$ -	\$ -
250	County Pandemic Rental Assistance payments	FY 2023 only	\$ -	\$ 20,000	\$ 20,000	\$ -	\$ -	\$ -
251	Transition Aid to Cities - Class 4d modifications	Pay 2024-25	\$ -	\$ -	\$ -	\$ -	\$ 810	\$ 810
252	Electric Generation Transition Account Appropriation <sup>5</sup>	FY 2023 only	\$ -	\$ 5,200	\$ 5,200	\$ -	\$ -	\$ -
253	Soil and Water Conservation District Aid created	Pay 2023	\$ -	\$ -	\$ -	\$ 6,000	\$ 6,000	\$ 12,000
254	Increase Payments in Lieu of Taxes (PILT) valuation/report	Pay 2023	\$ -	\$ -	\$ -	\$ 9,200	\$ 9,800	\$ 19,000
255	School District Equalization Aid - Local Option Rev levy/aid	FY 2024	\$ -	\$ -	\$ -	\$ 26,170	\$ 40,090	\$ 66,260
256	<b>Subtotal - Local Aid changes</b>		\$ -	\$ 49,225	\$ 49,225	\$ 101,370	\$ 116,700	\$ 218,070
<b>Property Tax Credit changes</b>								
259	Ag Homestead Market Value Credit intct - Class 2a incld hemp	Assmt 2023	\$ -	\$ -	\$ -	\$ -	\$ 10	\$ 10
260	Special Ag Hmstd- qualifying relatives expanded Ag MVC	Pay 2023	\$ -	\$ -	\$ -	<i>Unknown</i>	<i>Unknown</i>	<i>Unknown</i>
261	Increase School Building Bond Agricultural Credit to 85%	Pay 2024	\$ -	\$ -	\$ -	\$ -	\$ 21,800	\$ 21,800
262	SBB intct Ag homestead property 1st tier valuation modify	Assmt 2023	\$ -	\$ -	\$ -	\$ -	\$ (360)	\$ (360)
263	School Bldg Bond Ag Credit intct - LTFM chg	FY 2024	\$ -	\$ -	\$ -	\$ 10	\$ 10	\$ 20
264	School Bldg Bond Ag Credit intct - Ely School bond debt serv	Local applvl + file	\$ -	\$ -	\$ -	\$ 30	\$ 30	\$ 60
265	School Bldg Bond Ag Credit intct - Class 2a land, hemp	Assmt 2023	\$ -	\$ -	\$ -	\$ -	\$ 30	\$ 30
266	School Bldg Bond Ag Credit intct - Solar engy tax exmptn	DFE	\$ -	\$ -	\$ -	\$ 20	\$ 20	\$ 40
267	<b>Subtotal - Property Tax Credit changes</b>		\$ -	\$ -	\$ -	\$ 60	\$ 21,540	\$ 21,600
<b>Other changes</b>								
270	Housing Development Fund, Workforce & Affordable Homeownership account <sup>6</sup>	Beg 7/1/22 (FYs 23-30)	\$ -	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 15,000
271	Polar Vortex Energy Response Grants	FY23	\$ -	\$ 14,700	\$ 14,700	\$ -	\$ -	\$ -
272	Legislative Auditor admin - Review county costs child protection	FY23	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
273	Cook County and Lake County Property Tax Refunds (one-time, Pay 2022 only)	FY23	\$ -	\$ 240	\$ 240	\$ -	\$ -	\$ -
274	Dept of Revenue Administration	FY22 & FY24 only	\$ 2,500	\$ -	\$ 2,500	\$ 2,500	\$ -	\$ 2,500
275	MHFA Administration	FY23 only	\$ -	\$ 150	\$ 150	\$ -	\$ -	\$ -
276	<b>Subtotal - Other changes</b>		\$ 2,500	\$ 22,590	\$ 25,090	\$ 10,000	\$ 7,500	\$ 17,500
278	<b>Total GF Changes, Tax Aids, Credits &amp; Refunds</b>		\$ 2,500	\$ 71,815	\$ 74,315	\$ (87,020)	\$ (57,830)	\$ (144,850)
280	<b>GF Summary PTAC</b>		<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2022-23</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2024-25</b>
281	<b>Subtotal - Homestead Credit State Refund PTR changes</b>		\$ -	\$ -	\$ -	\$ 31,250	\$ 29,130	\$ 60,380
282	<b>Subtotal - Renter / Targeting PTR changes</b>		\$ -	\$ -	\$ -	\$ (229,700)	\$ (232,700)	\$ (462,400)
283	<b>Subtotal - Local Aid changes</b>		\$ -	\$ 49,225	\$ 49,225	\$ 101,370	\$ 116,700	\$ 218,070
284	<b>Subtotal - Property Tax Credit changes</b>		\$ -	\$ -	\$ -	\$ 60	\$ 21,540	\$ 21,600
285	<b>Subtotal - Other changes</b>		\$ 2,500	\$ 22,590	\$ 25,090	\$ 10,000	\$ 7,500	\$ 17,500
286	<b>TOTAL GF Changes, Property Tax Aids &amp; Credits</b>		\$ 2,500	\$ 71,815	\$ 74,315	\$ (87,020)	\$ (57,830)	\$ (144,850)

**FOOTNOTES**

<sup>5</sup> The Department of Revenue (DOR) estimates that five retired electric generating units may qualify local jurisdictions for this aid. This appropriation is one-time only.

<sup>6</sup> With a term of 8 years ending in FY 2030, the total value of this appropriation in the Conference Agreement will be \$75 million.

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

### 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*

			CONFERENCE FY2022	CONFERENCE FY2023	CONFERENCE FY2022-23	CONFERENCE FY2024	CONFERENCE FY2025	CONFERENCE FY2024-25
	EFFECTIVE							
300	<b>TOTAL: NON-GENERAL FUND CHANGES</b>		-	(3,460)	(3,460)	(3,620)	(3,410)	(7,030)
302	<b>Total - Legacy Funds:</b>		-	(650)	(650)	(740)	(530)	(1,270)
303	Construction Exemption, Duluth - I.S.D. 709	Various	-	[(10)]	[(10)]	[(20)]	-	[(20)]
304	Construction Exemption, Ely - I.S.D. 696	Various	-	[(20)]	[(20)]	-	-	-
305	Construction Exemption, Various School Building Projects	Various	-	(80)	(80)	(230)	(80)	(310)
306	Construction Exemption, Itasca County Courts & Courthouses	Various	-	-	-	(10)	(10)	(20)
307	Construction Exemption, North Metro Regional Public Safety Training Facility - Maple Grove	Various	-	(20)	(20)	-	-	-
308	Construction Exemption, City of Wayzata, Various Projects	Various	-	-	-	(30)	-	(30)
309	Construction Exemption, Minneapolis - St. Paul Airport	7/1/22-12/31/24	-	(10)	(10)	(80)	(50)	(130)
310	Exemption for Sole Member of Disregarded LLC and the Disregarded LLCs	7/1/2022	-	(40)	(40)	(40)	(40)	(80)
311	Exemption, National Sports Center- Blaine, Amateur Sports Comm	7/1/2022	-	-	-	-	-	-
312	Exemption, Pre-sales by Agricultural Societies	DFFE	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)
313	Construction Exemption Extended, City of Mazeppa - Properties Destroyed by Fire	Retro 3/11/18 to 12/31/23	-	(Negli.)	(Negli.)	-	-	-
314	Establish Exemption for Suite License Food & Beverages, Amenities Included w/ Admission	7/1/2022	-	(70)	(70)	(70)	(70)	(140)
315	Establish Exemption for Nonprofit Animal Shelters	7/1/2022	-	(90)	(90)	(100)	(100)	(200)
316	Exempt Polar Vortex-related Natural Gas Charges	Retro 9/1/21 to 12/31/26	-	(300)	(300)	(140)	(140)	(280)
317	Exempt Selected Health Care Materials	7/1/2022	-	(40)	(40)	(40)	(40)	(80)
319	<b>Total - Environmental Fund:</b>		-	(3,100)	(3,100)	(3,200)	(3,200)	(6,400)
320	Solid Waste Management - Reallocation of Tax Revenue from General Fund	DFE		(3,100)	(3,100)	(3,200)	(3,200)	(6,400)
322	<b>Total - Special Revenue Fund:</b>		-	290	290	320	320	640
323	Exemption, National Sports Center- Blaine, Amateur Sports Comm	DFE		290	290	320	320	640
325	<b>Total - Housing Development Fund</b>			-	-		-	-
326	Workforce & Affordable Homeownership from general fund (REV)	FYs 23-30	-	(7,500)	(7,500)	(7,500)	(7,500)	(15,000)
327	Workforce & Affordable Homeownership program	FYs 23-30	-	7,500	7,500	7,500	7,500	15,000
329	<b>Total - Iron Range School Consolidation</b>		-	-	-	925	1,850	2,775
330	Extend 10 cnt/ton distribution (Conference to 2043) then 5 cnt/ton beyond	DFFE				925	1,850	2,775
332	<b>Total - County Road &amp; Bridge Fund:</b>		-	-	-	(925)	(1,850)	(2,775)
333	Eliminates 5 cnt increased allocation that would begin in 2024	DFFE	-	-	-	(925)	(1,850)	(2,775)