MINNESOTA SENATE

FISCAL SUMMARY: 2019 Special Session, Session Law Chapter 6 (Omnibus Tax Bill HF 5)

ALL FUNDS

7/4/2019

$ in thousands | BOLD indicates rows included in total

TAX POLICY: Positive amounts indicate revenue increase

AIDS & CREDITS: Positive amounts indicate expenditure

		GOVERNOR			HOUSE - HF2125-3E			SENATE - HF 2125-1UE			CHAPTER 6 / HF 5		
LINE	ITEM	FY 2018-19	FY 2020-21	FY 2022-23	FY 2018-19	FY 2020-21	FY 2022-23	FY 2018-19	FY 2020-21	FY 2022-23	FY 2018-19	FY 2020-21	FY 2022-23
	GENERAL FUND FORECAST:												
1	TAX POLICY (REVENUE)	43,135,875	46,061,695	48,479,024	43,135,875	46,061,695	48,479,024	43,135,875	46,061,695	48,479,024	43,135,875	46,061,695	48,479,024
2	PROPERTY TAX REFUNDS, AIDS, & CREDITS (EXPENDITURES)	3,657,822	3,738,896	3,944,094	3,657,822	3,738,896	3,944,094	3,657,822	3,738,896	3,944,094	3,657,822	3,738,896	3,944,094
	GENERAL FUND PROPOSED CHANGES:												
6	TAX POLICY	31,730	861,265	1,041,610	28,230	1,347,860	1,695,670	14,472	-	36,495	22,738	13,780	198,994
7	LESS PROPERTY TAX REFUNDS, AIDS, & CREDITS	-	83,119	158,898	773	154,178	331,136	-	21,179	40,360	-	101,861	222,630
8	**SUBTOTAL: GENERAL FUND EFFECT**	**31,730**	**778,146**	**882,712**	**27,457**	**1,193,682**	**1,364,534**	**14,472**	**(21,179)**	**(3,865)**	**22,738**	**(88,081)**	**(23,636)**
	BUDGET RESERVE ACCOUNT												
11	CURRENT LAW	2,074,733	2,074,733	2,074,733	2,074,733	2,074,733	2,074,733	2,074,733	2,074,733	2,074,733	2,074,733	2,074,733	2,074,733
12	PROPOSED CHANGE - Reduction to Budget Reserve Account	-	-	-	-	-	-	-	-	-	-	-	(491,369)
13	**SUBTOTAL BUDGET RESERVE + PROPOSED CHANGES**	**2,074,733**	**2,074,733**	**2,074,733**	**2,074,733**	**2,074,733**	**2,074,733**	**2,074,733**	**2,074,733**	**2,074,733**	**2,074,733**	**2,074,733**	**1,583,364**
	NON-GENERAL FUND PROPOSED CHANGES:												
16	LEGACY FUNDS	-	(2,090)	2,540	-	650	2,590	-	(370)	(340)	-	1,110	(740)
17	SPECIAL REVENUE FUND	-	166	160	-	6,566	7,260	-	36	276	-	9	(266)
18	ENVIRONMENTAL FUND					14,900	16,400	-	-	(14)	-	-	-
19	HEALTH CARE ACCESS FUND	-	-	-	-	(141)	39	-	-	(78)	-	873,040	1,422,040
20	TEMPORARY ASSISTANCE FOR NEEDY FAMILIES FUND										-	48,815	50,006
21	REMEDIATION FUND	-	-	-	-	-	-	-	-	(Negl.)	-	-	-
22	TACONITE MUNICIPAL AID ACCOUNT	-	-	-	-	-	-	-	-	-	-	-	-
23	DOUGLAS J. JOHNSON ECONOMIC PROTECTION FUND	-	-	-	-	(192)	(345)	-	-	-	-	(192)	(345)
24	TACONITE ENVIRONMENTAL PROTECTION FUND	-	-	-	-	(232)	(551)	-	-	-	-	(232)	(551)
25	TACONITE ECONOMIC DEVELOPMENT FUND							-	8,000	6,277	-	-	-
26	MINNESOTA HOUSING FINANCE AGENCY FUND							-	4,000	8,000	-	-	-
27	HIGHWAY USER TAX DISTRIBUTION FUND (HUTDF)	-	-	-	-	-	-	-	-	-	-	-	-
28	**SUBTOTAL: NON-GENERAL FUND EFFECTs**	**-**	**(1,924)**	**2,700**	**-**	**21,551**	**25,393**	**-**	**11,666**	**14,121**	**-**	**922,550**	**1,470,144**

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2019 Special Session, Session Law Chapter 6 (Omnibus Tax Bill HF 5) - TAX POLICY

GENERAL FUND, CHANGE ITEMS ONLY

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			HF 5						
LINE	ITEM	EFFECTIVE	FY 19	FY 20	FY 21	FY 20-21	FY 22	FY 23	FY 22-23
	TAX POLICY:								
	TCJA CONFORMITY - NON-BUSINESS INDIVIDUAL INCOME TAX PROVISIONS								
1	Switch Minnesota Starting Point to AGI	TY 19	-	(1,800)	(1,800)	(3,600)	(1,800)	(1,800)	(3,600)
2	Conform to TCJA Standard Deduction, Eliminate Personal Exemptions, Deduction Changes	TY 19	-	(107,400)	(57,500)	(164,900)	(44,700)	(37,200)	(81,900)
4	Indexing/COLA Provisions - with Chained CPI-U	TY 20	-	12,700	30,500	43,200	39,300	56,400	95,700
5	Allow Exclusion of Discharged Student Loan Debt in Case of Death or Disability, Temporary	TY 19	-	(Negl.)	(Negl.)	(Negl.)	(Negl.)	(Negl.)	(Negl.)
7	Repeal Deduction for Alimony Payments and Corresponding Inclusion of Received Alimony	Agrmnts. TY 19	-	1,600	2,300	3,900	3,100	4,300	7,400
8	Modify Limit on Wagering Losses, Temporary	TY 19	-	150	90	240	90	90	180
9	Disallow the Charitable Deduction for College Athletic Seating Payments	TY 19	-	1,900	1,200	3,100	1,200	1,200	2,400
10	Limit Mortgage Interest Deduction for Amounts Above $750,000	TY 19		200	500	700	700	1,000	1,700
12	Disallow Exclusion for Qualified Moving Expense Reimbursement (Permanent)	TY 19	-	5,600	3,900	9,500	3,900	3,900	7,800
13	Suspend Exclusion for Certain Employer-provided Bicycle Commuter Fringe Benefits, Temporary	TY 19	-	40	30	70	30	30	60
14	Allow Increased Contributions to ABLE Accounts, Temporary	TY 19	-	(Negl.)	(Negl.)	(Negl.)	(Negl.)	(Negl.)	(Negl.)
15	Extend Rollover Period for Certain Retirement Plan Loan Offsets	TY 19	-	(Negl.)	(Negl.)	(Negl.)	(Negl.)	(Negl.)	(Negl.)
16	Allow Medical Expense Deduction in Excess of 7.5% of AGI for 2017 only	TY 17	-	(13,000)	-	(13,000)	-	-	-
17	Repeal Special Rule Permitting Recharacterization of IRA Contributions	TY 19	-	450	300	750	350	400	750
18	**SUBTOTAL: TCJA CONFORMITY - NON-BUSINESS INDIVIDUAL INCOME TAX PROVISIONS**		**-**	**(99,560)**	**(20,480)**	**(120,040)**	**2,170**	**28,320**	**30,490**
	TCJA CONFORMITY - INDIVIDUAL INCOME TAX PROVISIONS RELATED TO PASS-THROUGHS								
21	Conform to Expanded Bonus Depreciation, But Maintain 80% MN Addback	TY 18	400	8,700	10,700	19,400	10,500	3,700	14,200
24	Full Conformity with Section 179 Expensing in TY18, Maintain 80% addback	TY 18	560	2,600	2,800	5,400	2,000	800	2,800
26	Disallow Certain Active Pass Through Losses (Above $250k for Single and $500k for Joint Filers), Temporary	TY 19	4,400	47,800	46,300	94,100	40,400	41,600	82,000
27	Tax Gain on Sale of Partnership on a Look-through Basis	TY 19	200	1,600	1,900	3,500	2,400	3,100	5,500
28	Expand Definition of Built-in Loss for Purposes of Partnership Loss Transfers	TY 18	30	670	300	970	300	400	700
29	Charitable Contributions and Foreign Taxes Accounted for in Determining Limit on Partner's Share of Loss	TY 18	100	1,300	800	2,100	800	900	1,700
30	Repeal Rollover of Publicly Traded Securities Gain into Specialized Small Business Investment Companies	TY 18	30	570	300	870	300	200	500
31	Limit Net Interest Deduction to 30% of Income	TY 19	8,100	89,600	92,500	182,100	111,100	136,000	247,100
32	Modify the Net Operating Loss (NOL) Deduction	TY 19	3,200	35,600	43,300	78,900	67,400	93,900	161,300
34	Repeal Deferred Gain on Like-kind Exchanges	TY 18	200	4,700	3,300	8,000	4,300	5,600	9,900
35	Reduce Recovery Period for Real Property	TY 18	(30)	(570)	(600)	(1,170)	(700)	(1,000)	(1,700)
36	Repeal Deduction for Local Lobbying Expenses	TY 19	20	180	100	280	100	100	200
37	Limit Deduction for Employer-provided Meals	TY 19	300	6,100	2,700	8,800	2,700	2,800	5,500
38	Limit Deduction for Employer-provided Transportation Benefits	TY 19	200	2,700	2,000	4,700	2,100	2,200	4,300
39	Prohibit Deduction for Achievement Awards (Cash, Gift Cards, etc.)	TY 19	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.
40	Disallow Deduction for Sexual Harassment Payments Made Subject to Non Disclosure Agreement	TY 19	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.

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			HF 5						
LINE	**ITEM**	**EFFECTIVE**	**FY 19**	**FY 20**	**FY 21**	**FY 20-21**	**FY 22**	**FY 23**	**FY 22-23**
41	Revise Treatment of Contributions to Capital	TY 19	30	370	700	1,070	1,100	1,200	2,300
42	Modify Treatment of Interest for Producers of Beer, Wine, and Distilled Spirits	TY 18-19	(100)	(2,400)	-	(2,400)	-	-	-
43	Modify Limit on Excessive Compensation	TY 19	50	550	600	1,150	600	600	1,200
44	Repeal Exclusion of Interest on Advance Refunding Bonds	TY 19	300	3,300	4,800	8,100	5,700	6,100	11,800
47	**SUBTOTAL: TCJA CONFORMITY - INDIVIDUAL INCOME TAX PROVISIONS RELATED TO PASS-THROUGHS**		**17,990**	**203,370**	**212,500**	**415,870**	**251,100**	**298,200**	**549,300**
	TCJA CONFORMITY - CORPORATE FRANCHISE TAX								
50	Conform to Expanded Bonus Depreciation, But Maintain 80% MN Addback, Temporary	TY 18	800	18,300	22,600	40,900	22,100	7,800	29,900
53	Full Conformity with Section 179 Expensing in TY18, Maintain 80% addback	TY 18	180	1,000	1,100	2,100	800	300	1,100
54	Repeal Rollover of Publicly Traded Securities Gain into Specialized Small Business Investment Companies	TY 18	50	1,250	600	1,850	500	400	900
55	Conform to Limit on Net Interest Ded. to 30% of Income (Excluding Small Businesses)	TY 18	1,400	31,300	15,700	47,000	18,900	23,100	42,000
58	Repeal Deferred Gain on Like-kind Exchanges	TY 18	200	5,900	4,200	10,100	5,400	7,100	12,500
59	Reduce Recovery Period for Real Property	TY 18	(70)	(1,230)	(1,100)	(2,330)	(1,400)	(2,000)	(3,400)
60	Repeal Deduction for Local Lobbying Expenses	TY 18	30	670	300	970	300	300	600
61	Limit Deduction for Employer-provided Meals	TY 18	800	16,600	7,300	23,900	7,400	7,600	15,000
62	Limit Deduction for Employer-provided Transportation Benefits	TY 18	600	12,500	5,600	18,100	5,700	5,900	11,600
63	Prohibit Deduction for Achievement Awards (Cash, Gift Cards, Nontangible Personal Property, etc.)	TY 18	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.
64	Limit Deduction for FDIC Premiums	TY 18	500	12,100	6,100	18,200	6,200	6,300	12,500
65	Disallow the Deduction for Sexual Harassment Payments Made Subject to NDA	TY 18	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.
66	Revise Treatment of Contributions to Capital	TY 18	90	1,850	2,000	3,850	3,000	3,200	6,200
67	Conform to the Modified Historic Rehabilitation Credit, Credit Claimed over a 5-year Period	TY 18	-	39,900	16,400	56,300	9,800	(18,800)	(9,000)
68	Modify Treatment of Interest for Producers of Beer, Wine, and Distilled Spirits, Temporary	TY 18-19	(200)	(2,900)	-	(2,900)	-	-	-
69	Modify Limit on Excessive Compensation	TY 18	300	6,100	3,600	9,700	3,600	3,600	7,200
70	Repeal Exclusion of Interest on Advance Refunding Bonds	TY 18	200	3,800	2,500	6,300	3,000	3,200	6,200
75	Other Modifications to Subpart F Provisions	TY 18	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.
76	Disallow Includion of Section 965 Income	TY 18	-	(30,700)	(11,900)	(42,600)	(12,300)	(12,600)	(24,900)
77	Indexing Changes - Chained CPI-U, Corporate Minimum Fee	TY 20	-	-	100	100	100	100	200
78	**SUBTOTAL: TCJA CONFORMITY - CORPORATE FRANCHISE TAX**		**4,880**	**116,440**	**75,100**	**191,540**	**73,100**	**35,500**	**108,600**
	TCJA CONFORMITY - PROPERTY TAX REFUND - INTERACTION								
85	Chained CPI-U - Homestead Credit Refund	TY 19	-	-	800	800	1,500	2,500	4,000
86	Chained CPI-U - Renters Property Tax Refund	TY 19	-	-	300	300	500	800	1,300
87	**SUBTOTAL: TCJA CONFORMITY - PROPERTY TAX REFUND - INTERACTION**		**-**	**-**	**1,100**	**1,100**	**2,000**	**3,300**	**5,300**
	BIPARTISAN BUDGET ACT - INDIVIDUAL INCOME								
90	Exclusion of Discharge of Indebtedness on Principal Residence	TY17	-	(6,700)	-	(6,700)	-	-	-

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93	Extend Limitation Period for Exclusion for Wrongfully Incarcerated Individuals	2/9/2018	-	(Negl.)	-	(Negl.)	-	-	-
94	Expand the Deduction of Legal Fees for Whistleblowers	TY18	-	(200)	(100)	(300)	(100)	(100)	(200)
95	Expand Foreign Earned Income Exclusion, Individuals Supporting Armed Forces in Combat Zones	TY18	-	(1,000)	(400)	(1,400)	(400)	(400)	(800)
96	Classification of Certain Racehorses as 3-year Property	TY17	-	(65)	10	(55)	15	15	30
97	Accelerated Depreciation for Business Property on an Indian Reservation	TY17	-	(280)	25	(255)	50	45	95
98	Special Expensing Rules for Certain Films/TV/Theatrical Productions	TY17	-	(1,200)	300	(900)	200	150	350
99	Special Depreciation Allowance for Second Generation Biofuel Property	TY17	-	Negli.	Negli.	Negli.	Negli.	Negli.	(Negli.)
100	Energy Efficiency Commercial Deduction	TY17	-	(135)	Negli.	(135)	Negli.	Negli.	Negli
101	Modify Temporary Suspension of Limits on Charitable Contributions, Temporary	TY17&18	-	(75)	20	(55)	10	Negli.	10
102	Modify Special Rule for Qualified Casualty Losses	TY17	-	(100)	-	(100)	-	-	-
103	Modify Disaster Related Rules for Use of Retirement Funds	TY17	-	(Negli.)	Negli.	-	Negli.	Negli.	Negli.
104	**SUBTOTAL: BIPARTISAN BUDGET ACT - INDIVIDUAL INCOME TAX**		**-**	(9,755)	(145)	**(9,900)**	(225)	(290)	**(515)**
	BIPARTISAN BUDGET ACT - CORPORATE TAX								
107	Seven Year Period for Motor Sports Entertainment Complexes	TY17	-	(45)	(5)	(50)	(5)	(5)	(10)
108	Accelerated Depreciation for Business Property on an Indian Reservation	TY17	-	(265)	20	(245)	50	45	95
109	Election to Expense Mine Safety Equipment	TY17	-	(10)	Negli.	(10)	Negli.	Negli.	Negli.
110	Special Expensing Rules for Certain Films/TV/Theatrical Productions	TY17	-	(1,000)	250	(750)	200	150	350
111	Energy Efficiency Commercial Deduction	TY17	-	(100)	Negli.	(100)	Negli.	Negli.	Negli.
112	Modify Temporary Suspension of Limits on Charitable Contributions	TY17	-	(20)	5	(15)	Negli.	Negli.	Negli.
114	**SUBTOTAL: BIPARTISAN BUDGET ACT - CORPORATE TAX**		**-**	(1,440)	270	**(1,170)**	245	190	**435**
	DISASTER RELIEF ACT & AIRPORTS & AIRWAYS EXTENSION ACT - INDIVIDUAL INCOME								
117	Modify Temporary Suspension of Limits on Charitable Contributions	TY17	-	(1,300)	300	(1,000)	200	100	300
118	Modify & Expand Casualty Loss Deduction for Damage in Disaster Areas	TY17	-	(1,400)	-	(1,400)	-	-	-
119	Special Rules for Qualified Early IRA Distributions	TY17	-	(40)	10	(30)	Negli.	(Negli.)	-
120	**SUBTOTAL: DISASTER TAX RELIEF ACT - INDIVIDUAL INCOME TAX**		**-**	(2,740)	310	**(2,430)**	200	100	**300**
	DISASTER RELIEF ACT & AIRPORTS & AIRWAYS EXTENSION ACT - CORPORATE TAX								
123	Modify Temporary Suspension of Limits on Charitable Contributions	TY17	-	(100)	40	(60)	30	10	40
124	**SUBTOTAL: DISASTER TAX RELIEF ACT - CORPORATE TAX**		**-**	(100)	40	**(60)**	30	10	**40**
126	*REFERENCE SUBTOTAL: NET EFFECT OF CONFORMITY PROPOSAL*		*22,870*	*206,215*	*268,695*	*474,910*	*328,620*	*365,330*	*693,950*
	OTHER INDIVIDUAL INCOME TAX PROVISIONS								
130	Reduce 2nd Bracket Rate to 6.8, Modify 4th Tier Starting Pointing	TY 19	-	(216,800)	(144,000)	(360,800)	(155,900)	(162,400)	(318,300)

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LINE	**ITEM**	**EFFECTIVE**	**FY 19**	**FY 20**	**FY 21**	**FY 20-21**	**FY 22**	**FY 23**	**FY 22-23**
139	Medical Cannabis Subtraction	TY 19	-	(200)	(200)	(400)	(200)	(200)	(400)
144	Working Family Credit - Increase credit, modify phaseouts	TY 19	-	(30,300)	(30,800)	(61,100)	(31,200)	(31,600)	(62,800)
148	Social Security Subtraction - Increase Max. Subtraction	TY 19	-	(4,400)	(4,700)	(9,100)	(4,900)	(5,300)	(10,200)
151	Small Business Investment (Angel Investor) Tax Credit	TY 19 / TY 21	-	(10,000)	-	(10,000)	(10,000)	-	(10,000)
152	Section 529 Plan Credit Phase-out	TY 20	-	-	(Negl.)	(Negl.)	(Negl.)	(5)	(5)
154	*INTERACTIONS with Property Taxes, Aids and Credits (DETAILS IN APPENDIX A)*	See Appendix	-	-	590	590	680	690	1,370
155	**SUBTOTAL: OTHER INDIVIDUAL INCOME TAX PROVISIONS**		**-**	**(261,700)**	**(179,110)**	**(440,810)**	**(201,520)**	**(198,815)**	**(400,335)**
	OTHER CORPORATE FRANCHISE TAX PROVISIONS								
160	Modify the Net Operating Loss (NOL) Deduction	TY 18	-	49,500	21,500	71,000	21,500	21,500	43,000
162	Limit Dividends Received Deduction for Debt Financed Stock	TY 19	-	130	100	230	100	100	200
163	Captive Insurance Definition Modified	Retro TY 17	-	-	-	-	(400)	(400)	(800)
165	Modify Mutual Fund Manger Apportionment	TY 19	-	6,300	9,000	15,300	12,500	12,500	25,000
166	*INTERACTIONS with Property Taxes, Aids and Credits (DETAILS IN APPENDIX A)*	See Appendix	-	-	1,660	1,660	1,630	1,520	3,150
167	**SUBTOTAL: OTHER CORPORATE TAX PROVISIONS**		**-**	**55,930**	**32,260**	**88,190**	**35,330**	**35,220**	**70,550**
	SALES TAX								
176	Marketplace Provider Collection Rqmnts. Modifications including a Remote Seller Threshold Change	10/1/2019	-	230	350	580	350	350	700
178	Exemption by Refund, Construction, Materials Purchases, City of Minnetonka - Public Safety Facility	5/24/2019	-	-	(800)	(800)	-	-	-
179	Exemption by Refund, Construction, Materials Purchases, City of Inver Grove Heights - Fire Station	7/1/2018	-	(280)	-	(280)	-	-	-
181	Exemption by Refund, Construction, Materials Purchases, City of Mendota Heights - Fire Station	1/1/2019	-	-	(180)	(180)	-	-	-
182	Exemption by Refund, Construction, Materials Purchases, City of Monticello - Fire Station	2/1/2019	-	(170)	-	(170)			-
184	Exemption by Refund, Construction, Materials Purchases, City of Melrose - Property Replacement	1/1/2019	-	(80)	(80)	(160)	(20)		(20)
185	Exemption by Refund, Construction, Materials Purchases, City of Mazeppa - Property Replacement	3/11/2018	-	-	(15)	(15)	-	-	-
186	Exemption by Refund, Construction Materials Purchases, Dakota Co. Law Enforcement Ctr.	7/1/2019	-	(190)	(60)	(250)	-	-	-
187	Exemption by Refund, Construction, Materials Purchases, I.S.D. 414 - School Building	1/1/2018	-	(140)	-	(140)	-	-	-
192	Exemption, Sales by County Agricultural Societies at County Fairs	7/1/2019	-	(1,200)	(1,500)	(2,700)	(1,500)	(1,500)	(3,000)
194	Exemption, Sales to Non Profit Ice Arena David M. Thaler Sports Center	7/1/2019	-	(10)	(10)	(20)	(10)	(10)	(20)
195	Exemption, Sales of Herbicides - Aquatic Invasive Species	7/1/2019	-	(130)	(140)	(270)	(140)	(140)	(280)
198	Exemption, Admissions - Non Profit Agricultural Society Organizations	DFE	-	(10)	(10)	(20)	(10)	(10)	(20)
200	Increase Accelerated June Payment Requirement in FY20 and Lower in FY22	7/1/2019	-	23,100	700	23,800	(11,300)	300	(11,000)
206	**SUBTOTAL: SALES TAX**		**-**	**21,120**	**(1,745)**	**19,375**	**(12,630)**	**(1,010)**	**(13,640)**
208	*REFERENCE LINE: NET EFFECT OF SALES TAX PROVISIONS ON LEGACY FUNDS*		*-*	*1,215*	*(105)*	*1,110*	*(680)*	*(60)*	*(740)*
	STATEWIDE PROPERTY TAX								

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2019 Special Session, Session Law Chapter 6 (Omnibus Tax Bill HF 5) - TAX POLICY

GENERAL FUND, CHANGE ITEMS ONLY

$ in thousands | BOLD indicates rows included in total

TAX POLICY: Positive amounts indicate revenue increase

AIDS & CREDITS: Positive amounts indicate expenditure

			HF 5						
LINE	**ITEM**	**EFFECTIVE**	**FY 19**	**FY 20**	**FY 21**	**FY 20-21**	**FY 22**	**FY 23**	**FY 22-23**
211	Reduce Statewide Levy Amount on CI and SRR	Payable 20	-	(27,500)	(50,000)	(77,500)	(50,000)	(50,000)	(100,000)
212	Natural Gas Pipeline Property Tax Abatement	Payable 21	-	-	(Negl.)	(Negl.)	(Negl.)	(10)	(10)
215	**SUBTOTAL: STATEWIDE PROPERTY TAX**		**-**	**(27,500)**	**(50,000)**	**(77,500)**	**(50,000)**	**(50,010)**	**(100,010)**
	CIGARETTE & TOBACCO PRODUCTS TAXES								
224	Tobacco Products Definition Modified - Vapor Products	DFE	-	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.
225	**SUBTOTAL: CIGARETTE & TOBACCO PRODUCTS TAXES**		**-**	**Negl.**	**Negl.**	**Negl.**	**Negl.**	**Negl.**	**Negl.**
	ESTATE TAX								
233	Expand Eligibility for Farm and Small Business Subtraction for Spouse of Decedent	Decedents 2018	-	(Unknown)	(Unknown)	(Unknown)	(Unknown)	(Unknown)	(Unknown)
235	**SUBTOTAL: ESTATE TAX**		**-**	**(Unknown)**	**(Unknown)**	**(Unknown)**	**(Unknown)**	**(Unknown)**	**(Unknown)**
	OTHER TAX & NON-TAX REVENUE PROVISIONS								
245	Tax Penalties Waived: Special TCJA Waiver for Tax Years 2018 and 2019	TY 17 / TY 18	(132)	(815)	-	(815)	-	-	-
248	Deed Transfer Tax - Modify Threshold	Deeds CY 20	-	(Negl.)	(5)	(5)	(5)	(10)	(15)
250	Border City Allocation (Permanent)	7/1/2020	-	-	(750)	(750)	(750)	(750)	(1,500)
251	Eliminate TANF Transfer for Working Family Credit	FY 20	-	(24,294)	(24,521)	(48,815)	(24,873)	(25,133)	(50,006)
252	**SUBTOTAL: OTHER TAX & NON TAX REVENUE PROVISIONS**		**(132)**	**(25,109)**	**(25,276)**	**(50,385)**	**(25,628)**	**(25,893)**	**(51,521)**
254	**TOTAL: TAX POLICY**		**22,738**	**(31,044)**	**44,824**	**13,780**	**74,172**	**124,822**	**198,994**

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2019 Special Session, Session Law Chapter 6 (Omnibus Tax Bill HF 5) - PROPERTY TAX AIDS & CREDITS

GENERAL FUND, CHANGE ITEMS ONLY

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TAX POLICY: Positive amounts indicate revenue increase

AIDS & CREDITS: Positive amounts indicate expenditure

			HF 5						
LINE	**ITEM**	**EFFECTIVE**	**FY 19**	**FY 20**	**FY 21**	**FY 20-21**	**FY 22**	**FY 23**	**FY 22-23**
	PROPERTY TAX AIDS & CREDITS:								
	REFUNDS								
1	Property Tax Refund for Manufactured Home Cooperatives (same)	Payable 20	-	-	220	220	220	220	440
2	Homeowner PTR interactions - LGA increase	Pay 20 / FY 21	-	-	(630)	(630)	(730)	(730)	(1,460)
3	Homeowner PTR interactions - CPA increase	Pay 20 / FY 21	-	-	(630)	(630)	(730)	(730)	(1,460)
7	Homeowner PTR Interaction: School Ag Building Bond Credit Increase to 60%	Pay 20 / FY 21	-	-	120	120	390	810	1,200
11	Homeowner PTR Interaction: Exemption for Pharmacy Owned by Indian Tribe (Sen w/appl deadline)	Payable 20	-	-	Negl.	Negl.	Negl.	Negl.	Negl.
12	Homeowner PTR Interaction: Modify Ag Homestead Rules for Property Owned by Trusts (similar)	Payable 20	-	-	Negl.	Negl.	Negl.	Negl.	Negl.
13	Homeowner PTR Interaction: Ag Hmstd Market Value Credit Fractional Homesteads pct ownership (sim)	Payable 20	-	-	(Unknown)	(Unknown)	(Unknown)	(Unknown)	(Unknown)
14	Homeowner PTR Interactions: Increase Acre Limit of Ag Historical Society Property Exemption (same)	Assessments 19	-	-	Negl.	Negl.	Negl.	Negl.	Negl.
17	Homeowner PTR Interaction: Ag Class converted from Ag Use for Envir. Purposes	Assessments 19	-	-	Negl.	Negl.	Negl.	Negl.	Negl.
18	Homeowner PTR Interaction-Disabled Veteran Market Value Exclusion: Apptn due date Dec. 15	Assessments 19	-	-	(600)	(600)	(Negl.)	(Negl.)	(Negl.)
19	Homeowner PTR Interaction: Disabled Veteran Market Value Exclusion: Remove 8 yr. Limit for Spouse	Payable 20	-	-	(30)	(30)	(70)	(110)	(180)
21	Homeowner PTR Interaction: Disabled Veteran Market Value Exclusion for special refund	App rec'd CY 2019	-	(Negli)	-	(Negl.)	-	-	-
22	Homeowner PTR Interaction: Cloquet Fire & Ambulance Tax District (Sen: no levy limit lang)	Local Compliance	-	-	-	-	10	20	30
23	Property Tax Refunds Interactions: Modify Determination of Homesteads for Business Entities	Payable 20	-	-	60	60	60	60	120
26	Property Tax Refunds Interactions: School Referendum Equalization Aid	Pay 20 / FY 21	-	-	(450)	(450)	(430)	(370)	(800)
27	Property Tax Refunds Interactions: Child Care Facilities Exemption	Payable 20	-	-	Negl.	Negl.	Negl.	Negl.	Negl.
28	Property Tax Refunds Interactions: Metropolitan Agricultural Preserves Early Termination	DFE	-	-	(Negl.)	(Negl.)	(Negl.)	(Negl.)	(Negl.)
30	**SUBTOTAL: REFUNDS**		**-**	**-**	**(1,940)**	**(1,940)**	**(1,280)**	**(830)**	**(2,110)**
	AIDS								
34	Local Government Aid Increase	Pay 20 / FY 21	-	-	26,000	26,000	30,000	30,000	60,000
35	One-time LGA Increase to City of Virginia, Tom Rukavina Memorial Bridge	Pay 21 / FY 22	-	-	-	-	5,400	-	5,400
38	County Program Aid increase	Pay 20 / FY 21	-	-	26,000	26,000	30,000	30,000	60,000
41	Melrose Fire Remediation Grant (same but for pymt year)	FY 20	-	644	-	644	-	-	-
42	City of Mazeppa and Wabasha County-Fire Remediation Grant for	7/1/2019	-	5	-	5	-	-	-
44	School Referendum Equalization Aid	Pay 20 / FY 21	-	-	8,990	8,990	9,400	8,150	17,550
47	Child Welfare Srvcs Grant to Mahnomen Health Center & White Earth Band of Ojibwe	FY 20	-	500	-	500	-	-	-
48	ICWA Grant for Beltrami County	FY 20	-	3,000	-	3,000	-	-	-
49	City of Lilydale Grant	FY 20	-	275	-	275	-	-	-
50	Wadena County Grant	FY 20	-	600	600	1,200	-	-	-
51	City of Austin Fire Aid Grant	Local Approval	-	129	-	129	-	-	-
52	City of Flensburg LGA Forgiveness Grant	FY 20	-	38	-	38	-	-	-

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2019 Special Session, Session Law Chapter 6 (Omnibus Tax Bill HF 5) - PROPERTY TAX AIDS & CREDITS

GENERAL FUND, CHANGE ITEMS ONLY

$ in thousands | BOLD indicates rows included in total

TAX POLICY: Positive amounts indicate revenue increase

AIDS & CREDITS: Positive amounts indicate expenditure

			HF 5						
LINE	**ITEM**	**EFFECTIVE**	**FY 19**	**FY 20**	**FY 21**	**FY 20-21**	**FY 22**	**FY 23**	**FY 22-23**
53	Otter Tail County Residential Treatment Facility Debt Service Grant	FY 20	-	500	-	500	-	-	-
54	**SUBTOTAL: AIDS**		**-**	**5,691**	**61,590**	**67,281**	**74,800**	**68,150**	**142,950**
	CREDITS								
59	School Ag Building Bond Credit: Increase to 70% by TY23	Pay 20 / FY 21	-	-	9,810	9,810	17,480	26,290	43,770
60	Ag. Homestead Market Value Credit: Modify Determination of Homesteads	Payable 20	-	-	250	250	260	260	520
62	Ag. Homestead Market Value Credit: Fractional Homestead Determination (similar)	Payable 20	-	-	(Unknown)	(Unknown)	(Unknown)	(Unknown)	(Unknown)
63	Ag. Homestead Market Value Credit: Modify Homestead Rules for Trusts (similar)	Payable 20	-	-	Negl.	Negl.	Negl.	Negl.	Negl.
64	Ag Market Value Credit: Ag Class converted from Ag Use for Envir. Purposes	Assessments 19	-	-	Negl.	Negl.	Negl.	Negl.	Negl.
65	Ag. Preservation Credit: Metropolitan Agricultural Preserves Early Termination	DFE	-	-	(Negl.)	(Negl.)	(Negl.)	(Negl.)	(Negl.)
66	**SUBTOTAL: CREDITS**		**-**	**-**	**10,060**	**10,060**	**17,740**	**26,550**	**44,290**
	OTHER								
70	Net Loan Activity: Senior Property Tax Deferral Apply Date Moved from July 1 to November 1	DFE	-	-	60	60	(Negl.)	(Negl.)	(Negl.)
72	MERF Aid	DFE	-	10,000	10,000	20,000	10,000	10,000	20,000
73	Appropriation: Debt Service Aid Essentia/Duluth	Local Compliance	-	-	-	-	3,000	8,100	11,100
74	Appropriation: Taxpayer Assistance Grants	DFE	-	200	200	400	200	200	400
76	Appropriation: DOR Admin for OTB	DFE	-	3,000	3,000	6,000	3,000	3,000	6,000
77	**SUBTOTAL: OTHER**		**-**	**13,200**	**13,260**	**26,460**	**16,200**	**21,300**	**37,500**
79	**TOTAL: PROPERTY TAX AIDS & CREDITS**		**-**	**18,891**	**82,970**	**101,861**	**107,460**	**115,170**	**222,630**

NOTES

The Ag Bond Credit tracked on line 64 carries budget effects outside of the forecast window due to it not being fully phased in to 70% until TY 23/FY 24

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2019 Special Session, Session Law Chapter 6 (Omnibus Tax Bill HF 5) - NON-GENERAL FUND CHANGES

NON GENERAL FUND, CHANGE ITEMS ONLY

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AIDS & CREDITS: Positive amounts indicate expenditure

			HF 5						
LINE	**ITEM**	**EFFECTIVE**	**FY 19**	**FY 20**	**FY 21**	**FY 20-21**	**FY 22**	**FY 23**	**FY 22-23**
	NON-GENERAL FUND CHANGES:								
	LEGACY FUNDS								
1	Marketplace Provider Collection Requirements Modifications including a Remote Seller Threshold Change	10/1/2019	-	10	20	30	20	20	40
4	Refund, Construction, Materials Purchases, City of Minnetonka - Public Safety Facility	5/24/2019	-	-	(50)	(50)	-	-	-
5	Refund, Construction, Materials Purchases, City of Inver Grove Heights - Fire Station	7/1/2019	-	(20)	-	(20)	-	-	-
7	Refund, Construction, Materials Purchases, City of Mendota Heights - Fire Station	1/1/2019	-	-	(10)	(10)	-	-	-
11	Refund, Construction, Materials Purchases, City of Monticello - Fire Station	2/1/2019	-	(10)	-	(10)	-	-	-
12	Refund, Construction, Materials Purchases, City of Melrose - Property Replacement	1/1/2019	-	(5)	(5)	(10)	(Negl.)	-	(Negl.)
13	Refund, Construction, Materials Purchases, City of Mazeppa - Property Replacement	3/11/2018	-	-	(Negl.)	(Negl.)	-	-	-
14	Refund, Construction Materials Purchases, Dakota Co. Law Enforcement Ctr.	7/1/2019	-	(10)	(Negl.)	(10)	-	-	-
15	Refund, Construction, Materials Purchases, ISD #414, Minneota	Retro 1/1/2018	-	(10)	-	(10)	-	-	-
20	Exemption, Sales by County Agricultural Societies	7/1/2019	-	(60)	(90)	(150)	(90)	(90)	(180)
22	Exemption, Sales to Non Profit Ice Arena	7/1/2019	-	(Negl.)	(Negl.)	(Negl.)	(Negl.)	(Negl.)	(Negl.)
23	Exemption, Sales of Herbicides - Aquatic Invasive Species	7/1/2019	-	(10)	(10)	(20)	(10)	(10)	(20)
26	Exemption, Admissions - Non Profit Agricultural Society Organizations	DFE	-	(Negl.)	(Negl.)	(Negl.)	(Negl.)	(Negl.)	(Negl.)
30	June Accelerated Payment Shift	7/1/2019	-	1,330	40	1,370	(600)	20	(580)
36	**SUBTOTAL: LEGACY FUNDS**		**-**	**1,215**	**(105)**	**1,110**	**(680)**	**(60)**	**(740)**
	SPECIAL REVENUE FUND								
40	DEED, Angel Tax Credit (Revenue from Application Fees/Report Filings)	7/1/2019	-	232	289	521	181	125	306
41	Angel Tax Credit Administration	TY 19	-	(226)	(286)	(512)	(286)	(286)	(572)
43	**SUBTOTAL: SPECIAL REVENUE FUND**		**-**	**6**	**3**	**9**	**(105)**	**(161)**	**(266)**

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2019 Special Session, Session Law Chapter 6 (Omnibus Tax Bill HF 5) - NON-GENERAL FUND CHANGES

NON GENERAL FUND, CHANGE ITEMS ONLY

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			HF 5						
LINE	**ITEM**	**EFFECTIVE**	**FY 19**	**FY 20**	**FY 21**	**FY 20-21**	**FY 22**	**FY 23**	**FY 22-23**
	HEALTH CARE ACCESS FUND								
52	90 Day Interest on Tax refunds	1/1/2020	-	150	310	460	320	340	660
53	Provider Tax, Rate Change from 2.0% to 1.8% , Repeal of Sunset	1/1/2020	-	213,000	659,600	872,600	693,400	728,000	1,421,400
54	Wayfair Nexus Threshold Modfied	DFE	(Negl.)	(10)	(10)	(20)	(10)	(10)	(20)
55	**SUBTOTAL: HEALTH CARE ACESS FUND**			**213,140**	**659,900**	**873,040**	**693,710**	**728,330**	**1,422,040**
	TEMPORARY ASSISTANCE FOR NEEDY FAMILIES FUND (TANF) FUND								
58	Repeal TANF Allocation for Working Family Credit Appropriation	7/1/2019	-	24,294	24,521	48,815	24,873	25,133	50,006
59	**SUBTOTAL: TEMPORARY ASSISTANCE FOR NEEDY FAMILIES FUND (TANF) FUND**		**-**	**24,294**	**24,521**	**48,815**	**24,873**	**25,133**	**50,006**
	TACONITE MUNICIPAL AID ACCOUNT								
66	Taconite Municipal Aid Distribution (100% max guarantee), allocation indexed	Distributions 2020	-	-	424	424	422	474	896
67	Distribution to Municipalities	Distributions 2020	-	-	(424)	(424)	(422)	(474)	(896)
68	**SUBTOTAL: TACONITE MUNICIPAL AID ACCOUNT**		**-**	**-**	**-**	**-**	**-**	**-**	**-**
	DOUGLAS J. JOHNSON ECONOMIC PROTECTION FUND								
71	Taconite Municipal Aid Distribution (100% max guarantee), allocation indexed	Distributions 2020	-	-	(192)	(192)	(170)	(175)	(345)
72	**SUBTOTAL: DOUGLAS J. JOHNSON ECONOMIC PROTECTION FUND**		**-**	**-**	**(192)**	**(192)**	**(170)**	**(175)**	**(345)**
	TACONITE ENVIRONMENTAL PROTECTION FUND								
75	Taconite Municipal Aid Distribution (100% max guarantee), allocation indexed	Distributions 2020	-	-	(232)	(232)	(252)	(299)	(551)
76	**SUBTOTAL: TACONITE ENVIRONMENTAL PROTECTION FUND**		**-**	**-**	**(232)**	**(232)**	**(252)**	**(299)**	**(551)**
90	**TOTAL: NON-GENERAL FUND CHANGES**		**-**	**238,655**	**683,895**	**922,550**	**717,376**	**752,768**	**1,470,144**

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APPENDIX A: INTERACTIONS

GENERAL FUND, CHANGE ITEMS ONLY

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			HF 5						
LINE	**ITEM**		**FY 19**	**FY 20**	**FY 21**	**FY 20-21**	**FY 22**	**FY 23**	**FY 22-23**
	TAX POLICY INTERACTIONS:								
	INDIVIDUAL INCOME TAX INTERACTIONS								
1	Reduce Statewide Levy Amount on CI/SRR property		-	-	90	90	90	90	180
2	State General Levy Tax abatement for pipelines		-	-	-	-	Negl.	Negli.	Negli.
5	LGA		-	-	140	140	160	160	320
6	CPA		-	-	140	140	160	160	320
7	School Building Bond Ag Credit		-	-	120	120	180	200	380
8	School Referendum Equalization Aid		-	-	100	100	90	80	170
10	Cloquet Area Fire and Amblance Taxing District modified		-	-	-	-	(Negl.)	(Negl.)	(Negl.)
12	**SUBTOTAL: INDIVIDUAL INCOME TAX INTERACTIONS**		**-**	**-**	**590**	**590**	**680**	**690**	**1,370**
	CORPORATE FRANCHISE TAX INTERACTIONS								
28	Reduce Statewide Levy Amount on CI/SRR property		-	-	1,280	1,280	1,280	1,280	2,560
29	LGA		-	-	150	150	170	170	340
30	CPA		-	-	150	150	170	170	340
31	School Building Bond Ag Credit		-	-	(30)	(30)	(90)	(190)	(280)
32	School Referendum Equalization Aid		-	-	110	110	100	90	190
34	**SUBTOTAL: CORPORATE FRANCHISE TAX INTERACTIONS**		**-**	**-**	**1,660**	**1,660**	**1,630**	**1,520**	**3,150**
	TOTAL: NET EFFECT OF INTERACTIONS		**-**	**-**	**2,250**	**2,250**	**2,310**	**2,210**	**4,520**

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