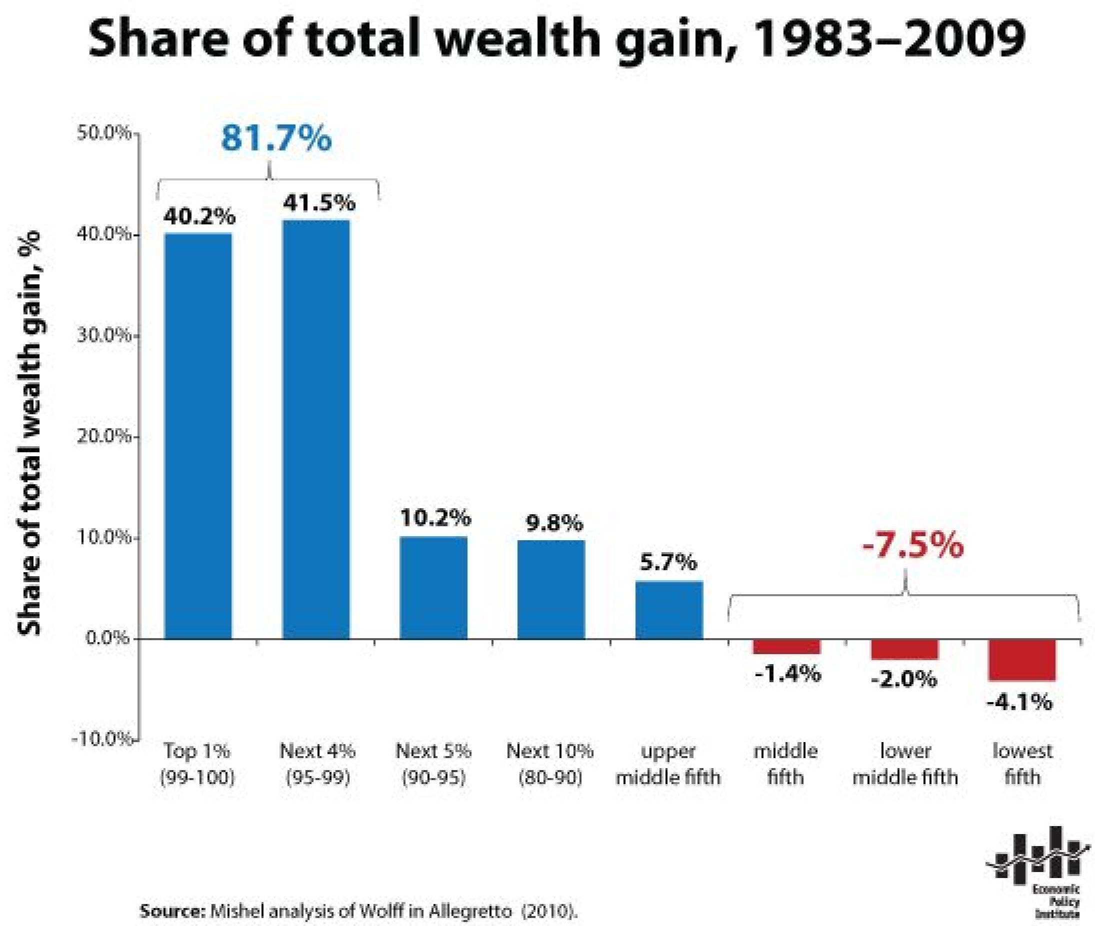
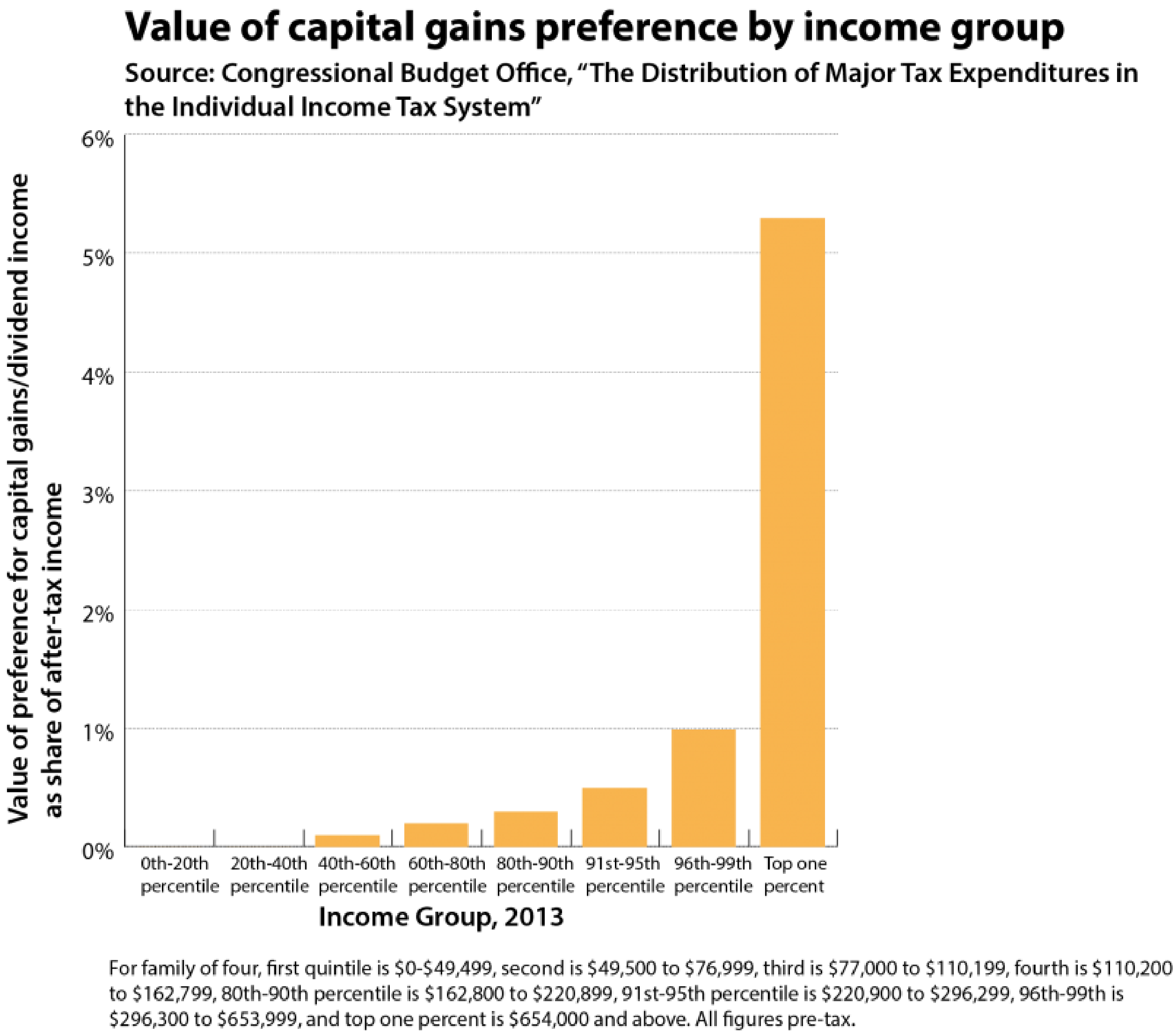


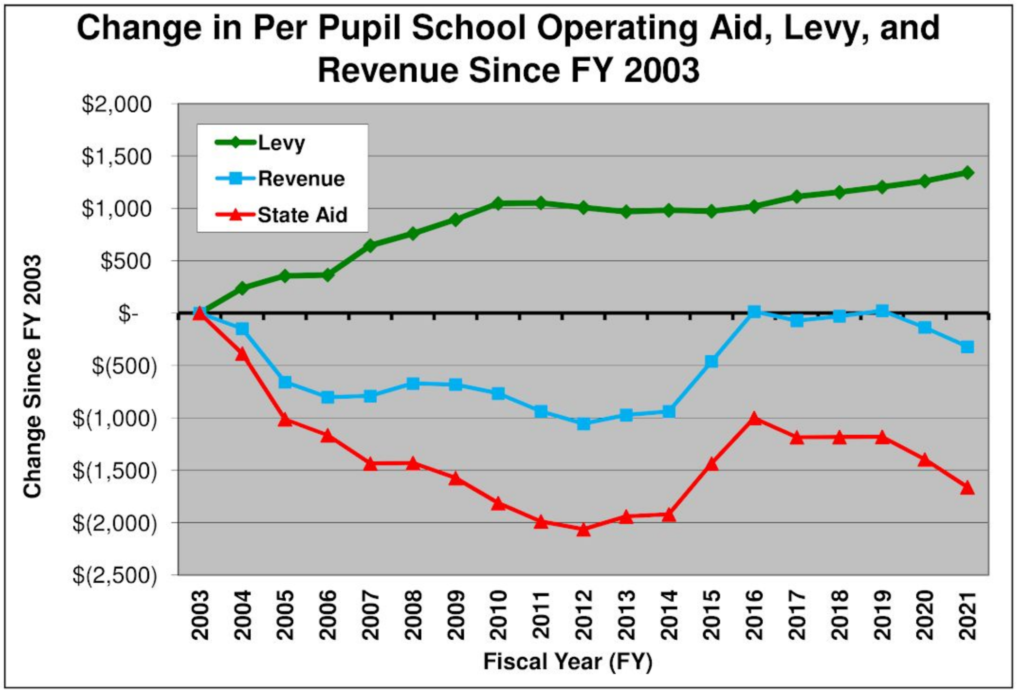
Source:
https://www.epi.org/publication/large-disparity-share-total-wealth-gain/

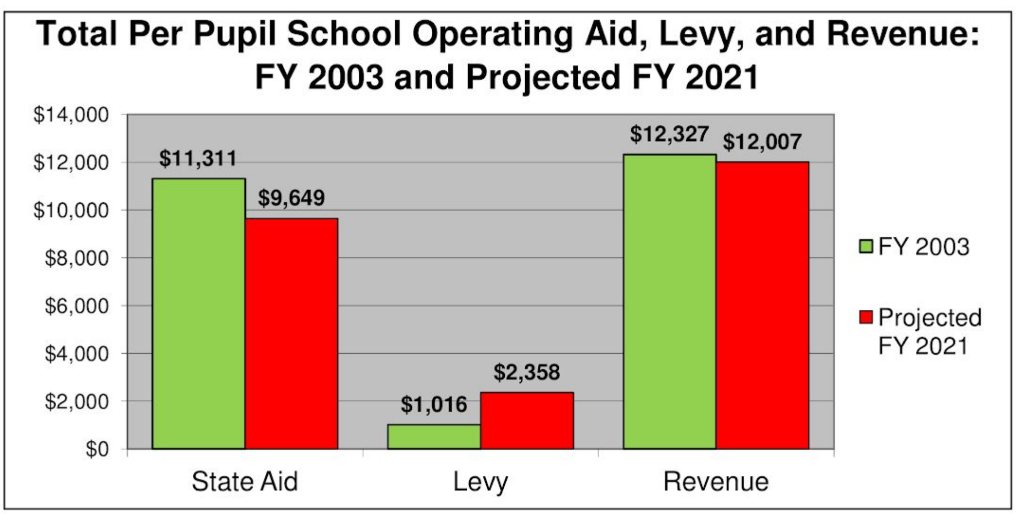


Source:
https://www.washingtonpost.com/news/wonk/wp/2013/05/30/heres-who-gets-the-biggest-tax-breaks-in-one-chart/

Minnesota School District Total

All Amounts in Constant FY 2019 Dollars





NORTH STAR POLICY INSTITUTE

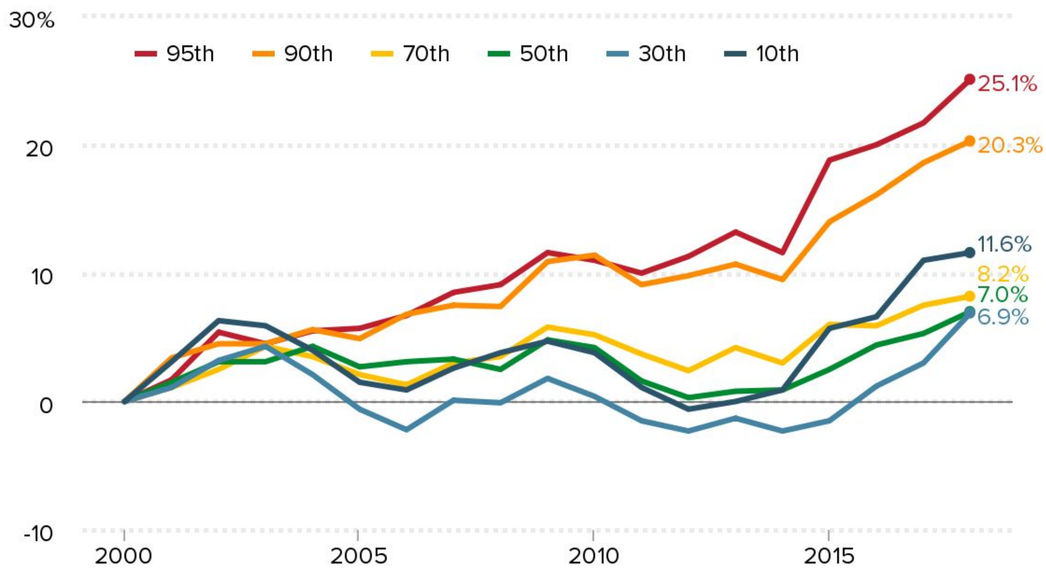
www.northstarpolicy.org

Sources:

http://northstarpolicy.org/wp-content/uploads/2018/09/Minnesota-School-District-Total.pdf
http://northstarpolicy.org/school-aid-report

High-wage earners have continued to pull away from everyone else since 2000

Cumulative percent change in real hourly wages, by wage percentile, 2000–2018



Note: Sample based on all workers ages 16 and older.

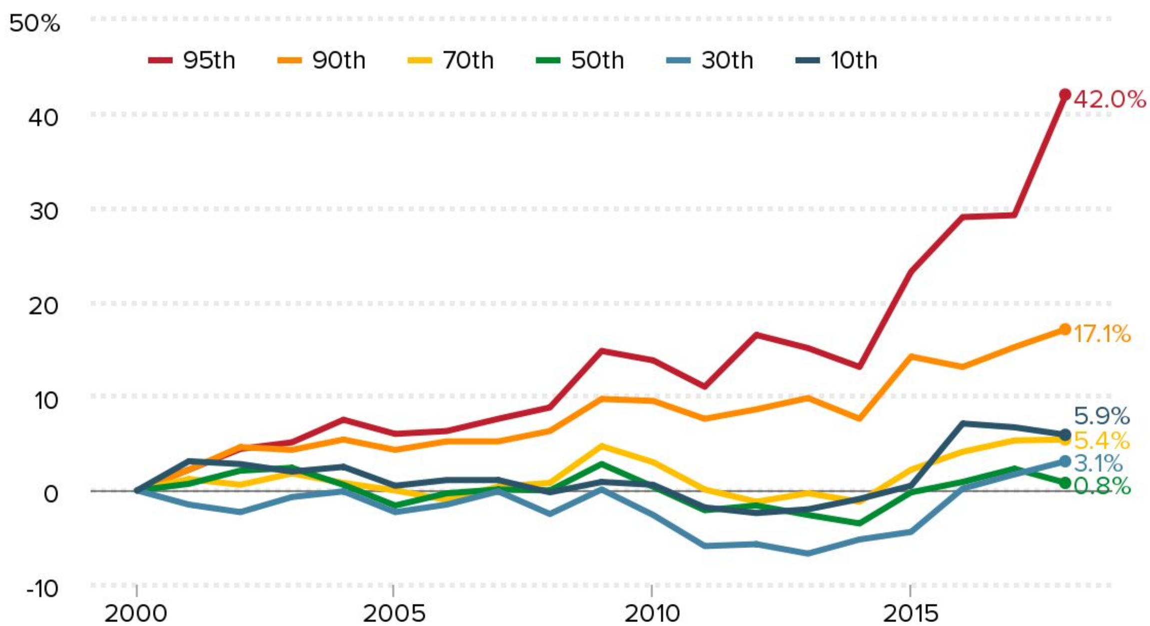
Source: EPI analysis of Current Population Survey Outgoing Rotation Group microdata from the U.S. Census Bureau

Economic Policy Institute

Source: https://www.epi.org/publication/state-of-american-wages-2018/

Disproportionate wage growth since 2000 for those at the top has contributed to widening inequality among men

Cumulative percent change in real hourly wages of men, by wage percentile, 2000–2018



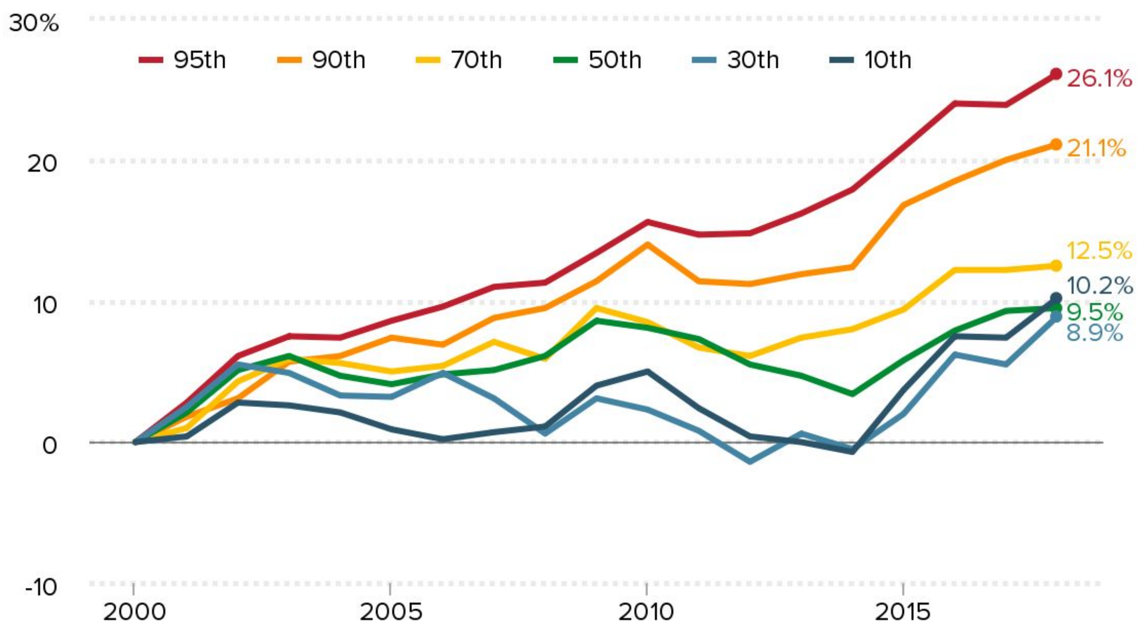
Notes: Sample based on all workers ages 16 and older.

Source: EPI analysis of Current Population Survey Outgoing Rotation Group microdata from the U.S. Census Bureau

Economic Policy Institute

Women's wages are more compressed than men's wages, but inequality among women has increased since 2000

Cumulative percent change in real hourly wages, by wage percentile, 2000–2018



Notes: Sample based on all workers ages 16 and older. The xth-percentile wage is the wage at which x% of wage earners earn less and (100-x)% earn more.

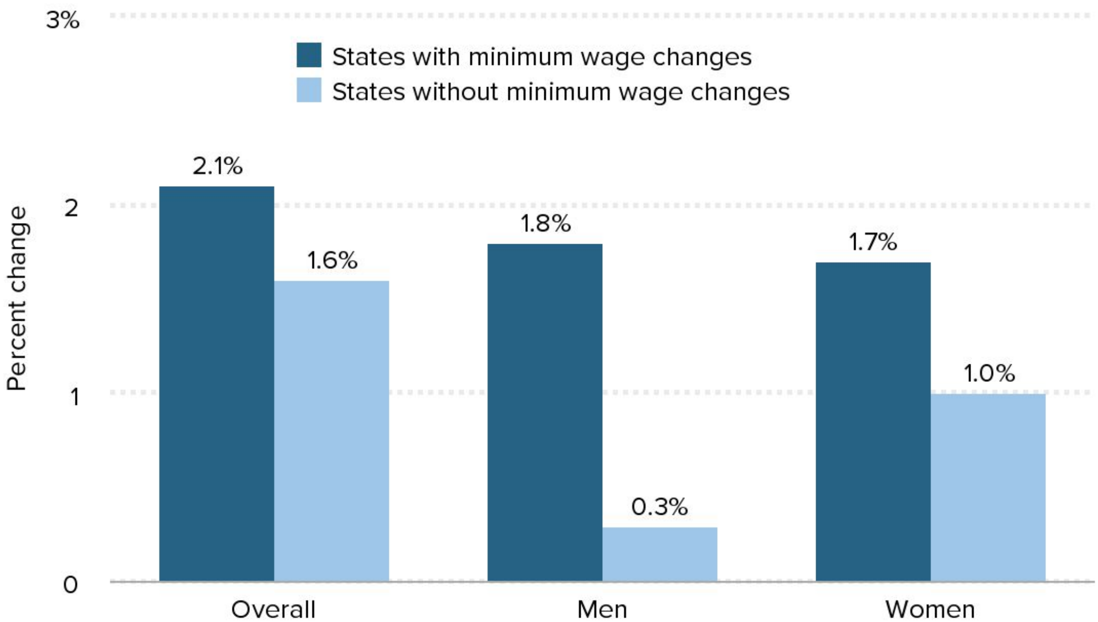
Source: EPI analysis of Current Population Survey Outgoing Rotation Group microdata from the U.S. Census Bureau

Economic Policy Institute

Source:
https://www.epi.org/publication/state-of-american-wages-2018/

Wage growth at the bottom was strongest in states with minimum wage increases in 2018

10th-percentile wage growth, by presence of 2018 state minimum wage increase and by gender, 2017–2018

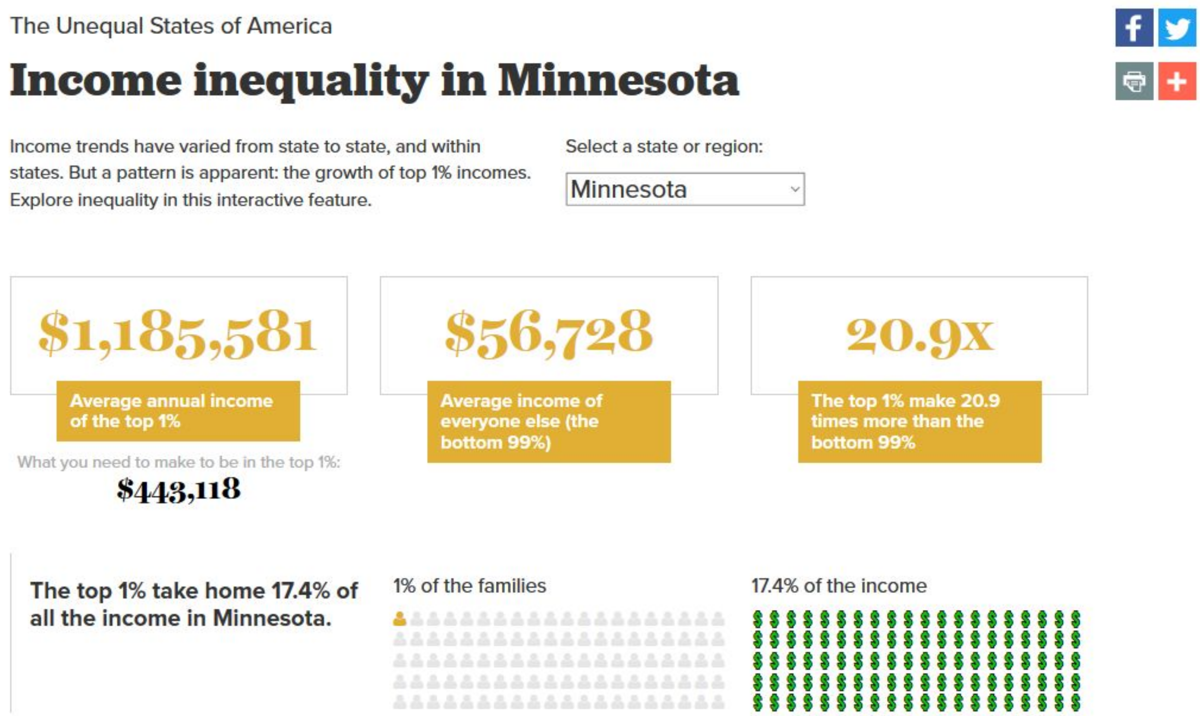


Notes: Arizona, California, Colorado, Hawaii, Maine, Michigan, New York, Vermont, Rhode Island, and Washington legislated minimum wage increases that took effect on January 1, 2018. Alaska, Florida, Minnesota, Missouri, Montana, New Jersey, Ohio, and South Dakota increased their minimum wages in 2018 because of indexing to inflation. Maryland, Oregon, and the District of Columbia legislated minimum wage increases that took effect on July 1, 2018. Delaware legislated minimum wage increases that took effect on October 1, 2018. Sample based on all workers ages 16 and older.

Source: EPI analysis of Current Population Survey Outgoing Rotation Group microdata from the U.S. Census Bureau

Economic Policy Institute

Source:
https://www.epi.org/publication/state-of-american-wages-2018/



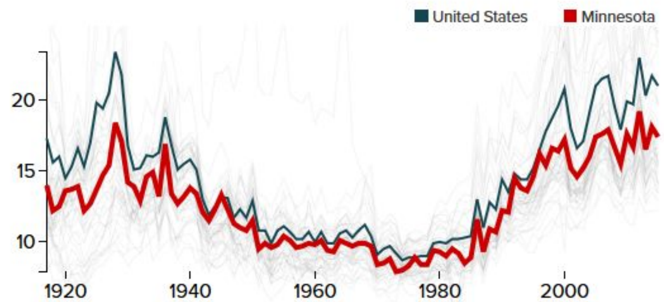
Sources:
https://www.epi.org/publication/the-new-gilded-age-income-inequality-in-the-u-s-by-state-metropolitan-area-and-county/#epi-toc-3

https://www.epi.org/multimedia/unequal-states-of-america/#/Minnesota

The Economics of the Case for Tax Fairness

Share of income captured by the top 1%, 1917–2015

The share of all income held by the top 1% in recent years has approached or surpassed historical highs.



Inside Minnesota

Metropolitan areas

The **Austin metro area** is the most unequal metro area in Minnesota.

- The top 1% make **23.6** times more than the bottom 99%.
- Average income of the top 1%: **$998,460**.
- Average income of the bottom 99%: **$42,271**.

Counties

Roseau County is the most unequal county in Minnesota.

- The top 1% make **29.8** times more than the bottom 99%.
- Average income of the top 1%: **$1,318,374**.
- Average income of the bottom 99%: **$44,298**.

See inequality numbers for all counties [+] or metro areas [+]

How does Minnesota compare with the rest of the country?

Minnesota ranks #19 of the 50 states in income inequality, based on the ratio of top 1% to bottom 99% income.

Inequality at the national level

- Minimum annual income to be in the top 1%: **$421,926**
- Average annual income of the top 1%: **$1,316,985**
- Average annual income of the bottom 99%: **$50,107**
- Ratio of top 1% to bottom 99%: **26.3x**

Adapted from Estelle Sommeiller and Mark Price, *The New Gilded Age: Income Inequality in the U.S. by State, Metropolitan Area, and County*, an Economic Policy Institute report published in July 2018. Data are for tax units (single adults or married couples), referred to in the report as families, and for 2015, unless otherwise indicated.

Sources:
https://www.epi.org/publication/the-new-gilded-age-income-inequality-in-the-u-s-by-state-metropolitan-area-and-county/#epi-toc-3

https://www.epi.org/multimedia/unequal-states-of-america/#/Minnesota

The Economics of the Case for Tax Fairness

Shares of total income growth captured by the top 1% from 1945 to 1973, 1973 to 2007, and 2009 to 2015, U.S. and by state and region

State/region	1945–1973	1973–2007	2009–2015
United States	4.9%	58.7%	41.8%
Alabama	7.5%	46.6%	39.1%
Alaska	NA	Ŧ	9.9%
Arizona	6.4%	Ŧ	27.3%
Arkansas	9.7%	32.8%	27.4%
California	3.4%	56.8%	53.1%
Colorado	4.0%	50.9%	22.2%
Connecticut	5.2%	63.5%	134.2%
Delaware	ŧ	52.3%	44.7%
District of Columbia	4.5%	64.6%	26.5%
Florida	9.0%	85.7%	77.5%
Georgia	6.8%	50.7%	45.7%
Hawaii	2.8%	Ŧ	6.2%
Idaho	7.4%	51.8%	23.2%
Illinois	3.8%	73.3%	39.6%
Indiana	5.7%	56.2%	26.2%
Iowa	6.0%	39.3%	18.3%
Kansas	6.7%	39.3%	23.8%
Kentucky	7.2%	39.0%	34.4%
Louisiana	8.2%	23.3%	3.7%
Maine	5.2%	34.5%	28.7%
Maryland	2.9%	50.3%	58.4%
Massachusetts	2.9%	50.4%	58.4%
Michigan	4.4%	Ŧ	32.9%
Minnesota	4.1%	45.2%	27.4%
Mississippi	8.4%	35.5%	18.5%
Missouri	4.7%	48.3%	53.1%
Montana	6.1%	86.9%	14.1%
Nebraska	6.6%	41.5%	21.9%
Nevada	3.0%	Ŧ	81.0%
New Hampshire	5.6%	32.4%	23.0%
New Jersey	6.0%	46.5%	34.2%
New Mexico	6.9%	72.0%	2.8%
New York	0.5%	87.3%	51.4%
North Carolina	5.3%	37.9%	117.3%
North Dakota	4.0%	Ŧ	14.6%
Ohio	3.9%	59.1%	30.2%
Oklahoma	8.4%	39.6%	10.3%
Oregon	4.7%	52.5%	29.8%
Pennsylvania	3.4%	45.0%	33.3%
Rhode Island	0.6%	45.2%	24.0%
South Carolina	6.7%	77.9%	36.1%
South Dakota	5.4%	46.6%	23.2%
Tennessee	8.0%	48.2%	32.3%
Texas	10.0%	45.5%	25.6%
Utah	5.8%	49.5%	20.5%
Vermont	5.1%	42.6%	20.9%
Virginia	5.9%	31.6%	38.3%
Washington	8.4%	41.9%	42.0%
West Virginia	8.6%	33.7%	ŧ
Wisconsin	4.4%	44.7%	20.1%
Wyoming	7.3%	71.4%	43.0%
Northeast	2.8%	61.7%	50.4%
Midwest	4.6%	61.2%	31.5%
South	7.7%	48.7%	43.5%
West	4.6%	58.9%	46.3%

Ŧ Top 1% incomes grew while overall incomes fell over this period.

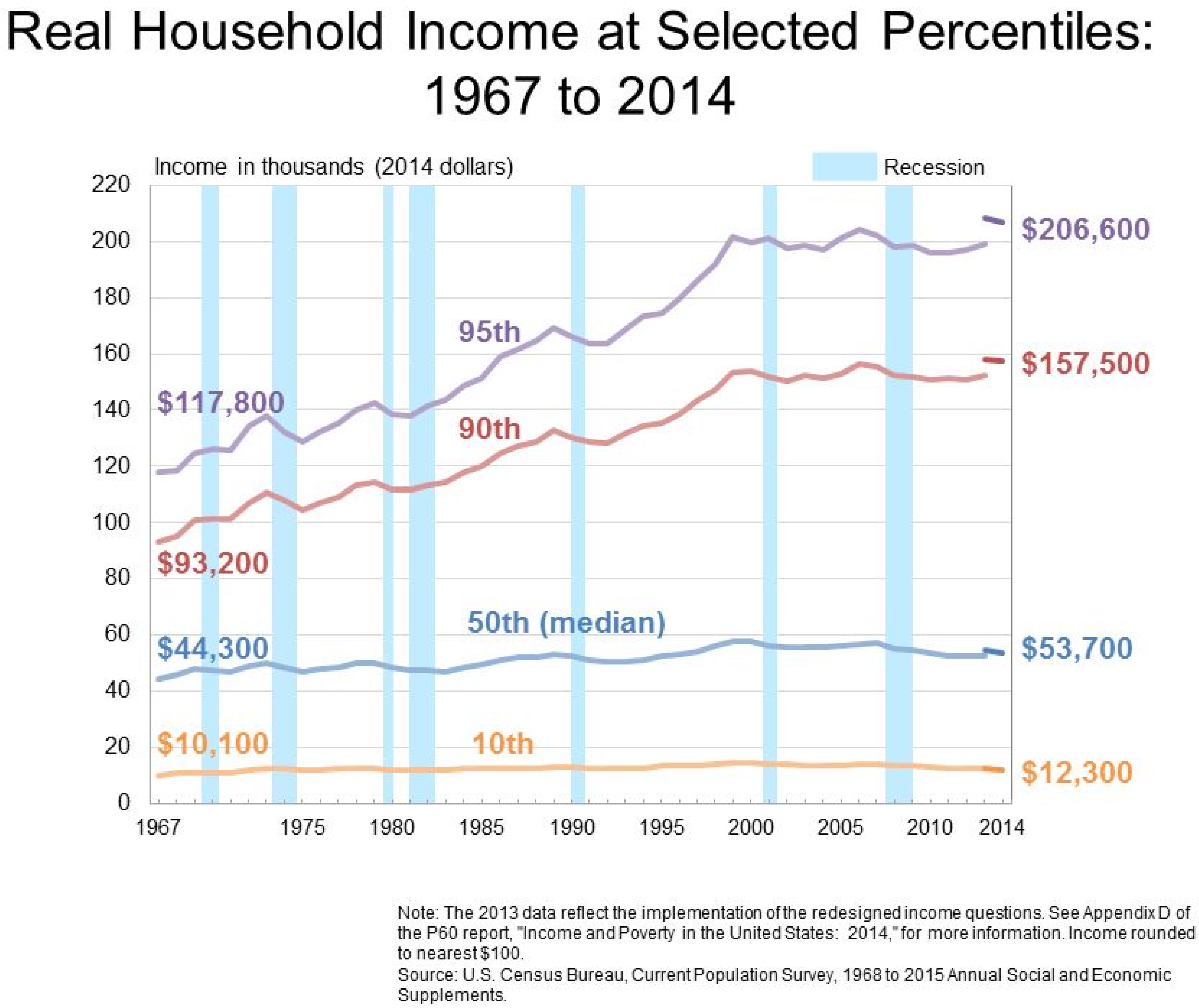
ŧ Top 1% incomes fell while overall incomes grew over this period.

Notes: Where the top 1% share of income growth is greater than 100%, that means the bottom 99% suffered income losses during that period. The top 1% share of total income growth over a period is calculated as 0.01 * ($ change in average top 1% income) / ($ change in overall average income). The bottom 99% share of total income growth is calculated as 0.99 * ($ change in average top 99% income) / ($ change in overall average income). When top 1% income rises while bottom 99% income falls (but overall income growth is still positive), the top 1% share will be greater than 100%. If the calculated growth share would be a negative number, we use the symbol ŧ ("top 1% incomes fell while overall incomes grew over this period") or Ŧ ("top 1% incomes grew while overall incomes fell over this period").

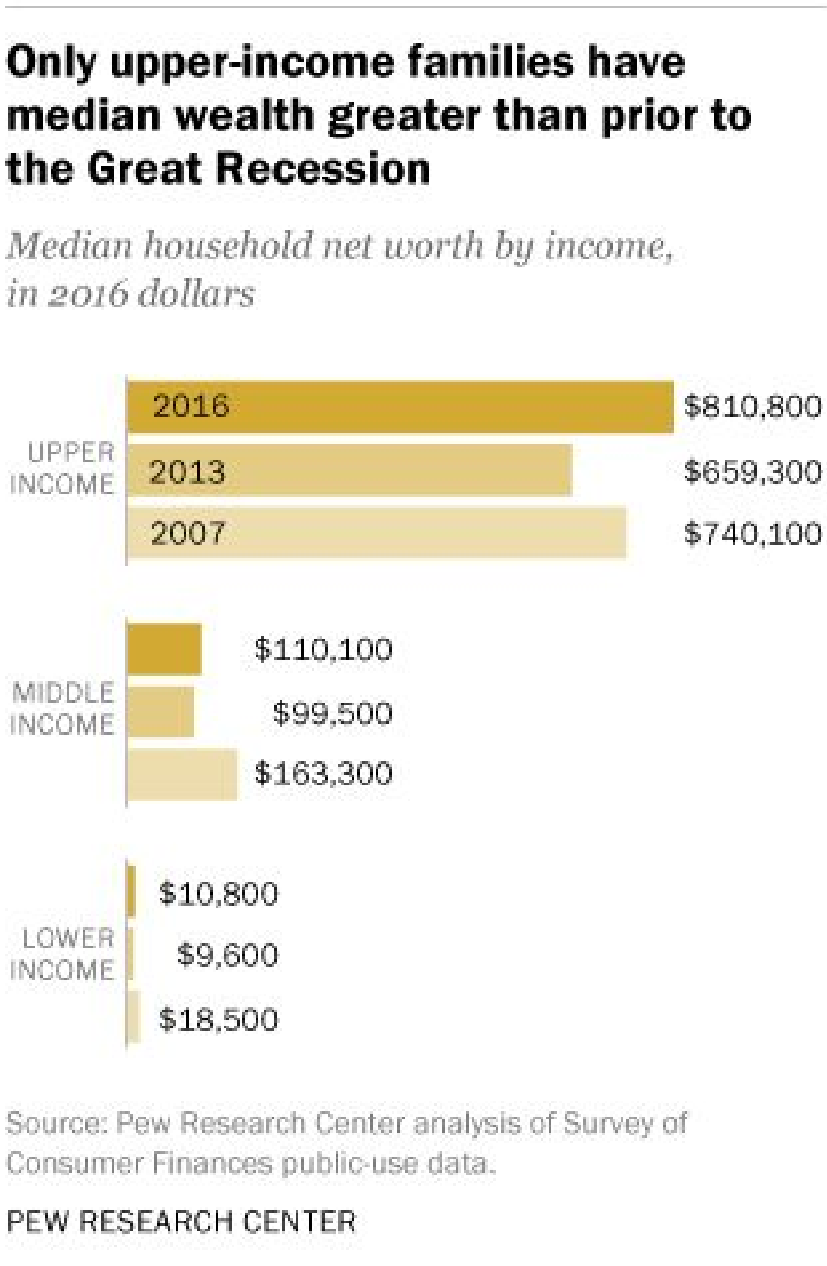
Source: Authors' analysis of state-level tax data from Sommeiller 2006 extended to 2015 using state-level data from the Internal Revenue Service SOI Tax Stats (various years) and Piketty and Saez 2016

Economic Policy Institute

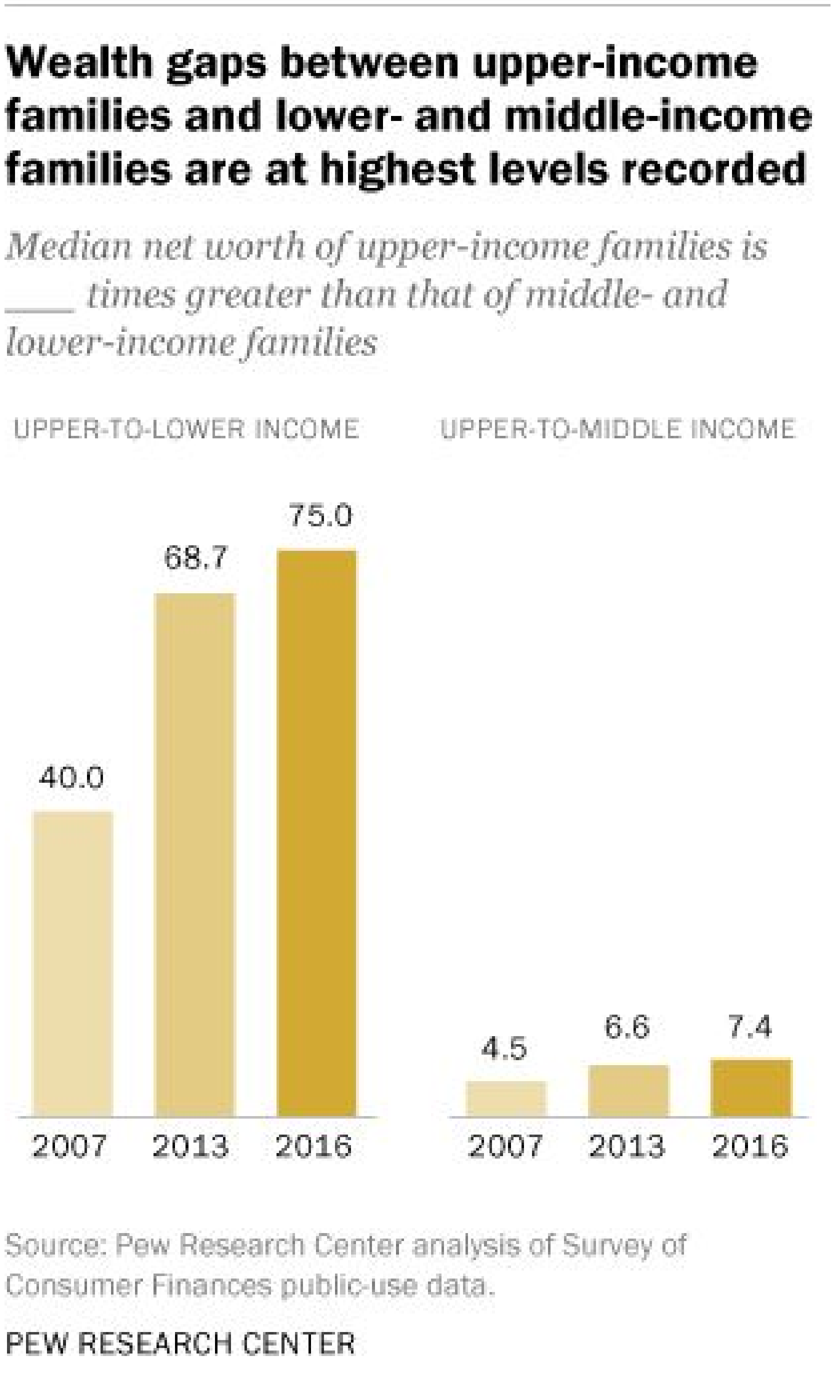
Source:
https://www.epi.org/publication/the-new-gilded-age-income-inequality-in-the-u-s-by-state-metropolitan-area-and-county/#epi-toc-3



Source:
https://www.census.gov/library/visualizations/2015/demo/real-household-income-at-selected-percentiles--1967-to-2014.html



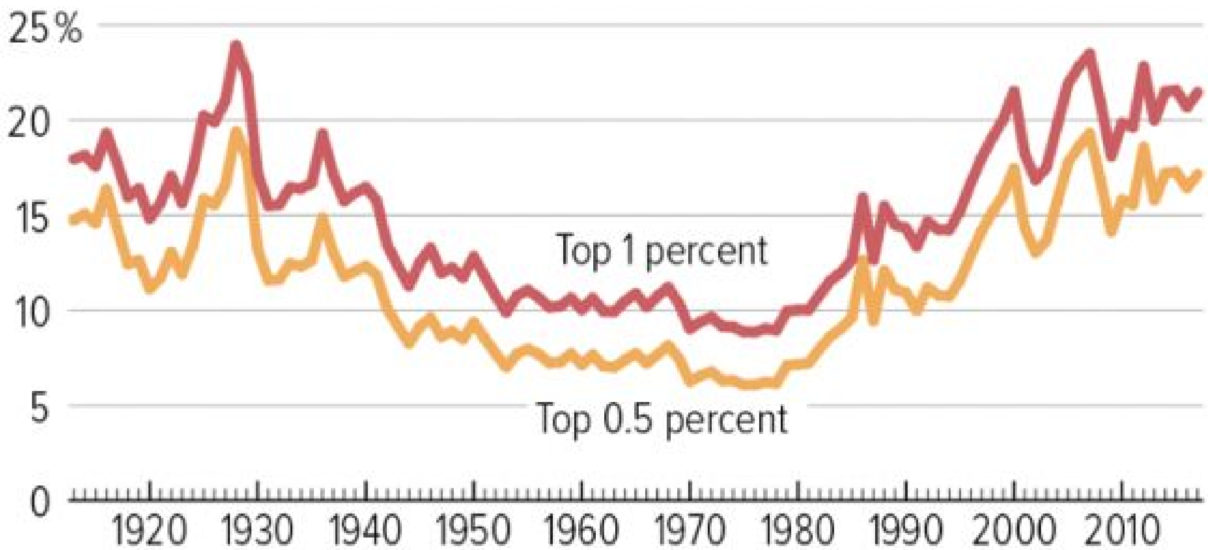
Source:
https://www.pewresearch.org/fact-tank/2017/11/01/how-wealth-inequality-has-changed-in-the-u-s-since-the-great-recession-by-race-ethnicity-and-income/



Source:
https://www.pewresearch.org/fact-tank/2017/11/01/how-wealth-inequality-has-changed-in-the-u-s-since-the-great-recession-by-race-ethnicity-and-income/

Income Concentration at the Top Has Risen Sharply Since the 1970s

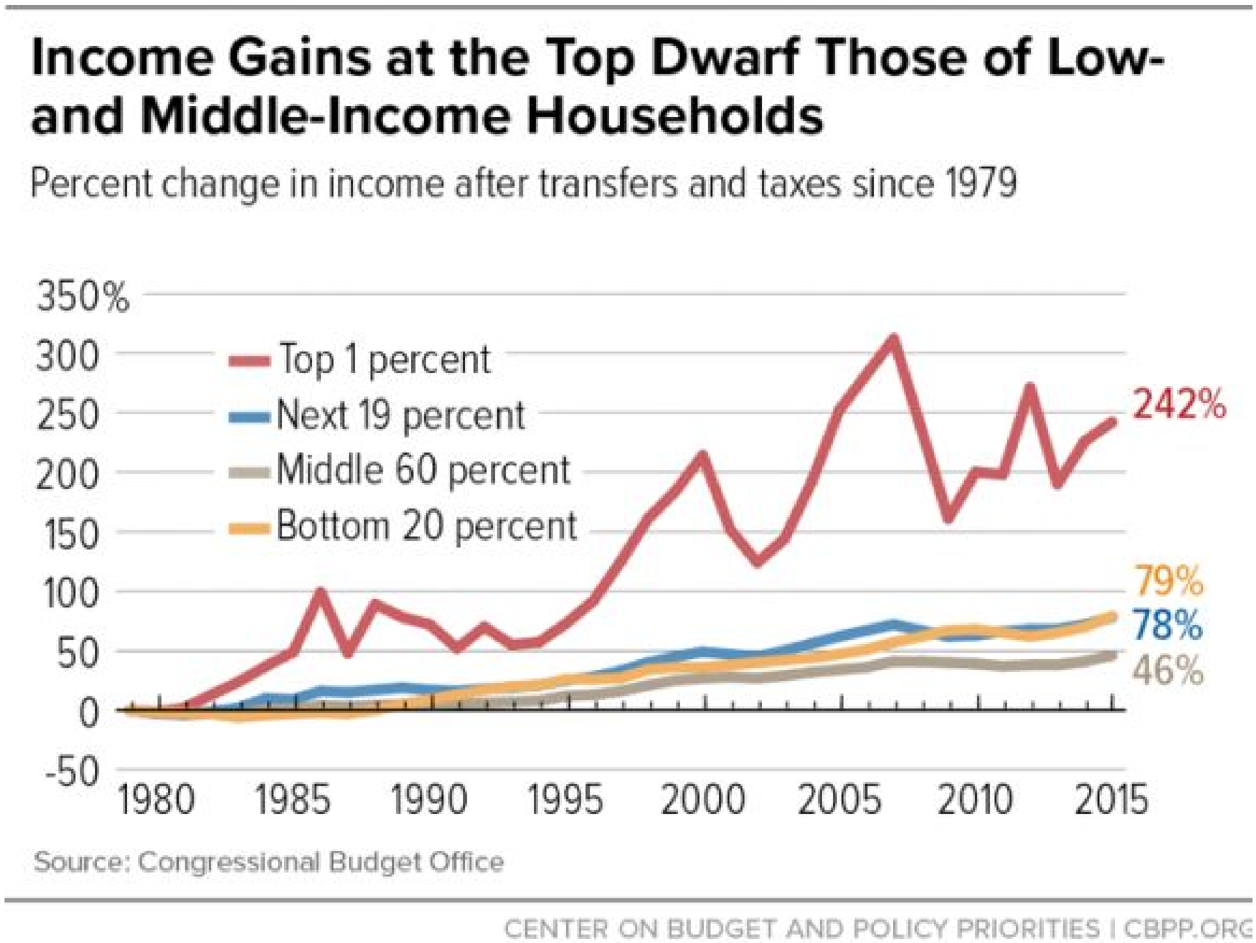
Share of total before-tax income flowing to the highest income households (including capital gains), 1913-2017



Source: Emmanuel Saez, based on IRS data

CENTER ON BUDGET AND POLICY PRIORITIES | CBPP.ORG

Source:
https://www.cbpp.org/research/poverty-and-inequality/a-guide-to-statistics-on-historical-trends-in-income-inequality



Source:
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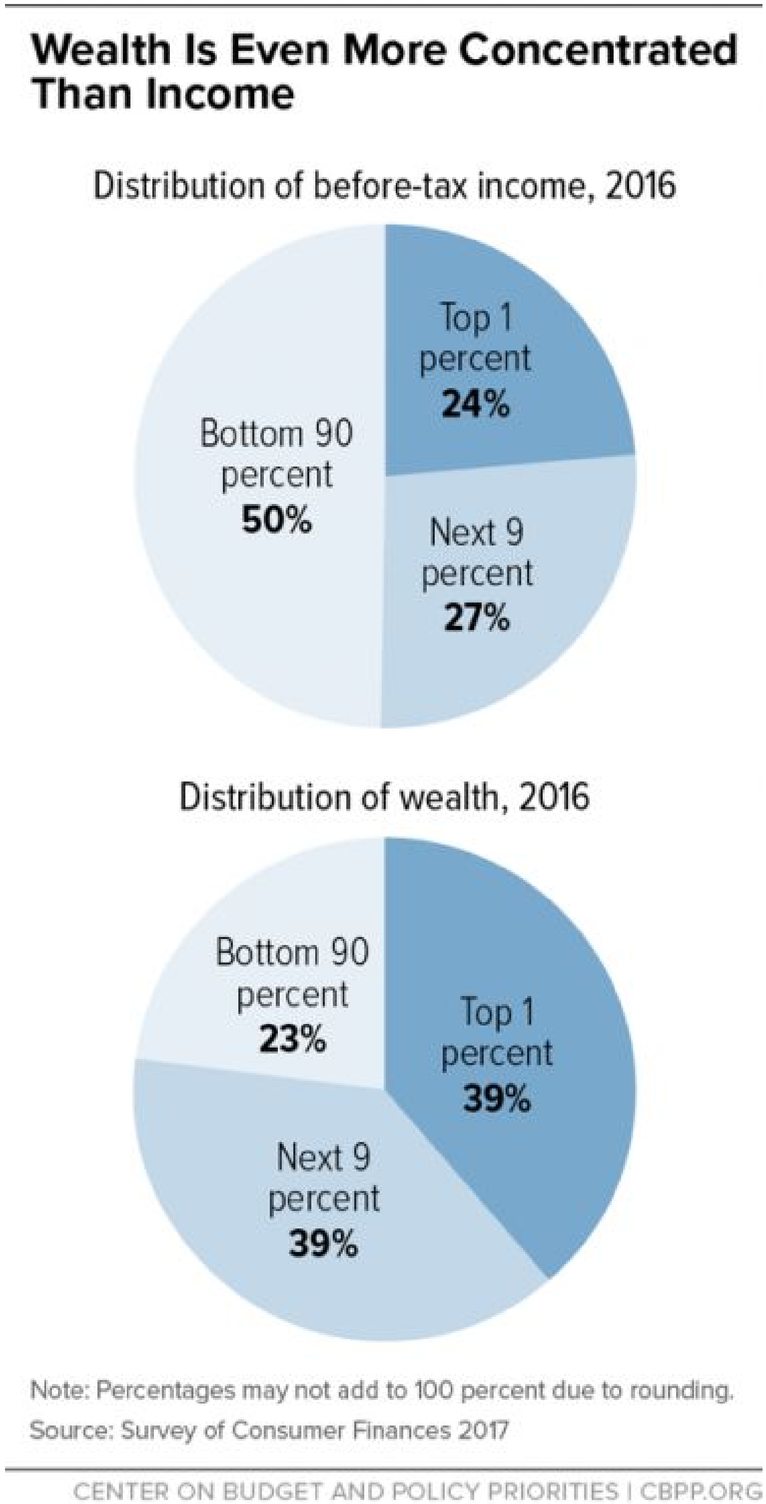

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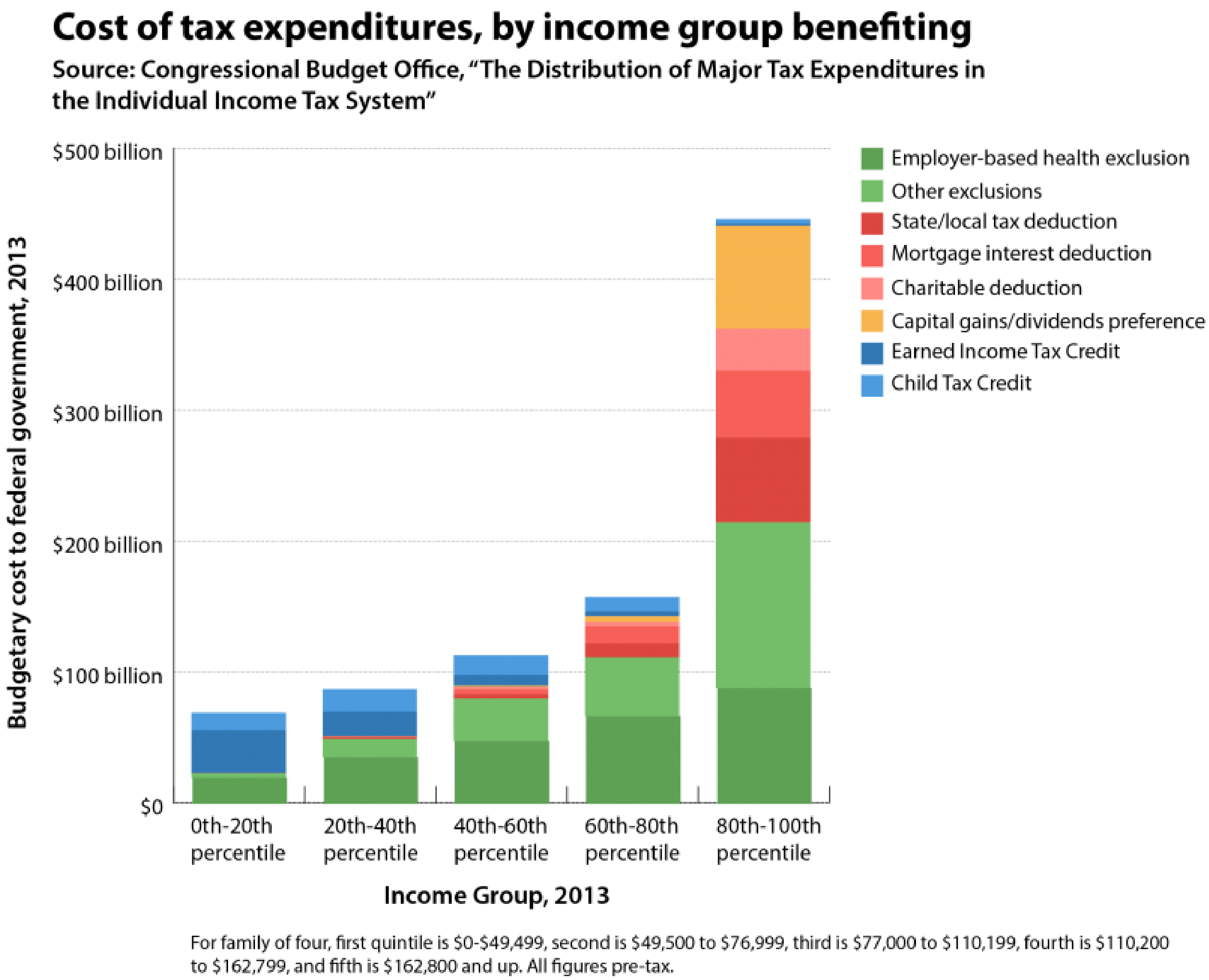

Source:
https://www.washingtonpost.com/news/wonk/wp/2013/05/30/heres-who-gets-the-biggest-tax-breaks-in-one-chart/

The Economics of the Case for Tax Fairness

The richest 1 percent now owns more of the country's wealth than at any time in the past 50 years

Christopher Ingraham

The wealthiest 1 percent of American households own 40 percent of the country's wealth, according to a new paper by economist Edward N. Wolff. That share is higher than it has been at any point since at least 1962, according to Wolff's data, which comes from the federal Survey of Consumer Finances.

From 2013, the share of wealth owned by the 1 percent shot up by nearly three percentage points. Wealth owned by the bottom 90 percent, meanwhile, fell over the same period. Today, the top 1 percent of households own more wealth than the bottom 90 percent combined. That gap, between the ultrawealthy and everyone else, has only become wider in the past several decades.

Let's talk a bit about that wealth gap. Wealth, often described as net worth, describes how much stuff you actually have: It's the value of your assets minus the value of your debts. If you have a $250,000 house but you still owe $200,000 to the bank on it, and you have no other debts or financial assets, that means your net worth is $50,000.

In the United States, the distribution of that wealth is even more skewed toward the top than the distribution of income. For the sake of illustration, let's say that America is a country of 100 people, and all of the wealth in the country — the homes and land and financial assets — is represented by 100 slices of pie.

That works out to an average of one slice of pie per person, which is exactly what everyone would get if we lived in a society where wealth was equally distributed.

But that's not the society we live in, and indeed that's not the society that most of us want to live in either. People generally agree that if you work harder you're entitled to more of the pie, and that if you don't work at all, well, barring certain circumstances, no pie for you.

In 2010, Michael Norton and Dan Ariely surveyed more than 5,500 people to find out how they thought wealth *should* be distributed in this country: How much of the pie should go to the top 20 percent of Americans, and to the next 20 percent, and so on, all the way down to the bottom of the distribution?

On average, respondents said that in an ideal world the top 20 percent of Americans would get nearly one-third of the pie, the second and middle quintiles would get about 20 percent each, and the bottom two quintiles would get 13 and 11 slices, respectively.

In an ideal world, in other words, the most productive quintile of society would amass roughly three times the wealth of the least productive.

Now, let's take a look at how the pie is *actually* distributed. These figures come from Wolff's working paper, and he expands on them further in his new book, "A Century of Wealth in America."

The top 20 percent of households actually own a whopping 90 percent of the stuff in America — 90 slices of pie! That's exactly 4½ slices per person, nearly triple their "ideal" share according to Norton and Ariely's survey respondents. Their average net worth? $3 million.

That leaves just 10 percent of the pie for the remaining 80 percent of the populace. The next 20 percent of households (average net worth: $273,600) help themselves to eight slices, while the middle 20 percent ($81,700 net worth, on average) split a measly two slices.

Don't go feeling too sorry for that middle quintile, though — at least they get *some*pie. The fourth quintile of households gets literally nothing: no pie. But they're still doing better than the bottom 20 percent of households, who are actually in a state of pie debt: Their net worth is underwater, meaning they owe more than they have. Combined, the average net worth of the bottom 40 percent of households is -$8,900.

These figures, staggering as they are, mask a lot of the variation in the top 20 percent. Let's run those numbers again, breaking out some of the richest households separately.

There's the top 1 percent, gobbling up an astonishing 40 slices of American pie. The next 4 percent split 27 slices between them, while the next 5 percent take another 12 slices (a little over two slices per person). The bottom 10 percent of the top 20 percent get, on average, one slice of pie each. But don't feel too bad for them: Their net worth is, on average, about $740,800.

Among rich nations, the United States stands out for the extent of its wealth inequality. The top 1 percent in the U.S. own a much larger share of the country's wealth than the 1 percent elsewhere. The American 1 percent gobble up twice as much pie (40 percent) as the 1 percent in France, the U.K., or Canada, and more than three times as much as the 1 percent in Finland.

This kind of extreme inequality is bad for the economy. The Organization for Economic Cooperation and Development, which represents a number of the world's richest countries including the United States, estimates that inequality has knocked nearly five percentage points off the economic growth in those countries between 2000 and 2015.

In high-inequality countries, people from poor households typically have less access to quality education. This leads to “large amounts of wasted potential and lower social mobility,” which directly harms economic growth, according to the OECD.

If you were designing a tax plan to reduce the extreme inequality in the United States, you'd probably try to find ways to redistribute some of the wealth from the richest households to the poorest ones. But the Senate GOP tax plan does precisely the opposite of that, according to the CBO: In the short term the richest households get the biggest tax cuts, while longer term the taxes of the poorest households actually increase.

Estate tax? Cut. Income tax rate for millionaires? Cut (at least in the Senate bill). Corporate tax rate? Biggest rate cut ever.

In the long term that probably means more of the pie for the super-rich, and less of it for everyone else.

Source:
https://www.washingtonpost.com/news/wonk/wp/2017/12/06/the-richest-1-percent-now-owns-more-of-the-countrys-wealth-than-at-any-time-in-the-past-50-years/?utm_term=.c8124d74fd39

Number of top income tax filers continues to rise in Minnesota

New revenue data fuel the tax debate at Capitol.
By J. Patrick Coolican Star Tribune MARCH 21, 2019 — 9:43PM

The number of Minnesotans in the highest state income tax bracket rose dramatically between 2016 and 2017, a trend that is expected to fuel a growing tax debate in the State Capitol.

Nearly 73,000 Minnesota tax filers qualified for the top bracket in 2017, up from about 66,600 in 2016 — an almost 10 percent jump, according to data provided to the Star Tribune by the Minnesota Department of Revenue.

The increase in people in the top bracket sparked fresh sparring Thursday about how taxes affect economic activity and people's decisions to move to Minnesota, stay or flee to states with lower taxes. A similar debate is happening in other states as well as among 2020 presidential candidates; several Democrats have proposed raising taxes on the wealthy. President Donald Trump and his Republican allies in Congress passed major tax cut legislation in 2017, arguing that it would encourage business growth and job creation.

In Minnesota, Republicans have long argued that the state's high taxes relative to neighboring and Sun Belt states — especially on high earners — contribute to a flight of wealth out of the state.

Democrats say the most recent state data don't support that view.

"The bottom line is this huge hysteria that all of these wealthy people are leaving the state simply is not true," said Rep. Paul Marquart, D-Dilworth, the chair of the House Taxes Committee.

But some Republicans say the new revenue figures don't settle the issue.

"When the stock market is booming and the economy is growing, it's going to mask some of these effects of wealth migration," said Rep. Pat Garofalo, R-Farmington, who sits on the committee. He said IRS data show that between 2015 and 2016, Minnesota lost a net of more than 900 tax filers who earn more than $200,000 per year — a group that collectively earned $444 million of income.

Currently a married couple would have to earn about $262,000 to be in Minnesota's top income tax tier; all income above that level is taxed at 9.85 percent.

Republicans argue that the new federal tax legislation could have prompted some affluent Minnesotans to leave the state in the past year. That's because the federal tax cut passed by the Republican Congress limited the amount state residents can deduct on their federal returns for state and local taxes. That could mean a big federal tax hike for top earners in states like Minnesota with relatively high state and local taxes.

"This was designed by Congress to force states like Minnesota to change our tax code or lose money," Garofalo said. "That was the intent, and it's working."

Cynthia Bauerly, the commissioner of the Minnesota Department of Revenue, said she is not convinced the new federal cap on the state and local tax deduction will push Minnesotans to leave. "People made this argument about the fourth tier," she said, referring to the top marginal income tax bracket of 9.85 percent signed by former Gov. Mark Dayton in 2013. "The data doesn't show that it happened at all."

Republicans frequently cite anecdotes about Minnesotans leaving for states with lower taxes. Rep. Kurt Daudt, R-Crown, recently said on the floor of the House that the man who was formerly Minnesota's richest has moved to Florida.

He was referring to Whitney MacMillan, the heir and former chief executive of agribusiness giant Cargill. Best Buy founder Richard Schulze is also now a Florida resident, according to the Forbes 400 list of the richest Americans.

Garofalo acknowledged that people are not necessarily fleeing Minnesota because of taxes. But, he added, some wealthy Minnesotans are leaving.

Bauerly said there are reasons to leave, but more reasons to stay. "I don't discount that for some individuals taxes are important. But for many Minnesotans, they've built a life here, they've raised children and now grandchildren, they've built businesses, they're invested in their communities through churches and nonprofits, and they're committed to Minnesota."

Meanwhile, taxes are once again at the top of the legislative agenda.

Gov. Tim Walz has proposed a 20-cent-per-gallon increase in the gas tax.

The money would go to improving roads and bridges and would free up some infrastructure funds for schools, parks and other services.

Walz also is proposing to keep a tax on health care providers used for health programs that would otherwise expire. Finally, another Walz proposal would lower taxes on some families but raise taxes on some businesses.

Each measure faces stiff opposition in the Republican-controlled state Senate.

Source:
http://www.startribune.com/number-of-top-income-tax-filers-continues-to-rise/507464312/