

## Major State Aids and Taxes: An Overview of the 2014 Update

This provides a brief overview of the report [Major State Aids and Taxes: A Comparative Analysis, 2014 Update](#), which highlights major aids provided to the local governments and people in Minnesota and lists the major taxes collected. The per capita amounts were calculated using 2013 population. Some aids are presented on a different basis in other settings (e.g., per pupil for education aid); however, in the report they are presented on a per capita basis to allow comparison of different aids.

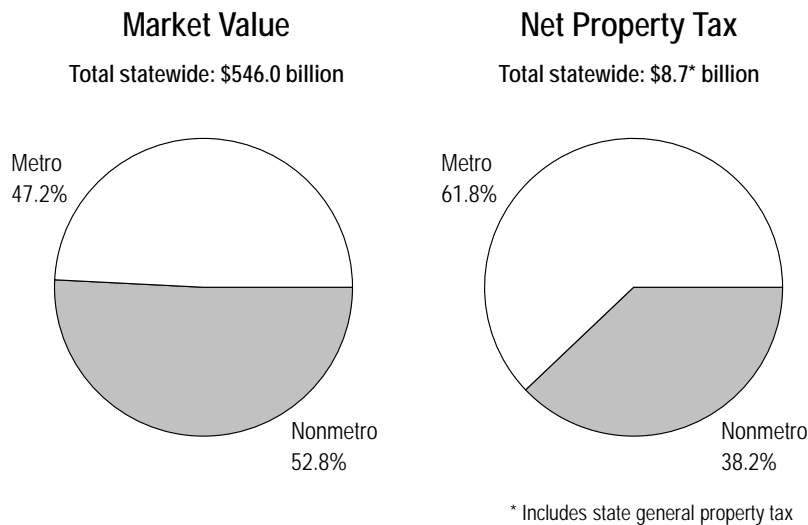
### STATE AIDS

Program	Year	Amount (millions)	Per Capita
<b>Education aid</b> <i>Aid paid to school districts for all K-12 educational expenses</i>	2013/2014 (school year)	<b>\$7,901.2 State</b> \$4,509.6 Metro \$3,391.6 Nonmetro	<b>\$1,449 State</b> \$1,514 Metro \$1,371 Nonmetro
<b>Human services aid</b> <i>State's share of human services aid for various income and medical assistance programs</i>	2014	<b>\$5,737.9 State</b> \$3,249.7 Metro \$2,488.0 Nonmetro	<b>\$1,052 State</b> \$1,091 Metro \$1,006 Nonmetro
<b>Highway aid</b> <i>Distributed to counties, cities, and towns for highway purposes</i>	2014	<b>\$721.1 State</b> \$235.5 Metro \$485.6 Nonmetro	<b>\$132 State</b> \$79 Metro \$196 Nonmetro
<b>Local government aid</b> <i>Provides property tax relief by providing general purpose financial support to cities</i>	2014	<b>\$507.6 State</b> \$172.3 Metro \$335.3 Nonmetro	<b>\$93 State</b> \$58 Metro \$136 Nonmetro
<b>Disparity reduction aid</b> <i>Provides aid to jurisdictions (counties, towns, and school districts) that had inordinately high tax rates in 1988</i>	2014	<b>\$18.0 State</b> \$1.4 Metro \$16.6 Nonmetro	<b>\$3 State</b> – Metro \$7 Nonmetro
<b>County program aid</b> <i>County general purpose aids: includes former homestead and agricultural credit, county criminal justice aid, family preservation aid, and attached machinery aid</i>	2014	<b>\$205.5 State</b> \$98.1 Metro \$107.4 Nonmetro	<b>\$38 State</b> \$33 Metro \$43 Nonmetro
<b>Community corrections funding</b> <i>Aid that provides a portion of counties' costs for community correctional services</i>	2014	<b>\$86.3 State</b> \$41.7 Metro \$44.6 Nonmetro	<b>\$16 State</b> \$14 Metro \$18 Nonmetro
<b>Property tax refund (excludes targeting)</b> <i>Reimburses homeowners and renters for a portion of property taxes if those taxes exceed a household income threshold</i>	2013 (filed in 2014)	<b>\$584.1 State</b> \$403.5 Metro \$180.6 Nonmetro	<b>\$107 State</b> \$135 Metro \$73 Nonmetro
<b>Targeting</b> <i>Additional homeowner property tax refund if property taxes increased a certain percentage threshold over previous year (no income limits)</i>	2013 (filed in 2014)	<b>\$1.5 State</b> \$0.8 Metro \$0.7 Nonmetro	– State – Metro – Nonmetro

## MAJOR TAXES

	Year	Amount (millions)	Per capita
<b>Individual income tax</b> <i>Imposed on income of state residents and income derived from state sources of nonresidents</i>	2013 (filed in 2014)	<b>\$8,781.7 Total</b> <b>\$8,225.3 Residents</b> \$5,517.9 Metro \$2,707.4 Nonmetro	<b>\$1,508 State</b> \$1,852 Metro \$1,094 Nonmetro
<b>Sales and use tax</b> <i>Imposed on gross receipts of people who sell, lease, or rent tangible personal property at retail at a rate of 6.5 percent (does not include local sales taxes)</i>	2014	<b>\$5,436.5 (After refunds)</b> <b>\$4,510.0 Residents</b> \$2,919.8 Metro \$1,590.2 Nonmetro	<b>\$827 State</b> \$980 Metro \$643 Nonmetro
<b>Motor vehicle sales tax</b> <i>Imposed on new and used motor vehicles at the time of sale at the same rate of state sales tax</i>	2014	<b>\$746.4 State</b> \$393.3 Metro \$353.1 Nonmetro	<b>\$137 State</b> \$132 Metro \$143 Nonmetro
<b>Motor vehicle registration tax</b> <i>Imposed annually on vehicles licensed in the state</i>	2014	<b>\$666.7 State</b> \$363.3 Metro \$303.4 Nonmetro	<b>\$122 State</b> \$122 Metro \$123 Nonmetro
<b>Motor vehicle fuels tax (gas tax)</b> <i>Imposed on gasoline, diesel fuel, and other motor fuels used by vehicles and on aviation fuels</i>	2014	<b>\$882.7 State</b> \$418.0 Metro \$464.7 Nonmetro	<b>\$162 State</b> \$140 Metro \$188 Nonmetro
<b>Corporate franchise (income) tax</b> <i>Imposed at a rate of 9.8 percent on the net income of corporations (or alternative minimum tax)</i>	2014	<b>\$1,177.0 State</b> \$838.1 Metro \$338.9 Nonmetro	<b>\$216 State</b> \$281 Metro \$137 Nonmetro
<b>State general property tax</b> <i>Imposed on commercial/industrial/public utility property and seasonal recreational property</i>	2014	<b>\$846.7 State</b> \$533.9 Metro \$312.8 Nonmetro	<b>\$155 State</b> \$179 Metro \$126 Nonmetro

## PROPERTY TAX DATA, PAYABLE 2014



**For more information:** Contact legislative analyst Sean Williams (sean.williams@house.mn). See [Major State Aids and Taxes: Comparative Analysis, 2014 Update](#) (December 2017) for further details about each aid program and tax and data by county and economic development region.

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