

Major State Aids and Taxes: An Overview of the 2015 Update

December 2018

The following provides a brief overview of the longer publication *Major State Aids and Taxes: A Comparative Analysis, 2015 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 2014 population.

State Aids

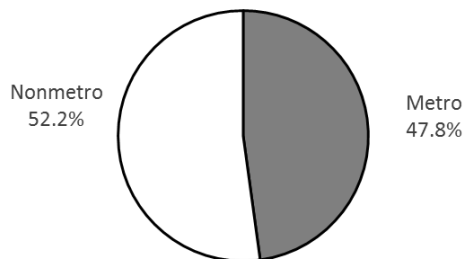
Program	Year	Amount (millions)	Per Capita
Education aid <i>Aid paid to school districts for all K-12 educational expenses</i>	2014/2015	\$7,926.6 State \$4,470.9 Metro \$3,455.6 Nonmetro	\$1,445 State \$1,488 Metro \$1,394 Nonmetro
Human services aid <i>State's share of human services aid for various income and medical assistance programs</i>	2015	\$6,072.1 State \$3,449.6 Metro \$2,662.5 Nonmetro	\$1,107 State \$1,148 Metro \$1,058 Nonmetro
Highway aid <i>Distributed to counties, cities, and towns for highway purposes</i>	2015	\$801.7 State \$279.2 Metro \$522.5 Nonmetro	\$145 State \$93 Metro \$211 Nonmetro
Local government aid <i>Provides property tax relief by providing general purpose financial support to cities</i>	2015	\$516.9 State \$177.2 Metro \$339.7 Nonmetro	\$94 State \$59 Metro \$137 Nonmetro
Disparity reduction aid <i>Provides aid to jurisdictions (counties, towns, and school districts) that had inordinately high tax rates in 1988</i>	2015	\$18.1 State \$1.4 Metro \$16.7 Nonmetro	\$3 State -- Metro \$7 Nonmetro
County program aid <i>Includes former homestead and agricultural credit, county criminal justice aid, family preservation aid, and attached machinery aid</i>	2014//2105	\$209.9 State \$100.3 Metro \$109.6 Nonmetro	\$38 State \$33 Metro \$44 Nonmetro
Community corrections funding <i>Aid that provides a portion of counties' costs for community corrections services</i>	2015	\$86.3 State \$41.7 Metro \$44.6 Nonmetro	\$16 State \$14 Metro \$18 Nonmetro
Property tax refund (excludes targeting) <i>Reimburses homeowners and renters for a portion of property taxes if those taxes exceed a household income threshold</i>	2014 (filed in 2015)	\$582.2 State \$403.5 Metro \$178.7 Nonmetro	\$106 State \$134 Metro \$72 Nonmetro
Targeting <i>Additional homeowner property tax refund if property taxes increased a certain percentage threshold over previous year (no income limits)</i>	2014 (filed in 2015)	\$3.8 State \$2.8 Metro \$1.1 Nonmetro	\$1 State \$1 Metro -- Nonmetro

Major Taxes

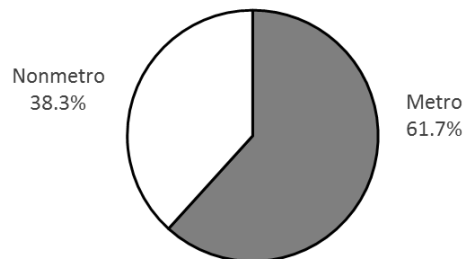
Program	Year	Amount (millions)	Per Capita
Individual income tax <i>Imposed on income of state residents and income derived from state sources of nonresidents</i>	2014 (filed in 2015)	\$9,362.0 Total \$8,829.1 Residents \$6,025.3 Metro \$2,803.7 Nonmetro	\$1,610 State \$2,005 Metro \$1,131 Nonmetro
Sales and use tax <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 tax)</i>	2015	\$5,552.8 (After refunds) \$4,559.5 Residents \$2,971.4 Metro \$1,588.2 Nonmetro	\$831 State \$989 Metro \$640 Nonmetro
Motor vehicle sales tax <i>Imposed on new and used motor vehicles at the time of sale at the same rate of state sales tax</i>	2015	\$790.9 State \$417.8 Metro \$373.1 Nonmetro	\$144 State \$139 Metro \$150 Nonmetro
Motor vehicle registration tax <i>Imposed annually on vehicles licensed in the state</i>	2015	\$704.5 State \$385.4 Metro \$319.1 Nonmetro	\$128 State \$128 Metro \$129 Nonmetro
Motor vehicle fuels tax (gas tax) <i>Imposed on gasoline, diesel fuel, and other motor fuels used by vehicles and on aviation fuels</i>	2015	\$894.2 State \$424.7 Metro \$469.5 Nonmetro	\$163 State \$141 Metro \$189 Nonmetro
Corporate franchise (income) tax <i>Imposed at a rate of 9.8 percent on the net income of corporations (or alternative minimum tax)</i>	2015	\$1,201.3 State \$864.7 Metro \$336.7 Nonmetro	\$219 State \$288 Metro \$136 Nonmetro
State general property tax <i>Imposed on commercial/industrial/public utility property and seasonal recreational property</i>	2015	\$849.6 State \$534.2 Metro \$315.4 Nonmetro	\$155 State \$178 Metro \$127 Nonmetro

Property Tax Data, Payable 2015

Market Value
Total statewide: \$592.8 billion



Net Property Tax
Total statewide: \$8.9 billion



For more information: See [Major State Aids and Taxes: Comparative Analysis, 2015 Update](#) for further details about each aid program and tax and data by county and economic development region.



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