

Gov. March Budget!!

Governor/House Offer

July 6, 2005 - 8:15 p.m.

Propose House and Senate vote on two agreed-upon packages:

Package 1 consists of core budget offer

Package 2 consists of enhanced revenue and spending.

If this approach is agreed upon, continuing resolution will be passed immediately.

PACKAGE 1

EDUCATION

\$867m Total, inclusive of discretionary local levies -
Governor/House Q Comp, Get Ready Get Credit language and
funding level
Remainder to be resolved by Working Group

Formula left-out

HHS

\$115m Over Governor's March budget for 06-07 and 08-09, tails also \$115m over
Governor
Fund top few priorities of both House and Senate and fund Governor's
initiatives at House level
Fully utilize HCAF balance

OTHER

\$ 29m Fill portion of transit shortfall that is attributable to MVST reduction.
Remainder of shortfall not covered because other agencies absorbed
increased personnel and operating costs.

\$ 12m

To Tax Working Group to allocate, in addition to amount in Governor's
March budget. Working Group makes decisions within 48 hours of
overall agreement or leadership appoints new group to finish the bill.
Offer assumes previously reflected items in Governor's budget, such as
HSA's, single sales, and gross premium tax reduction.

Gov. March Budget

PCR
Senate Relate

REVENUE

- \$404m HIF @ \$0.75 to be referenced in law as "Health Impact Fee"
- \$273m Agreed-upon revenue sources
- \$ 4m Card Club Fee (6.5%) + 50 Tables

PACKAGE 2

To be put into one bill for processing

REVENUE

- \$210m Racino, with White Earth included

SPENDING

- \$ 55m Clean Water Legacy
- ~~\$ 21m Salary Supplement~~
- ~~\$ 80m AMT and Married Filing Jointly~~
- \$ 6m Minneapolis Pension
- \$ 47m LGA

410 - Sales
16 - Pipe
40 - Abm Tax
158 - Gov. Org.

Changes

Tax Spending

HHS

Transit

- 85

- 35

+ 29

(81) = FOL

- Affected offices
- Response

School Levies Increased by \$137 Million - Projected Property Taxes Payable in 2006

Compared to Estimated Property Taxes Payable in 2005

Statewide

	Market Value				Tax Capacity				Net Tax			
	Pay 2005	Pay 2006	Difference	Pct Chg	Pay 2005	Pay 2006	Difference	Pct Chg	Pay 2005	Pay 2006	Difference	Pct Chg
Res Homestead	248,373,430	276,063,673	27,690,243	11.1%	2,497,571	2,778,857	281,287	11.3%	2,645,584	2,938,371	292,786	11.1%
Res Nonhomestd	20,838,199	24,021,017	3,182,819	15.3%	224,772	259,379	34,608	15.4%	267,372	304,149	36,777	13.8%
Apartments	17,894,273	18,757,973	863,700	4.8%	223,678	234,475	10,796	4.8%	274,453	283,626	9,172	3.3%
Seasonal Rec	14,563,312	16,866,579	2,303,267	15.8%	147,436	168,662	21,227	14.4%	173,133	194,541	21,408	12.4%
New Construction	0	10,644,600	10,644,600	0.0%	0	121,493	121,493	0.0%	0	150,141	150,141	0.0%
C/I First tier	8,656,262	9,012,097	355,835	4.1%	129,844	135,181	5,338	4.1%	228,996	232,202	3,207	1.4%
C/I Second tier	45,087,357	48,307,410	3,220,053	7.1%	901,747	966,148	64,401	7.1%	1,550,967	1,605,701	54,734	3.5%
Public Utility	7,008,401	7,218,819	210,418	3.0%	139,777	143,961	4,184	3.0%	217,780	218,464	685	0.3%
Ag hstd: House	9,870,573	10,998,740	1,128,167	11.4%	98,768	110,094	11,326	11.5%	81,937	95,002	13,066	15.9%
Ag hstd: Land	27,080,358	29,944,105	2,863,747	10.6%	167,684	188,616	20,932	12.5%	130,312	145,876	15,565	11.9%
Ag Nonhomestd	12,500,529	14,144,407	1,643,878	13.2%	125,005	141,444	16,439	13.2%	115,779	128,814	13,035	11.3%
Total	411,872,693	465,979,422	54,106,728	13.1%	4,656,282	5,248,312	592,030	12.7%	5,686,313	6,296,888	610,576	10.7%

Tax Capacity Spread Levies

	Pay 2005	Pay 2006	Difference	Pct Chg
County	1,870,210	1,981,750	111,540	6.0%
School	918,964	1,157,629	238,664	26.0%
City/Town	1,370,866	1,480,574	109,708	8.0%
Special Dist	192,180	208,721	16,541	8.6%
Total	4,352,221	4,828,674	476,453	10.9%

Market Value Spread Levies

	Pay 2005	Pay 2006	Difference	Pct Chg
County	2,467	2,480	14	0.6%
School	409,284	483,083	73,799	18.0%
City/Town	21,736	25,597	3,861	17.8%
Special Dist	0	0	0	0.0%
Total	433,487	511,160	77,674	17.9%

Tax Rates

	Pay 2005	Pay 2006	Pay 2005	Pay 2006
	NTC	NTC	MV	MV
County	44.99	42.03	0.007	0.000
School	22.11	24.55	1.141	1.141
City/Town	32.98	31.40	0.061	0.061
Special Dist	4.62	4.43	0.000	0.000
Total	104.70	102.40	1.209	1.209

Tax Base

	Pay 2005	Pay 2006	Difference	Pct Chg
Tax Capacity:	4,656,282	5,248,312	592,030	12.7%
TIF Value	235,631	257,266	21,635	9.2%
FD Contribution:	263,660	275,502	11,842	4.5%
Taxable Value:	4,156,991	4,715,544	558,553	13.4%
FD Distribution:	263,664	275,582	11,918	4.5%

Homestead Property Tax Examples

	Pay 2005	Pay 2006	Difference	Pct Chg
Low Value:	119,900	133,300	1,136	12.8%
Average Value:	179,700	199,800	1,888	11.5%
High Value:	239,600	266,300	2,641	10.9%

School Levies Increased by \$137 Million - Projected Property Taxes Payable in 2006

Compared to Estimated Property Taxes Payable in 2005

Metro Area

Market Value

	Pay 2005	Pay 2006	Difference	Pct Chg
Res Homestead	169,148,772	188,863,870	19,715,098	11.7%
Res Nonhomestd	13,568,355	15,988,311	2,419,957	17.8%
Apartments	14,491,911	15,133,869	641,957	4.4%
Seasonal Rec	384,402	427,483	43,081	11.2%
New Construction	0	5,821,770	5,821,770	0.0%
C/I First tier	3,738,307	3,902,870	164,563	4.4%
C/I Second tier	35,264,819	37,674,181	2,409,361	6.8%
Public Utility	2,403,937	2,476,055	72,118	3.0%
Ag hstd: House	1,177,821	1,309,802	131,981	11.2%
Ag hstd: Land	1,253,025	1,399,983	146,957	11.7%
Ag Nonhomestd	836,527	947,376	110,849	13.3%
Total	242,267,877	273,945,570	31,677,692	13.1%

Tax Capacity

	Pay 2005	Pay 2006	Difference	Pct Chg
	1,705,189	1,906,425	201,237	11.8%
	147,531	174,048	26,517	18.0%
	181,149	189,173	8,024	4.4%
	4,346	4,821	476	10.9%
	0	68,323	68,323	0.0%
	56,075	58,543	2,468	4.4%
	705,296	753,484	48,187	6.8%
	47,975	49,408	1,433	3.0%
	11,848	13,190	1,343	11.3%
	7,462	8,430	968	13.0%
	8,365	9,474	1,108	13.3%
Total	2,875,235	3,235,319	360,084	12.5%

Net Tax

	Pay 2005	Pay 2006	Difference	Pct Chg
	1,858,910	2,070,358	211,449	11.4%
	174,863	203,036	28,173	16.1%
	220,541	226,931	6,390	2.9%
	5,077	5,538	460	9.1%
	0	84,304	84,304	0.0%
	98,026	98,924	898	0.9%
	1,215,303	1,251,049	35,745	2.9%
	79,996	79,501	-494	-0.6%
	10,083	11,322	1,239	12.3%
	4,495	5,156	661	14.7%
	7,462	8,298	836	11.2%
Total	3,674,756	4,044,417	369,661	10.1%

Tax Capacity Spread Levies

	Pay 2005	Pay 2006	Difference	Pct Chg
County	949,246	1,002,423	53,177	5.6%
School	562,351	709,311	146,960	26.1%
City/Town	845,751	917,359	71,608	8.5%
Special Dist	162,879	176,967	14,088	8.6%
Total	2,520,227	2,806,060	285,833	11.3%

Market Value Spread Levies

	Pay 2005	Pay 2006	Difference	Pct Chg
	1,982	1,996	14	0.7%
	307,290	351,675	44,385	14.4%
	20,008	23,638	3,630	18.1%
	0	0	0	0.0%
Total	329,280	377,308	48,029	14.6%

Tax Rates

	Pay 2005	Pay 2006	Pay 2005	Pay 2006
	NTC	NTC	MV	MV
	39.15	36.37	0.008	0.007
	23.20	25.74	1.281	1.297
	34.89	33.28	0.083	0.087
	6.72	6.42	0.000	0.000
Total	103.95	101.81	1.373	1.391

Tax Base

	Pay 2005	Pay 2006	Difference	Pct Chg
Tax Capacity:	2,875,235	3,235,319	360,084	12.5%
TIF Value	189,422	206,426	17,004	9.0%
FD Contribution:	261,412	272,784	11,372	4.4%
Taxable Value:	2,424,401	2,756,109	331,708	13.7%
FD Distribution:	261,414	272,862	11,448	4.4%

Homestead Property Tax Examples

	Pay 2005	Pay 2006	Difference	Pct Chg
Low Value:	149,200	166,600	1,518	12.4%
Average Value:	223,600	249,700	2,460	11.5%
High Value:	298,100	332,900	3,404	11.0%

School Levies Increased by \$137 M. on - Projected Property Taxes Payable in 20

Compared to Estimated Property Taxes Payable in 2005

Greater Minnesota

	Market Value				Tax Capacity				Net Tax			
	Pay 2005	Pay 2006	Difference	Pct Chg	Pay 2005	Pay 2006	Difference	Pct Chg	Pay 2005	Pay 2006	Difference	Pct Chg
Res Homestead	79,224,658	87,199,803	7,975,145	10.1%	792,382	872,432	80,050	10.1%	786,675	868,013	81,338	10.3%
Res Nonhomestd	7,269,844	8,032,706	762,862	10.5%	77,241	85,332	8,091	10.5%	92,509	101,114	8,604	9.3%
Apartments	3,402,362	3,624,105	221,743	6.5%	42,530	45,301	2,772	6.5%	53,912	56,694	2,782	5.2%
Seasonal Rec	14,178,910	16,439,096	2,260,187	15.9%	143,090	163,841	20,751	14.5%	168,056	189,004	20,948	12.5%
New Construction	0	4,822,831	4,822,831	0.0%	0	53,170	53,170	0.0%	0	65,837	65,837	0.0%
C/I First tier	4,917,955	5,109,227	191,272	3.9%	73,769	76,638	2,869	3.9%	130,969	133,278	2,309	1.8%
C/I Second tier	9,822,538	10,633,230	810,692	8.3%	196,451	212,665	16,214	8.3%	335,663	354,652	18,989	5.7%
Public Utility	4,604,463	4,742,764	138,300	3.0%	91,802	94,553	2,751	3.0%	137,784	138,963	1,179	0.9%
Ag hstd: House	8,692,752	9,688,938	996,186	11.5%	86,920	96,904	9,984	11.5%	71,854	83,680	11,826	16.5%
Ag hstd: Land	25,827,333	28,544,123	2,716,790	10.5%	160,222	180,187	19,964	12.5%	125,817	140,720	14,904	11.8%
Ag Nonhomestd	11,664,002	13,197,031	1,533,029	13.1%	116,640	131,970	15,330	13.1%	108,317	120,516	12,199	11.3%
Total	169,604,816	192,033,852	22,429,036	13.2%	1,781,047	2,012,993	231,946	13.0%	2,011,557	2,252,471	240,914	12.0%

Tax Capacity Spread Levies

	Pay 2005	Pay 2006	Difference	Pct Chg
County	920,964	979,327	58,362	6.3%
School	356,613	448,318	91,705	25.7%
City/Town	525,116	563,215	38,099	7.3%
Special Dist	29,301	31,754	2,453	8.4%
Total	1,831,994	2,022,614	190,620	10.4%

Market Value Spread Levies

	Pay 2005	Pay 2006	Difference	Pct Chg
County	484	484	0	0.0%
School	101,994	131,408	29,414	28.8%
City/Town	1,729	1,959	231	13.3%
Special Dist	0	0	0	0.0%
Total	104,207	133,852	29,645	28.4%

Tax Rates

	Pay 2005	Pay 2006	Pay 2005	Pay 2006
	NTC	NTC	MV	MV
County	53.16	49.98	0.004	0.004
School	20.58	22.88	0.858	0.933
City/Town	30.31	28.75	0.015	0.015
Special Dist	1.69	1.62	0.000	0.000
Total	105.75	103.23	0.877	0.999

Tax Base

	Pay 2005	Pay 2006	Difference	Pct Chg
Tax Capacity:	1,781,047	2,012,993	231,946	13.0%
TIF Value	46,209	50,840	4,631	10.0%
FD Contribution:	2,248	2,718	470	20.9%
Taxable Value:	1,732,590	1,959,436	226,845	13.1%
FD Distribution:	2,249	2,719	470	20.9%

Homestead Property Tax Examples

	Pay 2005	Pay 2006	Difference	Pct Chg
Low Value:	84,500	93,000	8,500	10.1%
Average Value:	126,600	139,400	12,800	10.1%
High Value:	168,800	185,800	17,000	10.1%

School Levies Increased by \$137 Million, T Increased by \$99.7 Million - Taxes Payable 2006

Compared to Estimated Property Taxes Payable in 2005

#2

Statewide

	Market Value				Tax Capacity				Net Tax			
	Pay 2005	Pay 2006	Difference	Pct Chg	Pay 2005	Pay 2006	Difference	Pct Chg	Pay 2005	Pay 2006	Difference	Pct Chg
Res Homestead	248,373,430	276,063,673	27,690,243	11.1%	2,497,571	2,778,857	281,287	11.3%	2,645,584	2,938,338	292,753	11.1%
Res Nonhomestd	20,838,199	24,021,017	3,182,819	15.3%	224,772	259,379	34,608	15.4%	267,372	304,177	36,805	13.8%
Apartments	17,894,273	18,757,973	863,700	4.8%	223,678	234,475	10,796	4.8%	274,453	283,622	9,168	3.3%
Seasonal Rec	14,563,312	16,866,579	2,303,267	15.8%	147,436	168,662	21,227	14.4%	173,133	194,547	21,414	12.4%
New Construction	0	10,644,600	10,644,600	0.0%	0	121,493	121,493	0.0%	0	152,142	152,142	0.0%
C/I First tier	8,656,262	9,012,097	355,835	4.1%	129,844	135,181	5,338	4.1%	228,996	243,042	14,047	6.1%
C/I Second tier	45,087,357	48,307,410	3,220,053	7.1%	901,747	966,148	64,401	7.1%	1,550,967	1,683,342	132,375	8.5%
Public Utility	7,008,401	7,218,819	210,418	3.0%	139,777	143,961	4,184	3.0%	217,780	227,859	10,079	4.6%
Ag hstd: House	9,870,573	10,998,740	1,128,167	11.4%	98,768	110,094	11,326	11.5%	81,937	95,000	13,063	15.9%
Ag hstd: Land	27,080,358	29,944,105	2,863,747	10.6%	167,684	188,616	20,932	12.5%	130,312	145,876	15,565	11.9%
Ag Nonhomestd	12,500,529	14,144,407	1,643,878	13.2%	125,005	141,444	16,439	13.2%	115,779	128,837	13,058	11.3%
Total	411,872,693	465,979,422	54,106,728	13.1%	4,656,282	5,248,312	592,030	12.7%	5,686,313	6,396,783	710,470	12.5%

Tax Capacity Spread Levies

	Pay 2005	Pay 2006	Difference	Pct Chg
County	1,870,210	1,981,750	111,540	6.0%
School	918,964	1,157,629	238,664	26.0%
City/Town	1,370,866	1,480,574	109,708	8.0%
Special Dist	192,180	208,721	16,541	8.6%
Total	4,352,221	4,828,674	476,453	10.9%

Market Value Spread Levies

	Pay 2005	Pay 2006	Difference	Pct Chg
County	2,467	2,480	14	0.6%
School	409,284	483,083	73,799	18.0%
City/Town	21,736	25,597	3,861	17.8%
Special Dist	0	0	0	0.0%
Total	433,487	511,160	77,674	17.9%

Tax Rates

	Pay 2005	Pay 2006	Pay 2005	Pay 2006
	NTC	NTC	MV	MV
County	44.99	42.03	0.007	0.006
School	22.11	24.55	1.141	1.192
City/Town	32.98	31.40	0.061	0.063
Special Dist	4.62	4.43	0.000	0.000
Total	104.70	102.40	1.209	1.261

Tax Base

	Pay 2005	Pay 2006	Difference	Pct Chg
Tax Capacity:	4,656,282	5,248,312	592,030	12.7%
TIF Value	235,631	257,266	21,635	9.2%
FD Contribution:	263,660	275,502	11,842	4.5%
Taxable Value:	4,156,991	4,715,544	558,553	13.4%
FD Distribution:	263,664	275,582	11,918	4.5%

Homestead Property Tax Examples

	Pay 2005	Pay 2006	Difference	Pct Chg
Low Value:	119,900	133,300	1,136	12.8%
Average Value:	179,700	199,800	1,888	11.5%
High Value:	239,600	266,300	2,641	10.9%

School Levies Increased by \$137 Million, SBT Increased by \$99.7 Million - Taxes Payable in 2006

Compared to Estimated Property Taxes Payable in 2005

Metro Area

Market Value

Tax Capacity

Net Tax

	Market Value				Tax Capacity				Net Tax			
	Pay 2005	Pay 2006	Difference	Pct Chg	Pay 2005	Pay 2006	Difference	Pct Chg	Pay 2005	Pay 2006	Difference	Pct Chg
Res Homestead	169,148,772	188,863,870	19,715,098	11.7%	1,705,189	1,906,425	201,237	11.8%	1,858,910	2,070,336	211,426	11.4%
Res Nonhomestd	13,568,355	15,988,311	2,419,957	17.8%	147,531	174,048	26,517	18.0%	174,863	203,062	28,199	16.1%
Apartments	14,491,911	15,133,869	641,957	4.4%	181,149	189,173	8,024	4.4%	220,541	226,928	6,387	2.9%
Seasonal Rec	384,402	427,483	43,081	11.2%	4,346	4,821	476	10.9%	5,077	5,538	460	9.1%
New Construction	0	5,821,770	5,821,770	0.0%	0	68,323	68,323	0.0%	0	85,594	85,594	0.0%
C/I First tier	3,738,307	3,902,870	164,563	4.4%	56,075	58,543	2,468	4.4%	98,026	103,682	5,656	5.8%
C/I Second tier	35,264,819	37,674,181	2,409,361	6.8%	705,296	753,484	48,187	6.8%	1,215,303	1,311,893	96,590	7.9%
Public Utility	2,403,937	2,476,055	72,118	3.0%	47,975	49,408	1,433	3.0%	79,996	83,208	3,213	4.0%
Ag hstd: House	1,177,821	1,309,802	131,981	11.2%	11,848	13,190	1,343	11.3%	10,083	11,322	1,239	12.3%
Ag hstd: Land	1,253,025	1,399,983	146,957	11.7%	7,462	8,430	968	13.0%	4,495	5,156	661	14.7%
Ag Nonhomestd	836,527	947,376	110,849	13.3%	8,365	9,474	1,108	13.3%	7,462	8,305	843	11.3%
	242,267,877	273,945,570	31,677,692	13.1%	2,875,235	3,235,319	360,084	12.5%	3,674,756	4,115,024	440,268	12.0%

Tax Capacity Spread Levies

Market Value Spread Levies

Tax Rates

	Tax Capacity Spread Levies				Market Value Spread Levies				Tax Rates			
	Pay 2005	Pay 2006	Difference	Pct Chg	Pay 2005	Pay 2006	Difference	Pct Chg	Pay 2005	Pay 2006	Pay 2005	Pay 2006
County	949,246	1,002,423	53,177	5.6%	1,982	1,996	14	0.7%	NTC	NTC	MV	MV
School	562,351	709,311	146,960	26.1%	307,290	351,675	44,385	14.4%	39.15	36.37	0.008	0.007
City/Town	845,751	917,359	71,608	8.5%	20,008	23,638	3,630	18.1%	23.20	25.74	1.281	1.296
Special Dist	162,879	176,967	14,088	8.6%	0	0	0	0.0%	34.89	33.28	0.083	0.087
Total	2,520,227	2,806,060	285,833	11.3%	329,280	377,308	48,029	14.6%	6.72	6.42	0.000	0.000
									103.95	101.81	1.373	1.391

Tax Base

Homestead Property Tax Examples

	Tax Base				Homestead Property Tax Examples				
	Pay 2005	Pay 2006	Difference	Pct Chg	Pay 2005	Pay 2006	Difference	Pct Chg	
Tax Capacity:	2,875,235	3,235,319	360,084	12.5%	Low Value:	149,200	166,600	1,518	12.4%
TIF Value	189,422	206,426	17,004	9.0%	Average Value:	223,600	249,700	2,460	11.5%
FD Contribution:	261,412	272,784	11,372	4.4%	High Value:	298,100	332,900	3,404	11.0%
Taxable Value:	2,424,401	2,756,109	331,708	13.7%					
FD Distribution:	261,414	272,862	11,448	4.4%					

School Levies Increased by \$137 Million, T Increased by \$99.7 Million - Taxes Payable 2006

Compared to Estimated Property Taxes Payable in 2005

Greater Minnesota

	Market Value				Tax Capacity				Net Tax			
	Pay 2005	Pay 2006	Difference	Pct Chg	Pay 2005	Pay 2006	Difference	Pct Chg	Pay 2005	Pay 2006	Difference	Pct Chg
Res Homestead	79,224,658	87,199,803	7,975,145	10.1%	792,382	872,432	80,050	10.1%	786,675	868,002	81,327	10.3%
Res Nonhomestd	7,269,844	8,032,706	762,862	10.5%	77,241	85,332	8,091	10.5%	92,509	101,115	8,606	9.3%
Apartments	3,402,362	3,624,105	221,743	6.5%	42,530	45,301	2,772	6.5%	53,912	56,694	2,782	5.2%
Seasonal Rec	14,178,910	16,439,096	2,260,187	15.9%	143,090	163,841	20,751	14.5%	168,056	189,010	20,954	12.5%
New Construction	0	4,822,831	4,822,831	0.0%	0	53,170	53,170	0.0%	0	66,548	66,548	0.0%
C/I First tier	4,917,955	5,109,227	191,272	3.9%	73,769	76,638	2,869	3.9%	130,969	139,361	8,391	6.4%
C/I Second tier	9,822,538	10,633,230	810,692	8.3%	196,451	212,665	16,214	8.3%	335,663	371,449	35,785	10.7%
Public Utility	4,604,463	4,742,764	138,300	3.0%	91,802	94,553	2,751	3.0%	137,784	144,651	6,867	5.0%
Ag hstd: House	8,692,752	9,688,938	996,186	11.5%	86,920	96,904	9,984	11.5%	71,854	83,678	11,824	16.5%
Ag hstd: Land	25,827,333	28,544,123	2,716,790	10.5%	160,222	180,187	19,964	12.5%	125,817	140,720	14,904	11.8%
Ag Nonhomestd	11,664,002	13,197,031	1,533,029	13.1%	116,640	131,970	15,330	13.1%	108,317	120,532	12,215	11.3%
Total	169,604,816	192,033,852	22,429,036	13.2%	1,781,047	2,012,993	231,946	13.0%	2,011,557	2,281,759	270,202	13.4%

Tax Capacity Spread Levies

	Pay 2005	Pay 2006	Difference	Pct Chg
County	920,964	979,327	58,362	6.3%
School	356,613	448,318	91,705	25.7%
City/Town	525,116	563,215	38,099	7.3%
Special Dist	29,301	31,754	2,453	8.4%
Total	1,831,994	2,022,614	190,620	10.4%

Market Value Spread Levies

	Pay 2005	Pay 2006	Difference	Pct Chg
County	484	484	0	0.0%
School	101,994	131,408	29,414	28.8%
City/Town	1,729	1,959	231	13.3%
Special Dist	0	0	0	0.0%
Total	104,207	133,852	29,645	28.4%

Tax Rates

	Pay 2005	Pay 2006	Pay 2005	Pay 2006
	NTC	NTC	MV	MV
County	53.16	49.98	0.004	0.004
School	20.58	22.88	0.858	0.981
City/Town	30.31	28.75	0.015	0.015
Special Dist	1.69	1.62	0.000	0.000
Total	105.75	103.23	0.877	0.999

Tax Base

	Pay 2005	Pay 2006	Difference	Pct Chg
Tax Capacity:	1,781,047	2,012,993	231,946	13.0%
TIF Value	46,209	50,840	4,631	10.0%
FD Contribution:	2,248	2,718	470	20.9%
Taxable Value:	1,732,590	1,959,436	226,845	13.1%
FD Distribution:	2,249	2,719	470	20.9%

Homestead Property Tax Examples

	Pay 2005	Pay 2006	Difference	Pct Chg
Low Value:	84,500	93,000	8,500	10.1%
Average Value:	126,600	139,400	12,800	10.1%
High Value:	168,800	185,800	17,000	10.1%

School Levies Increased by \$137 Million, SBT Increased by \$58.1 Million, Rate Frozen - Taxes Payable in 2006

Compared to Estimated Property Taxes Payable in 2005

Statewide

	Market Value				Tax Capacity				Net Tax			
	Pay 2005	Pay 2006	Difference	Pct Chg	Pay 2005	Pay 2006	Difference	Pct Chg	Pay 2005	Pay 2006	Difference	Pct Chg
Res Homestead	248,373,430	276,063,673	27,690,243	11.1%	2,497,571	2,778,857	281,287	11.3%	2,645,584	2,938,338	292,753	11.1%
Res Nonhomestd	20,838,199	24,021,017	3,182,819	15.3%	224,772	259,379	34,608	15.4%	267,372	304,177	36,805	13.8%
Apartments	17,894,273	18,757,973	863,700	4.8%	223,678	234,475	10,796	4.8%	274,453	283,622	9,168	3.3%
Seasonal Rec	14,563,312	16,866,579	2,303,267	15.8%	147,436	168,662	21,227	14.4%	173,133	194,547	21,414	12.4%
New Construction	0	10,644,600	10,644,600	0.0%	0	121,493	121,493	0.0%	0	151,307	151,307	0.0%
C/I First tier	8,656,262	9,012,097	355,835	4.1%	129,844	135,181	5,338	4.1%	228,996	238,545	9,549	4.2%
C/I Second tier	45,087,357	48,307,410	3,220,053	7.1%	901,747	966,148	64,401	7.1%	1,550,967	1,651,174	100,207	6.5%
Public Utility	7,008,401	7,218,819	210,418	3.0%	139,777	143,961	4,184	3.0%	217,780	223,954	6,174	2.8%
Ag hstd: House	9,870,573	10,998,740	1,128,167	11.4%	98,768	110,094	11,326	11.5%	81,937	95,000	13,063	15.9%
Ag hstd: Land	27,080,358	29,944,105	2,863,747	10.6%	167,684	188,616	20,932	12.5%	130,312	145,876	15,565	11.9%
Ag Nonhomestd	12,500,529	14,144,407	1,643,878	13.2%	125,005	141,444	16,439	13.2%	115,779	128,837	13,058	11.3%
	411,872,693	465,979,422	54,106,728	13.1%	4,656,282	5,248,312	592,030	12.7%	5,686,313	6,355,377	669,064	11.8%

Tax Capacity Spread Levies

	Pay 2005	Pay 2006	Difference	Pct Chg
County	1,870,210	1,981,750	111,540	6.0%
School	918,964	1,157,629	238,664	26.0%
City/Town	1,370,866	1,480,574	109,708	8.0%
Special Dist	192,180	208,721	16,541	8.6%
Total	4,352,221	4,828,674	476,453	10.9%

Market Value Spread Levies

	Pay 2005	Pay 2006	Difference	Pct Chg
	2,467	2,480	14	0.6%
	409,284	483,083	73,799	18.0%
	21,736	25,597	3,861	17.8%
	0	0	0	0.0%
Total	433,487	511,160	77,674	17.9%

Tax Rates

	Pay 2005	Pay 2006	Pay 2005	Pay 2006
	NTC	NTC	MV	MV
	44.99	42.03	0.007	0.006
	22.11	24.55	1.141	1.192
	32.98	31.40	0.061	0.063
	4.62	4.43	0.000	0.000
Total	104.70	102.40	1.209	1.261

Tax Base

	Pay 2005	Pay 2006	Difference	Pct Chg
Tax Capacity:	4,656,282	5,248,312	592,030	12.7%
TIF Value	235,631	257,266	21,635	9.2%
FD Contribution:	263,660	275,502	11,842	4.5%
Taxable Value:	4,156,991	4,715,544	558,553	13.4%
FD Distribution:	263,664	275,582	11,918	4.5%

Homestead Property Tax Examples

	Pay 2005	Pay 2006	Difference	Pct Chg
Low Value:	119,900	133,300	1,136	12.8%
Average Value:	179,700	199,800	1,888	11.5%
High Value:	239,600	266,300	2,641	10.9%

School Levies Increased by \$137 Million, SBT Increased by \$58.1 Million, Rate Frozen - Taxes Payable in 2006

Compared to Estimated Property Taxes Payable in 2005

Metro Area

	Market Value				Tax Capacity				Net Tax			
	Pay 2005	Pay 2006	Difference	Pct Chg	Pay 2005	Pay 2006	Difference	Pct Chg	Pay 2005	Pay 2006	Difference	Pct Chg
Res Homestead	169,148,772	188,863,870	19,715,098	11.7%	1,705,189	1,906,425	201,237	11.8%	1,858,910	2,070,336	211,426	11.4%
Res Nonhomestead	13,568,355	15,988,311	2,419,957	17.8%	147,531	174,048	26,517	18.0%	174,863	203,062	28,199	16.1%
Apartments	14,491,911	15,133,869	641,957	4.4%	181,149	189,173	8,024	4.4%	220,541	226,928	6,387	2.9%
Seasonal Rec	384,402	427,483	43,081	11.2%	4,346	4,821	476	10.9%	5,077	5,538	460	9.1%
New Construction	0	5,821,770	5,821,770	0.0%	0	68,323	68,323	0.0%	0	85,055	85,055	0.0%
C/I First tier	3,738,307	3,902,870	164,563	4.4%	56,075	58,543	2,468	4.4%	98,026	101,714	3,688	3.8%
C/I Second tier	35,264,819	37,674,181	2,409,361	6.8%	705,296	753,484	48,187	6.8%	1,215,303	1,286,732	71,429	5.9%
Public Utility	2,403,937	2,476,055	72,118	3.0%	47,975	49,408	1,433	3.0%	79,996	81,677	1,681	2.1%
Ag hstd: House	1,177,821	1,309,802	131,981	11.2%	11,848	13,190	1,343	11.3%	10,083	11,322	1,239	12.3%
Ag hstd: Land	1,253,025	1,399,983	146,957	11.7%	7,462	8,430	968	13.0%	4,495	5,156	661	14.7%
Ag Nonhomestead	836,527	947,376	110,849	13.3%	8,365	9,474	1,108	13.3%	7,462	8,305	843	11.3%
Total	242,267,877	273,945,570	31,677,692	13.1%	2,875,235	3,235,319	360,084	12.5%	3,674,756	4,085,825	411,069	11.2%

Tax Capacity Spread Levies

	Pay 2005	Pay 2006	Difference	Pct Chg
County	949,246	1,002,423	53,177	5.6%
School	562,351	709,311	146,960	26.1%
City/Town	845,751	917,359	71,608	8.5%
Special Dist	162,879	176,967	14,088	8.6%
Total	2,520,227	2,806,060	285,833	11.3%

Market Value Spread Levies

	Pay 2005	Pay 2006	Difference	Pct Chg
County	1,982	1,996	14	0.7%
School	307,290	351,675	44,385	14.4%
City/Town	20,008	23,638	3,630	18.1%
Special Dist	0	0	0	0.0%
Total	329,280	377,308	48,029	14.6%

Tax Rates

	Pay 2005	Pay 2006	Pay 2005	Pay 2006
	NTC	NTC	MV	MV
County	39.15	36.37	0.008	0.007
School	23.20	25.74	1.281	1.296
City/Town	34.89	33.28	0.083	0.087
Special Dist	6.72	6.42	0.000	0.000
Total	103.95	101.81	1.373	1.391

Tax Base

	Pay 2005	Pay 2006	Difference	Pct Chg
Tax Capacity:	2,875,235	3,235,319	360,084	12.5%
TIF Value	189,422	206,426	17,004	9.0%
FD Contribution:	261,412	272,784	11,372	4.4%
Taxable Value:	2,424,401	2,756,109	331,708	13.7%
FD Distribution:	261,414	272,862	11,448	4.4%

Homestead Property Tax Examples

	Pay 2005	Pay 2006	Difference	Pct Chg
Low Value:	149,200	166,600	1,518	12.4%
Average Value:	223,600	249,700	2,460	11.5%
High Value:	298,100	332,900	3,404	11.0%

Compared to Estimated Property Taxes Payable in 2005

Greater Minnesota

	Market Value				Tax Capacity				Net Tax			
	Pay 2005	Pay 2006	Difference	Pct Chg	Pay 2005	Pay 2006	Difference	Pct Chg	Pay 2005	Pay 2006	Difference	Pct Chg
Res Homestead	79,224,658	87,199,803	7,975,145	10.1%	792,382	872,432	80,050	10.1%	786,675	868,002	81,327	10.3%
Res Nonhomestead	7,269,844	8,032,706	762,862	10.5%	77,241	85,332	8,091	10.5%	92,509	101,115	8,606	9.3%
Apartments	3,402,362	3,624,105	221,743	6.5%	42,530	45,301	2,772	6.5%	53,912	56,694	2,782	5.2%
Seasonal Rec	14,178,910	16,439,096	2,260,187	15.9%	143,090	163,841	20,751	14.5%	168,056	189,010	20,954	12.5%
New Construction	0	4,822,831	4,822,831	0.0%	0	53,170	53,170	0.0%	0	66,252	66,252	0.0%
C/I First tier	4,917,955	5,109,227	191,272	3.9%	73,769	76,638	2,869	3.9%	130,969	136,831	5,861	4.5%
C/I Second tier	9,822,538	10,633,230	810,692	8.3%	196,451	212,665	16,214	8.3%	335,663	364,441	28,778	8.6%
Public Utility	4,604,463	4,742,764	138,300	3.0%	91,802	94,553	2,751	3.0%	137,784	142,277	4,493	3.3%
Ag hstd: House	8,692,752	9,688,938	996,186	11.5%	86,920	96,904	9,984	11.5%	71,854	83,678	11,824	16.5%
Ag hstd: Land	25,827,333	28,544,123	2,716,790	10.5%	160,222	180,187	19,964	12.5%	125,817	140,720	14,904	11.8%
Ag Nonhomestead	11,664,002	13,197,031	1,533,029	13.1%	116,640	131,970	15,330	13.1%	108,317	120,532	12,215	11.3%
Total	169,604,816	192,033,852	22,429,036	13.2%	1,781,047	2,012,993	231,946	13.0%	2,011,557	2,269,551	257,995	12.8%

Tax Capacity Spread Levies

	Pay 2005	Pay 2006	Difference	Pct Chg
County	920,964	979,327	58,362	6.3%
School	356,613	448,318	91,705	25.7%
City/Town	525,116	563,215	38,099	7.3%
Special Dist	29,301	31,754	2,453	8.4%
Total	1,831,994	2,022,614	190,620	10.4%

Market Value Spread Levies

	Pay 2005	Pay 2006	Difference	Pct Chg
County	484	484	0	0.0%
School	101,994	131,408	29,414	28.8%
City/Town	1,729	1,959	231	13.3%
Special Dist	0	0	0	0.0%
Total	104,207	133,852	29,645	28.4%

Tax Rates

	Pay 2005	Pay 2006	Pay 2005	Pay 2006
	NTC	NTC	MV	MV
County	53.16	49.98	0.004	0.004
School	20.58	22.88	0.858	0.981
City/Town	30.31	28.75	0.015	0.015
Special Dist	1.69	1.62	0.000	0.000
Total	105.75	103.23	0.877	0.999

Tax Base

	Pay 2005	Pay 2006	Difference	Pct Chg
Tax Capacity:	1,781,047	2,012,993	231,946	13.0%
TIF Value	46,209	50,840	4,631	10.0%
FD Contribution:	2,248	2,718	470	20.9%
Taxable Value:	1,732,590	1,959,436	226,845	13.1%
FD Distribution:	2,249	2,719	470	20.9%

Homestead Property Tax Examples

	Pay 2005	Pay 2006	Difference	Pct Chg		
Low Value:	84,500	93,000	671	764	93	13.8%
Average Value:	126,600	139,400	1,191	1,331	140	11.8%
High Value:	168,800	185,800	1,713	1,898	186	10.9%

SUMMARY OF E-12 LEVIES				
	Pay 2005 FY 2006	Pay 2006 FY 2007	Pay 2007 FY 2008	Pay 2008 FY 2009
Base E-12 Levies	1,374,162.3	1,545,505.6	1,646,149.7	1,776,111.1
Change Year to Year		171,343.3	100,644.1	129,961.4
Percent Change		12.5%	6.5%	7.9%
Change Relative to Pay 05		171,343.3	271,987.4	401,948.8
Percent Change		12.5%	19.8%	29.3%
Policy Change from Gov's Rec		139,201.0	204,215.6	205,466.1
Percent Change, Year to Year		10.1%	13.2%	12.5%
Total E-12 Levies (Incl. Gov's Rec)	1,374,162.3	1,684,706.6	1,850,365.3	1,981,577.2
Change Year to Year		310,544.3	165,658.7	131,211.9
Percent Change		22.6%	9.8%	7.1%
Change Relative to Pay 05		310,544.3	476,203.0	607,414.9
Percent Change		22.6%	34.7%	44.2%

05-09 44.2%

GENERAL FUND (unless italicized)	Senate Original	Gov 5/20 Offer	Senate 6/24 Offer <small>(incorporate 6/9 Offer Changes)</small>	Senate TWG 7-5-05 Offer	Senate TWG 7-7-05 Offer
1 OPEN BILLS					
2 Health and Human Services					
3 <i>TANF Spending</i>					
4 <i>TANF Revenues</i>					
5 <i>TANF Net</i>	0	0	0		
6 <i>HCAF Spending</i>	674	1,039	798	769	769
7 <i>HCAF Revenues</i>	5	275	5	5	5
8 <i>HCAF Net</i>	669	764	793	764	764
9 Human Services Spending	8,645	7,986	8,390	8,284	8,284
10 Human Services Revenues	-25	-273	-25	-25	-25
11 Human Services GF Net	8,670	8,259	8,415	8,309	8,309
12 <i>Combined HHS Net</i>	9,339	9,023	9,208	9,073	9,073
13					
14 Education Spending	12,809	12,646	12,880	12,660	12,646
15					
16 Taxes - Spending	3,136	2,888	3,026	3,054	3,090
17 Taxes - Non-Tax Revenues	0	0	0	0	0
18 Taxes - Tax Revenues (incl. tax shelter compliance)	1,569	628	1,215	1,002	967
19 Taxes Net	1,569	2,260	1,812	2,052	2,123
20					
21 Env., Ag., ED Spending	683	683	683	683	683
22 Env., Ag., ED Non-Tax Revenue	33	33	33	33	33
23 Env., Ag., ED Tax Revenue	-25	-25	-25	-25	-25
24 Env., Ag., Econ Dev Net	675	675	675	675	675
25					
26 Transportation Spending	159	159	159	225	159
27 Transportation Non-Tax Revenue	17	12	17	12	12
28 Transportation Tax Revenue					
29 Transportation Net	142	147	142	213	147
30					
31 Miscellaneous Spending					
32 Shutdown Restoration of Loss				?????	
33 Pensions	42		42	6	6
34 Salary Supplement			21	21	21
35 CLOSED BILLS					
36 Higher Education Spending	2,761	2,761	2,761	2,761	2,761
37					
38 Public Safety Spending	1,685	1,685	1,685	1,685	1,685
39 Public Safety Revenue	38	38	38	38	38
40 Public Safety Net	1,647	1,647	1,647	1,647	1,647
41					
42 State Government Spending	581	581	581	581	581
43 State Government Tax Revenue	113	113	113	113	113
44 State Government Net	468	468	468	468	468
45					
46 Miscellaneous Spending	4	4	4	4	4
47 Miscellaneous Revenues	2	2	2	2	2
48					
49 Debt Service	781	781	781	781	781
50 Other Spending	54	54	54	54	54
51 Net for Completed Bills	5,715	5,715	5,714	5,715	5,715
52 General Fund Spending	31,340	30,228	31,068	30,799	30,755
53 <i>HCAF Spending</i>	674	1,039	798	798	798
54 <i>TANF Spending</i>					
55					
56 General Fund Revenues					
57 Base Tax Revenues	29,711	29,711	29,711	29,711	29,711
58 Total Non-Tax Rev Change	87	-166	87	82	82
59 Total Tax Revenue Change	1,635	694	1,281	1,068	1,033
60 TOTAL REVENUES	31,433	30,239	31,078	30,861	30,826
61					
62 Change in Reserves	0	0			
63					
		Gov 5/20 Offer	Senate 6/24 Offer	Senate TWG Offer 7-5-05	Senate TWG Offer 7-7-05
All Source Revenues		30,473	31,078	31,081	31,060
Levy Rec. Shift		95		46	95
School Payment Shift				79.8	0
Property Tax		139		94	139
Local Income Tax					
State Revenues		30,239	31,078	30,861	30,826

Senate TWG 7-7-05 Offer

Revenues **FY 06-07**

Governor's Net Revenues:

Original and March	
Supplemental with Updated	
Estimates	159,000
Streamlined Sales and Other as	
Enacted	41,255
Abusive Tax Shelters	56,800
Updated Pipelines Estimate	16,000
Cigarettes at 75 Cents Per Pack	367,199
Tobacco Product at 90% of	
Wholesale with Floor Stocks	39,742

Senate Additional Proposed

Revenues:

Corporate Loopholes	187,700
C/I Property Tax	99,700

Total Revenues **967,396**

Spending Items:

LGA	86,000
Clean Water Legacy	43,000
Total Tax Bill Spending	129,000

Other Spending:

HHS	(322,000)
E-12	867,400
Pensions	6,000
Salary Supplement	21,000
Restoration of Loss due to	
Shutdown	?????????
Transit Deficit Fixed--No GF	
Impact	0
Total Other Spending	572,400

Senate TWG 7-7-05 Offer

Revenues **FY 06-07**

Governor's Net Revenues:

Original and March	
Supplemental with Updated	
Estimates	159,000
Streamlined Sales and Other as	
Enacted	41,255
Abusive Tax Shelters	56,800
Updated Pipelines Estimate	16,000
Cigarettes at 75 Cents Per Pack	367,199
Tobacco Product at 90% of	
Wholesale with Floor Stocks	39,742

Senate Additional Proposed

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Shutdown	?????????
Transit Deficit Fixed--No GF	
Impact	0
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