



# Major State Aids and Taxes: An Overview of the 2016 Update

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The following provides a brief overview of the longer publication [Major State Aids and Taxes: A Comparative Analysis, 2016 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 2016 population.

## 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>	2015/2016	<b>\$8,190.1 State</b> \$4,617.5 Metro \$3,572.6 Nonmetro	<b>\$1,481 State</b> \$1,518 Metro \$1,436 Nonmetro
<b>Human services aid</b> <i>State's share of human services aid for various income and medical assistance programs</i>	2016	<b>\$6,205.6 State</b> \$3,430.9 Metro \$2,744.7 Nonmetro	<b>\$1,122 State</b> \$1,128 Metro \$1,104 Nonmetro
<b>Highway aid</b> <i>Distributed to counties, cities, and towns for highway purposes</i>	2016	<b>\$867.6 State</b> \$315.3 Metro \$552.3 Nonmetro	<b>\$157 State</b> \$104 Metro \$222 Nonmetro
<b>Local government aid</b> <i>Provides property tax relief by providing general purpose financial support to cities</i>	2016	<b>\$519.4 State</b> \$178.8 Metro \$340.6 Nonmetro	<b>\$94 State</b> \$59 Metro \$137 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>	2016	<b>\$18.1 State</b> \$1.4 Metro \$16.7 Nonmetro	<b>\$3 State</b> -- Metro \$7 Nonmetro
<b>County program aid</b> <i>Includes former homestead and agricultural credit, county criminal justice aid, family preservation aid, and attached machinery aid</i>	2015/2016	<b>\$208.6 State</b> \$99.0 Metro \$109.5 Nonmetro	<b>\$38 State</b> \$33 Metro \$44 Nonmetro
<b>Community corrections funding</b> <i>Aid that provides a portion of counties' costs for community corrections services</i>	2016	<b>\$86.9 State</b> \$43.0 Metro \$43.9 Nonmetro	<b>\$16 State</b> \$14 Metro \$18 Nonmetro
<b>Property tax refund</b> (excludes targeting) <i>Reimburses homeowners and renters for a portion of property taxes if those taxes exceed a household income threshold</i>	2015 (filed in 2016)	<b>\$599.4 State</b> \$412.6 Metro \$186.7 Nonmetro	<b>\$108 State</b> \$136 Metro \$75 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>	2015 (filed in 2016)	<b>\$6.5 State</b> \$3.8 Metro \$2.7 Nonmetro	<b>\$1 State</b> \$1 Metro \$1 Nonmetro

## Major Taxes

Program	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>	2015 (filed in 2016)	<b>\$9,941.2 Total</b> <b>\$9,371.7 Residents</b> \$6,452.6 Metro \$2,919.1 Nonmetro	<b>\$1,695 State</b> \$2,594 Metro \$960 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 tax)</i>	2016	<b>\$5,643.0</b> (After refunds) <b>\$4,679.4 Residents</b> \$3,048.3 Metro \$1,631.1 Nonmetro	<b>\$846 State</b> \$1,226 Metro \$536 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>	2016	<b>\$820.4 State</b> \$434.9 Metro \$385.5 Nonmetro	<b>\$148 State</b> \$143 Metro \$155 Nonmetro
<b>Motor vehicle registration tax</b> <i>Imposed annually on vehicles licensed in the state</i>	2016	<b>\$723.5 State</b> \$385.4 Metro \$319.1 Nonmetro	<b>\$131 State</b> \$105 Metro \$155 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>	2016	<b>\$907.4 State</b> \$432.3 Metro \$475.1 Nonmetro	<b>\$164 State</b> \$142 Metro \$191 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>	2016	<b>\$1,179.3 State</b> \$848.1 Metro \$322.2 Nonmetro	<b>\$212 State</b> \$279 Metro \$130 Nonmetro
<b>State general property tax</b> <i>Imposed on commercial/industrial/public utility property and seasonal recreational property</i>	2016	<b>\$862.5 State</b> \$541.4 Metro \$321.1 Nonmetro	<b>\$156 State</b> \$178 Metro \$129 Nonmetro

## Property Tax Data, Payable 2016

	Market Value (millions)	Net Property Tax (millions)
Metro	\$300,144 (49.1%)	\$5,720 (61.6%)
Nonmetro	\$310,891 (50.9%)	\$3,567 (38.4%)
<b>Statewide Total</b>	<b>\$611,035</b>	<b>\$9,287</b>

**For more information:** See [Major State Aids and Taxes: Comparative Analysis, 2016 Update](#) for further details about each aid program and tax and data by county and economic development region.



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