Senate Counsel & Research
ROOM 123, CAPITOL

850802

Short Subjects

Title: TAX EFFORT - PER CAPITA AIDS

Date: 2-12-85

Author: Bill Riemerman

Phone: 296-4955

Senate Counsel and Research has received many requests to determine the fiscal impact of various aid and credit trade offs. Presumably, this is the result of the Governor's proposal to increase school aids and to eliminate the state funding of other property tax aids and credits.

We have developed a data base and use a computer program that allocates state aids and property tax credits to municipalities and counties. This program allows us to look at various relationships of aids and credits to local property taxes and state personal income and sales and excise taxes.

This report includes three tables that provide an overview of the total aid package and property tax effort on a county by county basis.

Table A lists the 87 counties in order and amount of per capita property tax aids and credits received from the general fund. Aids included in this data are foundation and categorical aids for elementary and secondary education and state teacher retirement and Social Security payments; homestead credit; state agricultural school credit; income maintenance and social service welfare aids; local government aids; attached machinery aids; the property tax refund (circuit breaker) credit; and various minor credits.

The other two tables list net property tax payments within counties per $1,000 of assessed value as equalized by the Equalization Aid Review Committee (EARC), in other words, local efforts. Table B shows average per capita net payments made in May and October to the county. Table C reduces the above net further, by deducting the property tax refunds paid by the state under the circuit breaker program.

School aids are allocated to communities and counties on the basis of the percentage of school district adjusted assessed valuation in each city or county, respectively.

The program allows us to feed in aid and credit program changes and to measure the impact on local communities and counties. The program also can measure relationships between various state tax payments and/or property tax levies with aid distributions.

For further information in this general area, you can contact Bill Riemerman (6-4955), Sean Stevenson (6-7681), or Jack Paulson (6-4954).

TABLE B

Property Taxes per $1,000 of Equalized Assessed Value

(Gross property taxes minus Homestead, Agricultural and other credits that are deducted on tax statement)

County	Property Taxes/$1000	County	Property Taxes/$1000
St. Louis	$84	Wabasha	$52
Carlton	84	Aitkin	52
Hennepin	80	McLeod	51
Ramsey	77	Chippewa	51
Koochiching	70	Mahnomen	51
Mille Lacs	68	Dodge	51
Beltrami	67	Nobles	50
Olmsted	66	Crow Wing	50
Carver	66	Otter Tail	50
Chisago	65	Fillmore	49
Anoka	64	Le Sueur	49
Scott	64	Houston	49
Itasca	63	Kittson	49
Kanabec	63	Nicollet	49
Clearwater	62	Kandiyohi	49
Pennington	62	Waseca	48
Pine	62	Becker	48
Dakota	61	Cook	47
Isanti	60	Swift	47
Rice	60	Norman	46
Benton	60	Big Stone	46
Red Lake	60	Meeker	45
Goodhue	60	Roseau	45
Winona	59	Pope	45
Lake of the Woods	59	Rock	44
Washington	59	Lincoln	44
Blue Earth	59	Wilkin	44
Freeborn	58	Stevens	42
Stearns	57	Yellow Medicine	42
Sherburne	57	Lac Qui Parle	42
Clay	57	Grant	41
Morrison	57	Martin	41
Mower	57	Sibley	40
Cass	56	Marshall	40
Wright	56	Brown	39
Todd	55	Faribault	39
Lake	55	Murray	39
Wadena	55	Redwood	38
Hubbard	55	Cottonwood	38
Polk	55	Jackson	38
Pipestone	54	Watonwan	36
Douglas	53	Renville	35
Steel	52	Traverse	34
Lyon	52		

SOURCE: Department of Revenue.

Note: Data is 1983 taxes payable 1984, with credits subtracted.

TABLE C

Property Taxes per $1000 of Equalized Assessed Value

(Gross property taxes minus Homestead Credit, Agricultural School Credit and Property Tax Refund Credit)

County	Property Taxes/$1000	County	Property Taxes/$1000
Carlton	$79	Chippewa	$48
St. Louis	78	Mahnomen	48
Hennepin	72	Kittson	48
Ramsey	69	Dodge	48
Koochiching	67	Steele	48
Mille Lacs	63	Wabasha	48
Beltrami	63	Nobles	47
Itasca	62	Crow Wing	47
Carver	61	Otter Tail	47
Olmsted	60	McLeod	47
Chisago	60	Fillmore	46
Scott	60	Cook	46
Clearwater	59	Le Sueur	45
Anoka	59	Waseca	45
Pine	58	Nicollet	45
Lake of the Woods	58	Kandiyohi	45
Pennington	58	Norman	45
Kanabec	57	Becker	45
Goodhue	57	Houston	44
Red Lake	57	Swift	44
Dakota	57	Big Stone	43
Washington	56	Roseau	43
Isanti	55	Wilkin	42
Benton	55	Rock	42
Sherburne	55	Pope	42
Rice	55	Meeker	42
Freeborn	54	Lincoln	41
Cass	54	Yellow Medicine	40
Winona	54	Grant	40
Blue Earth	54	Stevens	40
Mower	53	Lac Qui Parle	39
Hubbard	53	Martin	39
Lake	53	Marshall	39
Clay	52	Sibley	37
Stearns	52	Faribault	37
Polk	52	Murray	37
Wright	52	Redwood	36
Morrison	51	Brown	36
Todd	50	Cottonwood	36
Wadena	50	Jackson	36
Pipestone	50	Watonwan	34
Aitkin	50	Renville	34
Lyon	48	Traverse	33
Douglas	48		

SOURCE: Department of Revenue.

Note: Data is for 1983 taxes payable 1984. The deductions for all credits, except the property tax refund credit, are payable 1984 entitlements. The property tax refund credit is the entitlement from 1982 property taxes payable 1983.