

2018 LEGISLATIVE SESSION - HF 4385-3E, HF4385-2UE, OMNIBUS TAX BILL - CHANGE SUMMARY

ALL FUNDS

May 9, 2017, 12 noon

\$\$\$ in thousands | BOLD indicates rows included in total

PROPERTY TAX REFUNDS, AIDS, & CREDITS: Positive change indicates expenditure increase

		GOVERNOR		HOUSE		SENATE	
	ITEM	FY 2018-19	FY 2020-21	FY 2018-19	FY 2020-21	FY 2018-19	FY 2020-21
11	GENERAL FUND FORECAST:						
12	TAX POLICY (REVENUE)	42,963,853	46,830,377	42,963,853	46,830,377	42,963,853	46,830,377
13	PROPERTY TAX REFUNDS, AIDS, & CREDITS	3,655,702	3,652,469	3,655,702	3,652,469	3,655,702	3,652,469
16	GENERAL FUND PROPOSED CHANGES:						
17	TAX POLICY	24,786	417,108	(104,229)	(41,889)	(171,405)	(94,525)
18	LESS PROPERTY TAX REFUNDS, AIDS, & CREDITS	12,564	7,441	5,370	(25,508)	(346)	76
19	SUBTOTAL: GENERAL FUND IMPACT	12,222	409,667	(109,599)	(16,381)	(171,059)	(94,601)
22	NON-GENERAL FUND PROPOSED CHANGES:						
23	LEGACY FUNDS	390	3,970	(465)	(820)	(30)	(60)
24	STATE AIRPORTS FUND			(15)	(30)		
25	HEALTH CARE ACCESS FUND			700	500		
26	MNSURE ACCOUNT					-	-
27	SPECIAL REVENUE FUND			(3,411)	-		
28	TACONITE PROPERTY TAX RELIEF ACCOUNT			(3,211)	-	(3,211)	-
29	IRON RANGE RESOURCES AND REHABILITATION ACCOUNT			3,211	-	3,211	-
30	IRON RANGE SCHOOL CONSOLIDATION AND COOPERATIVELY OPERATED SCHOOL ACCOUNT			-	-	-	4,900
31	TACONITE ENVIRONMENTAL PROTECTION ACCOUNT			-	(121)	-	(4,068)
32	DOUGLAS J JOHNSON ECONOMIC PROTECTION FUND			-	(863)		
33	TACONITE MUNICIPAL AID ACCOUNT			-	-		
34	TACONITE ECONOMIC DEVELOPMENT FUND			-	(832)	-	(832)
35							
36	SUBTOTAL: NON-GENERAL FUND IMPACT	390	3,970	(3,191)	(2,166)	(30)	(60)

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2018 Legislative Session: Side-By-Side Comparison (HF 4385-3E, HF4385-2UE) OMNIBUS TAX BILL - TAX POLICY

GENERAL FUND, CHANGE ITEMS ONLY

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TAX POLICY: Positive amounts indicate revenue increase

AIDS, CREDITS, REFUND: Positive amounts indicate expenditure

LINE	ITEM	EFFECTIVE DATE	GOVERNOR		HOUSE						SENATE					
			A	B	C	D	E	F	G	H	I	J	K	L	M	N
			FY 18-19	FY 20-21	FY 18	FY 19	FY 18-19	FY 20	FY 21	FY 20-21	FY 18	FY 19	FY 18-19	FY 20	FY 21	FY 20-21
TAX POLICY:																
TCJA CONFORMITY - NON-BUSINESS INDIVIDUAL INCOME TAX PROVISIONS																
1	Reverse Forecast Adjustment/Repeal Consistent Election Requirement	TY18	-26,500	-55,000	0	-26,500	-26,500	-27,100	-27,900	-55,000	0	-26,500	-26,500	-27,100	-27,900	-55,000
2	Create a MN Standard Deduction, \$14,000, MJ Filers/\$7,000 Single & Married Separate	TY 18			0	-119,300	-119,300	-76,100	-76,900	-153,000						
3	FAGI Starting Point/Adopt Chained CPI/Allow federal itemized deductions like TCJA deductions	TY 18			0	122,900	122,900	96,900	117,200	214,100						
4	FAGI Starting Point/Adopt Chained CPI/Allow prior law federal itemized deductions	TY18			0		0			0	0	-23,500	-23,500	500	14,300	14,800
5	Increased Limit for Property/Real Estate Deduction to \$30,000	TY 18			0	-23,900	-23,900	-19,100	-21,400	-40,500						
6	Allow Exclusion of Discharged Student Loan Debt in Case of Death or Disability	TY18	(NegL)	(NegL)	0	(NegL)	(NegL)	(NegL)	(NegL)	(NegL)	0	(NegL)	(NegL)	(NegL)	(NegL)	(NegL)
7	Allow Section 529 Withdrawals of up to \$10,000	TY18			0						0	-800	-800	-800	-900	-1,700
8	Expand Eligibility for Medical Expense Deduction by Reducing FAGI Floor to 7.5% from 10%	TY17-18			0	-25,300	-25,300	0	0	0	0	-26,400	-26,400	0	0	0
9	Repeal Deduction for Alimony Payments and Corresponding Inclusion of Received Alimony	TY19			0	500	500	1,100	2,300	3,400	0	500	500	1,100	2,300	3,400
10	Subtraction for Qualified Moving Expenses	TY19			0						0	-5,000	-5,000	-3,700	-3,900	-7,600
11	Suspend Deduction for moving expenses other than service members	TY19			0	5,000	5,000	3,900	4,000	7,900	0	5,000	5,000	3,900	4,000	7,900
12	Suspend Exclusion of Qualified Moving Expenses				0	5,600	5,600	3,900	3,900	7,800						
13	Clarify Limit on Wagering Losses	TY18			0	150	150	90	90	180	0	150	150	90	90	180
14	Conform to Disallowing the Charitable Deduction for College Athletic Seating Payments	TY18	2,000	2,400	0	2,000	2,000	1,200	1,200	2,400	0	2,000	2,000	1,200	1,200	2,400
15	Repeal Exclusion for Certain Employer-Provided Bicycle Fringe Benefits	TY18			0	40	40	30	30	60	0	40	40	30	30	60
16	Allow Increased Contributions to ABLE Accounts	TY18			0	(NegL)	(NegL)	(NegL)	(NegL)	(NegL)	0	(NegL)	(NegL)	(NegL)	(NegL)	(NegL)
17	Extend Rollover Period for Certain Retirement Plan Loan Offsets	TY18			0	(NegL)	(NegL)	(NegL)	(NegL)	(NegL)	0	(NegL)	(NegL)	(NegL)	(NegL)	(NegL)
18	Repeal Special Rule Permitting Recharacterization of IRA Contributions	TY18			0	450	450	300	300	600	0	450	450	300	300	600
19	SUBTOTAL: TCJA CONFORMITY - NON-BUSINESS INDIVIDUAL INCOME TAX PROVISIONS		-24,500	-52,600	0	-58,360	-58,360	-14,880	2,820	-12,060	0	-74,060	-74,060	-24,480	-10,480	-34,960
TCJA CONFORMITY - INDIVIDUAL INCOME TAX PROVISIONS RELATED TO PASS-THROUGHS																
22	Full Conformity with Section 179 Expensing, Eliminate 80% Addback	TY18	-81,600	-85,200	-19,800	-61,800	-81,600	-48,600	-36,600	-85,200						
23	Full Conformity with Section 179 Expensing, Eliminate 80% Addback	TY 19									0	-20,300	-20,300	-63,700	-50,000	-113,700
24	Conform to Bonus Depreciation, Maintain 80% MN Addback	TY18	400	19,400	-600	1,000	400	8,700	10,700	19,400	-600	1,000	400	8,700	10,700	19,400
25	Disallow Certain Active Pass Through Losses, \$500,000 Married Joint Filers	TY18	58,000	98,500	0	58,000	58,000	52,200	46,300	98,500	0	58,000	58,000	52,200	46,300	98,500
26	Tax Gain on Sale of Partnership on a Look-Through Basis	TY18	1,100	3,700	0	1,100	1,100	1,800	1,900	3,700	0	1,100	1,100	1,800	1,900	3,700
27	Expand Definition of Built-in Loss for Purposes of Partnership Loss Transfers	TY18	400	600	0	400	400	300	300	600	0	400	400	300	300	600
28	Charitable Contributions & Foreign Taxes Accounted for in Determining Limit on Partner's Share of Loss	TY18	700	1,500	0	700	700	700	800	1,500	0	700	700	700	800	1,500
29	Repeal Rollover of Publicly Traded Securities Gain	TY18	300	600	0	300	300	300	300	600	0	300	300	300	300	600
30	Small Business Accounting Method Reform and Simplification	TY18	-67,000	-34,200	-4,300	-62,700	-67,000	-22,000	-12,200	-34,200	-4,300	-62,700	-67,000	-22,000	-12,200	-34,200
31	Conform to Limitation on Net Interest Deduction to 30% of Income with Carryforward	TY18	102,100	183,000	4,400	97,700	102,100	90,500	92,500	183,000	4,400	97,700	102,100	90,500	92,500	183,000
32	Conform to Modifications of Net Operating Loss Deduction	TY18	40,900	75,200	2,100	38,800	40,900	31,900	43,300	75,200	2,100	38,800	40,900	31,900	43,300	75,200
33	Repeal Deferred Gain on Like-Kind Exchanges	TY18	2,400	5,800	100	2,300	2,400	2,500	3,300	5,800	100	2,300	2,400	2,500	3,300	5,800
34	Reduce Recovery Period for Certain Real Property	TY18	-200	-1,000	0	-200	-200	-400	-600	-1,000	0	-200	-200	-400	-600	-1,000
35	Repeal Deduction for Local Lobbying Expenses (Day following Enactment)	7/1/2018	200	200	0	200	200	100	100	200	0	200	200	100	100	200
36	Limit Deduction for Employer-Provided Meals and Entertainment Expenses	TY18	3,800	5,300	200	3,600	3,800	2,600	2,700	5,300	200	3,600	3,800	2,600	2,700	5,300
37	Limit Deduction for Certain Employer-Provided Transportation Benefits	TY18	2,900	4,000	200	2,700	2,900	2,000	2,000	4,000	200	2,700	2,900	2,000	2,000	4,000
38	Prohibit Deduction for Employee Achievement Awards	TY18	NegL	NegL	NegL	NegL	NegL	NegL	NegL	NegL	NegL	NegL	NegL	NegL	NegL	NegL
39	Limit Deduction for FDIC Premiums	TY18	2,000	3,600	100	1,900	2,000	1,800	1,800	3,600	100	1,900	2,000	1,800	1,800	3,600
40	Conform to Disallowance of Deduction for Sexual Harassment Payments Made Subject to NDA (Day of Enactment)	7/1/2018	NegL	NegL	NegL	NegL	NegL	NegL	NegL	NegL	NegL	NegL	NegL	NegL	NegL	NegL
41	Revise Treatment of Contributions to Capital (Day of Enactment)	7/1/2018	300	1,100	0	300	300	400	700	1,100	0	300	300	400	700	1,100

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			FY 18-19	FY 20-21	FY 18	FY 19	FY 18-19	FY 20	FY 21	FY 20-21	FY 18	FY 19	FY 18-19	FY 20	FY 21	FY 20-21
42	Modify Treatment of Interest for Producers of Beer, Wine, and Distilled Spirits	TY18-19	-1,600	-900	-100	-1,500	-1,600	-900	0	-900	-100	-1,500	-1,600	-900	0	-900
43	Modify Limit on Excessive Compensation	TY18	500	1,200	0	500	500	600	600	1,200	0	500	500	600	600	1,200
44	Repeal Exclusion of Interest on Advance Refunding Bonds	TY18	3,600	8,700	100	3,500	3,600	3,900	4,800	8,700	100	3,500	3,600	3,900	4,800	8,700
45	Inclusion of Global Intangible Low Tax Income (GILTI) with deduction	TY18	6,600	12,700												
46	Inclusion of foreign derived intangible income(FDII) from domestic trade or business, with deduction	TY18	2,000	7,700												
47	SUBTOTAL: TCJA CONFORMITY - INDIVIDUAL INCOME TAX PROVISIONS RELATED TO PASS-THROUGHS		77,800	311,500	-17,600	86,800	69,200	128,400	162,700	291,100	2,200	128,300	130,500	113,300	149,300	262,600
	TCJA CONFORMITY - CORPORATE FRANCHISE TAX															
50	Full conformity with Section 179 Expensing, Eliminate 80% Addback		-30,900	-32,300	-7,500	-23,400	-30,900	-18,400	-13,900	-32,300						
51	Full conformity with Section 179 Expensing, Eliminate 80% Addback	TY19	0	0	0	0	0	0	0	0	0	-7,700	-7,700	-24,100	-18,900	-43,000
52	Index Corporate Minimum Fee Using Chained CPI	TY18	0	0	0	0	100	100	200	200	0	0	0	100	100	200
53	Conform to Bonus Depreciation, Maintain 80% MN Addback	TY18	800	40,900	-1,300	2,100	800	18,300	22,600	40,900	-1,300	2,100	800	18,300	22,600	40,900
54	Repeal Rollover of Publicly Traded Securities Gain	TY18	700	1,200	0	700	700	600	600	1,200	0	700	700	600	600	1,200
55	Small Business Accounting Method Reform and Simplification	TY18	-7,400	-3,700	-500	-6,900	-7,400	-2,400	-1,300	-3,700	-500	-6,900	-7,400	-2,400	-1,300	-3,700
56	Conform to Limitation on Net Interest Deduction to 30% of Income	TY18	17,300	31,100	700	16,600	17,300	15,400	15,700	31,100	700	16,600	17,300	15,400	15,700	31,100
57	Repeal Deferred Gain on Like-Kind Exchanges	TY18	3,000	7,300	100	2,900	3,000	3,100	4,200	7,300	100	2,900	3,000	3,100	4,200	7,300
58	Reduce Recovery Period for Certain Real Property	TY18	-500	-1,900	0	-500	-500	-800	-1,100	-1,900	0	-500	-500	-800	-1,100	-1,900
59	Repeal Deduction for Local Lobbying Expenses (Day of Enactment)	7/1/2018	400	600	0	400	400	300	300	600	0	400	400	300	300	600
60	Limit Deduction for Employer-Provided Meals and Entertainment Expenses	TY18	10,400	14,300	600	9,800	10,400	7,000	7,300	14,300	600	9,800	10,400	7,000	7,300	14,300
61	Limit Deduction for Certain Employer-Provided Transportation Benefits	TY18	7,700	11,000	400	7,300	7,700	5,400	5,600	11,000	400	7,300	7,700	5,400	5,600	11,000
62	Prohibit Deduction for Employee Achievement Awards	TY18	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.
63	Limit Deduction for FDIC Premiums	TY18	5,200	9,800	200	5,000	5,200	4,900	4,900	9,800	200	5,000	5,200	4,900	4,900	9,800
64	Conform to Disallowance of Deduction for Sexual Harassment Payments Made Subject to NDA (Day of Enactment)	7/1/2018	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.
65	Revise Treatment of Contributions to Capital (Day of Enactment)	7/1/2018	800	3,100	0	800	800	1,100	2,000	3,100	0	800	800	1,100	2,000	3,100
66	Conform to Modifications of Historic Rehabilitation Credit (TY 2018)	TY18	14,900	37,700	0	14,900	14,900	25,000	12,700	37,700	0	14,900	14,900	25,000	12,700	37,700
67	Modify Treatment of Interest for Producers of Beer, Wine, and Distilled Spirits	TY18-19	-2,000	-1,100	-100	-1,900	-2,000	-1,100	0	-1,100	-100	-1,900	-2,000	-1,100	0	-1,100
68	Modify Limit on Excessive Compensation	TY18	2,800	7,200	0	2,800	2,800	3,600	3,600	7,200	0	2,800	2,800	3,600	3,600	7,200
69	Repeal Exclusion of Interest on Advance Refunding Bonds	TY18	1,900	4,600	100	1,800	1,900	2,100	2,500	4,600	100	1,800	1,900	2,100	2,500	4,600
70	Deemed Repatriation of Foreign Income	TY18	172,800	210,600	0	0	0	0	0	0	0	0	0	0	0	0
71	Deemed Repatriation of Foreign Income, Net Amount	TY 18			3,500	52,500	56,000	33,500	34,700	68,200						
72	Inclusion of Global Intangible Low Tax Income (GILTI) with deduction	TY18	62,000	120,000												
73	Inclusion of Foreign Derived Intangible Income (FDII) from domestic trade or business, with deduction	TY18	12,300	47,000												
74	Other Modifications to Subpart F	TY 18			Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.
75	SUBTOTAL: TCJA CONFORMITY - CORPORATE FRANCHISE TAX		272,200	539,700	-3,800	84,900	81,100	97,700	100,500	198,200	200	48,100	48,300	58,500	60,800	119,300
	TCJA CONFORMITY - PROPERTY TAX REFUND - INTERACTION															
77	Modifications to FAGI - Homestead Credit Refund				0	0	0	35	35	70						
79	Modifications to FAGI - Renters Property Tax Credit				0	0	0	15	15	30						
80	SUBTOTAL: TCJA CONFORMITY - PROPERTY TAX REFUND				0	0	0	50	50	100						
81																
	UNRELATED BUSINESS INCOME TAX															
83	Unrelated Business Income of Charitable Organizations Separately Computed	TY18			0	3,100	3,100	2,200	2,200	4,400	0	3,100	3,100	2,200	2,200	4,400
84	SUBTOTAL: UNRELATED BUSINESS INCOME TAX				0	3,100	3,100	2,200	2,200	4,400	0	3,100	3,100	2,200	2,200	4,400
86	OTHER CONFORMITY															

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			FY 18-19	FY 20-21	FY 18	FY 19	FY 18-19	FY 20	FY 21	FY 20-21	FY 18	FY 19	FY 18-19	FY 20	FY 21	FY 20-21
87	Make Permanent Mortgage Insurance Premiums Deduction	TY18	-7,000	-16,800							0	-7,000	-7,000	-7,800	-9,000	-16,800
88	Make Permanent Tuition Expenses Deduction	TY18	-2,600	-5,300							0	-2,600	-2,600	-2,600	-2,700	-5,300
89	SUBTOTAL: OTHER CONFORMITY		-9,600	-22,100							0	-9,600	-9,600	-10,400	-11,700	-22,100
91	BIPARTISAN BUDGET ACT - INDIVIDUAL INCOME															
92	Exclusion of Discharge of Indebtedness on Principal Residence	TY 17	-6,700	0	-6,700	0	-6,700	0	0	0	-6,700	0	-6,700	0	0	0
93	Premium for Mortgage Insurance Deductible as Qualified Residence Interest	TY 17	-6,500	0	-6,500	0	-6,500	0	0	0	-6,500	0	-6,500	0	0	0
94	Deduction for Tuition & Related Expenses	TY 17	-2,500	0	-2,500	0	-2,500	0	0	0	-2,500	0	-2,500	0	0	0
95	Extend Limitation Period for Exclusion for Wrongfully Incarcerated Individuals	2/9/2018	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	0
96	Expand the Deduction of Legal Fees for Whistleblowers	TY 18	-100	-200	0	-100	-100	-100	-100	-200	0	-100	-100	-100	-100	-200
97	Expand Foreign Earned Income Exclusion, Individuals Supporting Armed Forces in Combat Zones	TY 18	-600	-800	0	-600	-400	-400	-400	-800	0	-600	-600	-400	-400	-800
98	Classification of Certain Racehorses as 3-year Property	TY 17	-75	20	-50	-25	-75	10	10	20	-50	-25	-75	10	10	20
99	Accelerated Depreciation for Business Property on an Indian Reservation	TY 17	-290	35	-230	-60	-290	10	25	35	-230	-60	-290	10	25	35
100	Special Expensing Rules for Certain Films/TV/Theatrical Productions	TY 17	-1,600	700	-2,100	500	-1,600	400	300	700	-2,100	500	-1,600	400	300	700
101	Special Depreciation Allowance for Second Generation Biofuel Property	TY 17	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	0
102	Energy Efficiency Commercial Deduction	TY 17	-140	5	-150	10	-140	5	Negli.	5	-150	10	-140	5	Negli.	5
103	Modify Temporary Suspension of Limits on Charitable Contributions	TY 17-18	-100	45	-150	50	-100	25	20	45	-150	50	-100	25	20	45
104	Modify Special Rule for Qualified Casualty Losses	TY 17	-100	0	-100	0	-100	0	0	0	-100	0	-100	0	0	0
105	Modify Disaster Related Rules for Use of Retirement Funds		(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	0
106	SUBTOTAL: BIPARTISAN BUDGET ACT - INDIVIDUAL INCOME TAX		-18,705	-195	-18,480	-225	-18,705	-50	-145	-195	-18,480	-225	-18,705	-50	-145	-195
107	BIPARTISAN BUDGET ACT - CORPORATE TAX															
109	Seven Year Period for Motor Sports Entertainment Complexes	TY 17	-35	-15	-20	-15	-35	-10	-5	-15	-20	-15	-35	-10	-5	-15
110	Accelerated Depreciation for Business Property on an Indian Reservation	TY 17	-270	25	-220	-50	-270	5	20	25	-220	-50	-270	5	20	25
111	Election to Expense Mine Safety Equipment	TY 17	-10	Negli.	-10	Negli.	-10	Negli.	Negli.	Negli.	-10	Negli.	-10	Negli.	Negli.	0
112	Special Expensing Rules for Certain Films/TV/Theatrical Productions	TY 17	-1,450	600	-1,900	450	-1,450	350	250	600	-1,900	450	-1,450	350	250	600
113	Energy Efficiency Commercial Deduction	TY 17	-105	5	-110	5	-105	5	Negli.	5	-110	5	-105	5	Negli.	5
114	Modify Temporary Suspension of Limits on Charitable Contributions	TY 17-18	-30	15	-50	20	-30	10	5	15	-50	20	-30	10	5	15
115	Modify Disaster Related Rules for Use of Retirement Funds		(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	0
116	SUBTOTAL: BIPARTISAN BUDGET ACT - CORPORATE TAX		-1,900	630	-2,310	410	-1,900	360	270	630	-2,310	410	-1,900	360	270	630
117	DISASTER RELIEF ACT & AIRPORTS & AIRWAYS EXTENSION ACT - INDIVIDUAL INCOME															
119	Modify Temporary Suspension of Limits on Charitable Contributions	TY 17	-1,900	900	-3,700	1,800	-1,900	600	300	900	-3,700	1,800	-1,900	600	300	900
120	Modify & Expand Casualty Loss Deduction for Damage in Disaster Areas	TY 17	-1,400	0	-1,400	0	-1,400	0	0	0	-1,400	0	-1,400	0	0	0
121	Special Rules for Qualified Early ITRA Distributions	TY 17	-50	20	-40	-10	-50	10	10	20	-40	-10	-50	10	10	20
122	SUBTOTAL: DISASTER TAX RELIEF ACT - INDIVIDUAL INCOME TAX		-3,350	920	-5,140	1,790	-3,350	610	310	920	-5,140	1,790	-3,350	610	310	920
123	DISASTER RELIEF ACT & AIRPORTS & AIRWAYS EXTENSION ACT - CORPORATE TAX															
124	Modify Temporary Suspension of Limits on Charitable Contributions	TY 17	-200	100	-400	200	-200	100	0	100	-400	200	-200	100	0	100
126	SUBTOTAL: DISASTER TAX RELIEF ACT - CORPORATE TAX		-200	100	-400	200	-200	100	0	100	-400	200	-200	100	0	100
128	REFERENCE SUBTOTAL: NET EFFECT OF CONFORMITY-RELATED ITEMS		291,745	745,655	-47,730	115,515	67,785	212,290	266,505	478,795	-23,930	98,015	74,085	140,140	190,555	330,695

2018 Legislative Session: Side-By-Side Comparison (HF 4385-3E, HF4385-2UE) OMNIBUS TAX BILL - TAX POLICY

GENERAL FUND, CHANGE ITEMS ONLY

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AIDS, CREDITS, REFUND: Positive amounts indicate expenditure

LINE	ITEM	EFFECTIVE DATE	GOVERNOR		HOUSE						SENATE					
			A	B	C	D	E	F	G	H	I	J	K	L	M	N
			FY 18-19	FY 20-21	FY 18	FY 19	FY 18-19	FY 20	FY 21	FY 20-21	FY 18	FY 19	FY 18-19	FY 20	FY 21	FY 20-21
OTHER INDIVIDUAL INCOME TAX PROVISIONS																
131	New MN non-refundable Personal and Dependent Credit, phase out starts at \$90K and \$180K	TY18	-233,200	-475,600												
132	Expand the Working Family Tax Credit	TY18	-52,100	-101,600												
133	Rate Reduction on 1st Bracket (to 5.10% from 5.35%)	TY18									0	-237,800	-237,800	-166,200	-171,300	-337,500
134	Rate Reduction on 2nd Tier (from 7.05% to 6.95%, 6.90%, 6.75% in TY 18, TY19, TY 20 respectively)	TY18			0	-106,300	-106,300	-139,100	-197,000	-336,100						
135	Rate Reduction on 2nd Tier Interaction Impact with Full Section 179 Expensing				0	-100	-100	-600	-1,100	-1,700						
136	Angel Tax Credit	TY18	-10,000	0	0	-10,000	-10,000	0	0	0	0	-5,000	-5,000	0	0	0
137	New Non Refundable Credit, Donation of Prepared Food	TY18			0	-300	-300	-300	-300	-600						
138	New Non Refundable Credit, Railroad Crossing Improvement	10/2/2018			0	-80	-80	-300	-300	-600						
139	Modify Credit, Master's Degree Credit	TY18			0	-80	-80	-150	-170	-320						
140	DOR Tax Policy Bill - Partnership Audit Rules, Reporting Residency Information	TY18			0	-2,500	-2,500	-3,400	-3,700	-7,100						
141	Stillbirth Credit Modification	Retro 1/1/2016			Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.
142	Tax Rate Reduction Contingent on Budget Surplus	7/1/2018			0	0	0	(Unkn.)	(Unkn.)	(Unkn.)	0	0	0	(Unkn.)	(Unkn.)	(Unkn.)
143	Cannabis Expense Subtraction	TY18			(Unkn.)	(Unkn.)	(Unkn.)	(Unkn.)	(Unkn.)	(Unkn.)	(Unkn.)	(Unkn.)	(Unkn.)	(Unkn.)	(Unkn.)	(Unkn.)
144	Income Tax Interactions (See Appendix)	Various	0	-1,950	0	50	50	80	80	160	0	0	0	-40	-40	-80
145	SUBTOTAL: OTHER INDIVIDUAL INCOME TAX PROVISIONS		-295,300	-579,150	0	-119,310	-119,310	-143,770	-202,490	-346,260	0	-242,800	-242,800	-166,240	-171,340	-337,580
OTHER CORPORATE FRANCHISE TAX PROVISIONS																
148	Apportionment Sales Factor-Exclude Derivatives	TY 18	0	0												
149	Dividend Received Deduction on Debt Financed Stock	TY 18	100	200												
150	Base Year %-R&D Credit	TY 18	-900	-1,800												
151	Establishing Economic Substance Requirement	TY 18	0	1,800												
152	Mutual Fund Manager Consistent Apportionment	TY 18	6,300	21,500												
153	Rate Reduction from 9.8% to 9.64% in TY 2018-19 and 9.06% in TY2020 and thereafter	TY 18			0	-24,300	-24,300	-39,800	-89,900	-129,700						
154	Repeal Corporate Alternative Minimum Tax "AMT"	TY 18			0	-23,000	-23,000	-15,400	-14,200	-29,600						
155	Captive Insurance Company Definition	Retro 2017			0	0	0	0	-400	-400	0	0	0	0	-400	-400
156	Tax Rate Reduction Contingent on Budget Surplus	7/1/2018			0	0	0	(Unkn.)	(Unkn.)	(Unkn.)	0	0	0	(Unkn.)	(Unkn.)	(Unkn.)
157	SUBTOTAL: OTHER CORPORATE TAX PROVISIONS		5,500	21,700	0	-47,300	-47,300	-55,200	-104,500	-159,700	0	0	0	0	-400	-400
SALES TAX																
160	Vapor Products - Excise Tax	7/1/2018	-120	-640												
161	Modify Data Center Exemption	7/1/2018	6,600	68,000												
162	Tobacco Indexing	7/1/2018	10	160												
163	Premium Cigars	7/1/2018	-30	-80												
164	Exemption: Construction of Minnetonka Public Safety Facility (Expires 1/1/21)	DFE			0	-110	-110	-520	-180	-700	0	-110	-110	-520	-180	-700
165	Exemption: Inver Grove Heights Fire Station (Expires 1/1/21)	6/30/2018			0	-220	-220	0	0	0	0	-220	-220	0	0	0
166	Exemption: Game Release Fees	FY19			0						0	-160	-160	-160	-170	-330
167	Exemption: Extend Exemption of Construction Materials for City of Melrose (Expires 1/1/23)	Retro 9/30/16			100	-100	0	0	0	0						
168	Exemption, Admissions - College Preferred Seating Based on Criteria	DFE			0	-810	-810	-830	-860	-1,690						
169	Exemption, Conservation Clubs	7/1/2018			0	-10	-10	-10	-10	-20						
170	Exemption, Invasive Aquatic Herbicides	7/1/2018			0	-130	-130	-140	-140	-280						
171	Various exemptions, Medical Facilities in Underserved Areas	7/1/2018			0	-150	-150	-180	-210	-390						
172	Construction Exemption by refund, Duluth School Property Redevelopment	7/1/2018 -12/31/19			0	-950	-950	-3,800	0	-3,800						
173	Construction Exemption, Virginia Fire station	DFE to 12/31/20			0	-200	-200	-200	0	-200						

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LINE	ITEM	EFFECTIVE DATE	GOVERNOR		HOUSE						SENATE					
			A	B	C	D	E	F	G	H	I	J	K	L	M	N
			FY 18-19	FY 20-21	FY 18	FY 19	FY 18-19	FY 20	FY 21	FY 20-21	FY 18	FY 19	FY 18-19	FY 20	FY 21	FY 20-21
174	Construction Exemption by refund, Second Harvest	1/2/18 to 12/31/21			0	-400	-400	-270		-270						
175	Construction Exemption by refund, Mazeppa Property Affected by Fire	3/12/18 to 12/31/20			0	-10	-10	0	0	0						
176	Construction Exemption by refund, Elko New Market, Water Treatment. Facility	6/1/14 to 5/31/16				-240	-240	0	0	0						
177	Modify Exemption, Bullion Coins	7/1/2018			0	-260	-260	-290	-290	-580						
178	Modify Exemption for Gambling Equipment/Prizes	7/1/2018			0	-2,200	-2,200	-2,500	-2,700	-5,200						
179	Modify Exemption, Non Profit Ice Arena	7/1/2018			0	-10	-10	-10	-10	-20						
180	Modify Exemption, Non Profit Snowmobile Clubs	7/1/2018			0	-15	-15	-15	-15	-30						
181	Massage Therapy Services subject to Provider Tax	7/1/2018			0	-2,400	-2,400	-1,500	0	-1,500						
182	Collecting Sales Tax - Remote Sellers, Revenue Neutral Rate Reduction	DFE			0	0	0	0	0	0						
183	SUBTOTAL: SALES TAX		6,460	67,440	100	-8,215	-8,115	-10,265	-4,415	-14,680	0	-490	-490	-680	-350	-1,030
185	CIGARETTE/TOBACCO TAXES	7/1/2018														
186	Tobacco Indexing - Excise Tax	7/1/2018	1,900	20,100												
187	Tobacco Indexing - In-Lieu of Sales Tax	7/1/2018	-70	-430												
188	Moist Snuff - Excise Tax	7/1/2018	300	3,400												
189	Premium Cigars - Excise Tax	7/1/2018	1,100	2,400												
190	Vapor Products - Excise Tax	7/1/2018	1,000	4,900												
191	Nicotine Definition Change	7/1/2018	Negli.	Negli.												
192	SUBTOTAL: CIGARETTE/TOBACCO TAXES		4,230	30,370												
	STATEWIDE PROPERTY TAX															
195	Statewide Property Tax - State General Levy Inflation Reinstated subtotal		12,140	57,930												
196	Property tax exemption Expansion to Indian Tribe-owned pharmacy	Payable 19									0	-10	-10	0	0	0
197	Intrastate Natural Gas Transportation or Distribution Pipeline Exemption	Payable 20			0	0	(Negl.)	-10		-10	0	0	0	(Negl.)	-10	-10
198	Special Refund Authorized for Aitkin, Crow Wing, and Mille Lacs Counties	Payable 18			0	-300	-300	0	0	0						
199	Exemption, Medically Underserved Areas	Payable 19			0	(Negli.)	0	-9	-15	-24						
200	Modify Classifications, Change 4c(1) to 1c property, "Ma & Pa" Resort Qualifications	Payable 19			0	0	0	-5	-5	-10						
201	Abatement, Non Profit Property Development/Operated as a Community Health Center (Duluth)	Payable 18			(Negli.)	(Negli.)	0			0						
202	SUBTOTAL: STATEWIDE PROPERTY TAX		12,140	57,930	0	-300	-300	-14	-30	-44	0	-10	0	0	-10	-10
204	ESTATE TAX															
205	Freeze Estate Tax Exclusion at \$2.4 million subtotal	1/1/2019	0	38,600												
206	Increase Estate Tax Exclusion to \$5 million	1/1/2019									0	0	0	-38,400	-44,100	-82,500
207	Modify Business/Farm Subtraction, Recapture Tax Changes (Retro for decedents dying after 12/31/11 to 12/31/2016)	Retro 1/1/2012			0	-400	-400	0	0	0						
208	Modification to Definition of Qualified Property	Retro 1/1/2018			(Unkn.)	(Unkn.)	(Unkn.)	(Unkn.)	(Unkn.)	(Unkn.)	(Unkn.)	(Unkn.)	(Unkn.)	(Unkn.)	(Unkn.)	(Unkn.)
209	SUBTOTAL: ESTATE TAX		0	38,600	0	-400	-400	0	0	0	0	0	0	-38,400	-44,100	-82,500
211	GROSS EARNINGS TAXES															
212	Insurance Tax Fairness - Insurance Gross Premiums		0	800												
213	SUBTOTAL: GROSS EARNINGS TAXES		0	800												
214																
215	OCCUPATION TAX															
216	Occupation Tax Refund	FY19	0	0							0	-2,200	-2,200	-1,900	-1,800	-3,700
217	SUBTOTAL: OCCUPATION TAX		0	0							0	-2,200	-2,200	-1,900	-1,800	-3,700

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			A	B	C	D	E	F	G	H	I	J	K	L	M	N
			FY 18-19	FY 20-21	FY 18	FY 19	FY 18-19	FY 20	FY 21	FY 20-21	FY 18	FY 19	FY 18-19	FY 20	FY 21	FY 20-21
219	OTHER TAX & NON TAX PROVISIONS															
220	DOR Tax Policy Bill - Modify Minimum DEED Transfer Tax Calculation	1/1/2019	(Negli.)	(Negli.)	0	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)	0	(Negli.)	(Negli.)	(Negli.)	(Negli.)	(Negli.)
221	Special Revenue Fund - DOR Service and Recovery Transfer to General Fund, One-time	FY18			3,411	0	3,411	0	0	0						
222	Impose New Penalty, Cigarette & Tobacco Retailers/Sub jobbers	FY 19	0	109												
223	License Fee Increase, Cigarette & Tobacco Distributors/Sub jobbers	FY 19	11	24												
224	SUBTOTAL: OTHER TAX & NON TAX REVENUE PROVISIONS		11	133	3,411	0	3,411	0	0	0	0	0	0	0	0	0
226	TOTAL: TAX POLICY		24,786	417,108	-44,219	-60,010	-104,229	3,041	-44,930	-41,889	(23,930)	(147,485)	(171,405)	(67,080)	(27,445)	(94,525)

* The Consolidated Appropriations Act of 2018 (3/23/18), a federal conformity act, was included in the Governor, House and Senate omnibus tax bills. Conformity to that act has a zero revenue impact.

2018 LEGISLATIVE SESSION - HF 4385-3E, HF 4385-2UE, OMNIBUS TAX BILL - PROPERTY TAX, AIDS & CREDITS

Updated
5/9/18
noon

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	General Fund Expenditures	Gov 2018	Gov 2018	HOUSE CHANGES			HOUSE CHANGES			SENATE CHANGES			SENATE CHANGES		
		FY2018-19	FY2020-21	FY2018	FY2019	FY2018-19	FY2020	FY2021	FY2020-21	FY2018	FY2019	FY2018-19	FY2020	FY2021	FY2020-21
Property tax refunds															
Homeowners property tax refund															
1	GOV Change: Homestead Classification Allow ITIN	\$0	\$2,200												
2															
3	SENATE Change Item: Certain ground lease pymnts (Mfg Home Pk Coops) elig for Homestead Credit Refund- Pay 19		-									180	180	360	
4	SENATE Change Item: Cloquet Area Fire & Ambulance Tax District Modifications, Effective Aug 1 2018		-									50	50	100	
5	HOUSE Change Item: Residential property classification consolidation, class rates modified. B&B chg to 5+ units. Effective taxes payable in 2020		-												
6	PTR interactions		-	0	0	0	0	1,510	1,510						
7	PTR Manufactured homes		-	0	0	0	0	180	180						
8	PTR for Homeowners Blind/Disabled		-	0	0	0	0	4,550	4,550						
9	Subtotal - Residential Property Class Consolidation		-	0	0	0	0	6,240	6,240						
10			-												
11	HOUSE Change Item: Agricultural homestead classification requirements for business "entities" (2a homestead) amended. Effective pay 2019		-												
12	Property Tax Refund interaction		-	0	0	0	100	100	200						
13	Ag Homestead Market Value Credit		-	0	0	0	230	230	460						
14	Subtotal - Agricultural homestead class chgs		-	0	0	0	330	330	660						
15			-												
16	Homestead MVE for spouses disabled veteran- applictn date chg'd from July 1 to Dec 31; transfer MVE to other property PTR interactions														
17															
18	HOUSE Change Item: Agricultural homestead rules modified for properties owned by trusts		-												
19	Property Tax Refund interaction		-	0	0	0	negligible	negligible	negligible						
20	Ag Homestead Market Value Credit		-	0	0	0	negligible	negligible	negligible						
21	Subtotal - Agricultural homestead rules for trusts chgs		-	0	0	0	negligible	negligible	negligible						

2018 LEGISLATIVE SESSION - HF 4385-3E, HF 4385-2UE, OMNIBUS TAX BILL - PROPERTY TAX, AIDS & CREDITS

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		FY2018-19	FY2020-21	FY2018	FY2019	FY2018-19	FY2020	FY2021	FY2020-21	FY2018	FY2019	FY2018-19	FY2020	FY2021	FY2020-21
22	HOUSE Change Item: Agricultural classification of land converted from agricultural use for environmental purposes -modified. Effective Pay 2019.		-												
23	Property Tax Refund interaction		-	0	0	0	negligible	negligible	negligible						
24	Ag Homestead Market Value Credit		-	0	0	0	negligible	negligible	negligible						
25	Subtotal - Agricultural class to environmental use chg		-	0	0	0	negligible	negligible	negligible						
26															
27	HOUSE: Acres exempt under the agricultural historical society property exemption increased to 40 acres			0	0	0	negligible	negligible	negligible						
28	SENATE: Property tax exemption Expansion to Indian Tribe-owned pharmacy									-	-	-	negligible	negligible	negligible
29	BOTH Facilities used as retreat houses or craft houses classification - modified to resort property status			0	0	0	negligible	negligible	negligible	-	-	-	negligible	negligible	negligible
30	HOUSE Change Child care facilities property, owned/operated as part of church mission, property tax expt			0	0	0	negligible	negligible	negligible						
31	HOUSE Change Item: Land used to provide environmental benefits allowed (buffers ponds, forest restore) to be defined as an agricultural purpose. Grtr 3 acres or 10%		-												
32	Property Tax Refund interaction		-	0	0	0	negligible	negligible	negligible						
33	Ag Homestead Market Value Credit		-	0	0	0	negligible	negligible	negligible						
34	Subtotal - Environmental use as ag purpose		-	0	0	0	negligible	negligible	negligible						
35															
36	HOUSE Change Item: Fractional homestead determined on percentage of ownership in county land records - modified		-												
37	Property Tax Refund interaction		-	0	0	0	unknown	unknown	unknown						
38	Ag Homestead Market Value Credit		-	0	0	0	unknown	unknown	unknown						
39	Subtotal - Fractional homestead determ'd percent ownershp		-	0	0	0	unknown	unknown	unknown						
40															
41	HOUSE Change Item: Standardized referendum dates			0	0	0	(unknown)	(unknown)	(unknown)						
42	HOUSE Change Item: Reverse referendum approval for qualified leases		-	0	0	0	(unknown)	(unknown)	(unknown)						

2018 LEGISLATIVE SESSION - HF 4385-3E, HF 4385-2UE, OMNIBUS TAX BILL - PROPERTY TAX, AIDS & CREDITS

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		FY2018-19	FY2020-21	FY2018	FY2019	FY2018-19	FY2020	FY2021	FY2020-21	FY2018	FY2019	FY2018-19	FY2020	FY2021	FY2020-21
43	HOUSE Change Item: Biennial notice + referendum if mury to use public utiity license/fees to raise revenue		-	0	0	0	unknown	unknown	unknown						
44	Subtotal: Homeowner PTR base + change items	\$0	\$2,200	0	0	0	(\$330)	6,500	6,170	-	-	-	(430)	160	(270)
45	Forest Land Credits (SFIA)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
46	GOV Change: SFIA Timber Harvest Credits	\$8,000	\$0	-	-	-	-	-	-	-	-	-	-	-	-
47	Subtotal - All Property Tax Refund changes	8,000	2,200	0	0	-	(330)	6,500	6,170	-	-	-	(430)	160	(270)
48	OTHER REFUNDS														
49	Political Contribution Refund														
50	HOUSE Change Item: Repeal Political Contrib Refund			0	(5,500)	(5,500)	(4,500)	(5,500)	(10,000)						
51	Subtotal: Political Contrib Refund base + change items			0	(5,500)	(5,500)	(4,500)	(5,500)	(10,000)						
53	Subtotal - Other Refund changes			0	(5,500)	(5,500)	(4,500)	(5,500)	(10,000)						
54	LOCAL AIDS														
55	Local Government Aid (LGA)	-	-												
56	HOUSE Change Item: Special property tax abatement aid authorized for Aitkin, Crow wing and Mille Lacs Counties														
57	Local property tax abatement reimbursmt			0	1,100	1,100	0	0	-						
58	HOUSE Change Item: Lilydale one-time LGA adjustment (\$150K in FY 2019 only)			0	150	150	0	0	-						
59	HOUSE Change Item: Hermantown aid adjustment for previously reduced LGA (\$97K in FY 2019 only)			0	97	97	0	0	-						
60	HOUSE Change Item: Mazeppa fire remediation aid - money appropriated.			0	5	5	0	0	-						
61	BOTH Change Item: Melrose Fire Recovery grant 3-yr extension			0	(346)	(346)	346	0	346	0	(346)	(346)	346	0	346
62	Subtotal LGA Changes -			0	1,006	1,006	346	0	346	-	(346)	(346)	346	-	346
63	Subtotal- Local Government Aid (LGA)	0	0												
64															
65	Senior Deferral Reimbursement loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
66	Senior Deferral Reimbursement loan repayments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
67	GOV Change: Lower occupancy reqmt from 15 yr to 5 yrs, chg application date from July 1 to Nov 1	-	420	-	-	-	-	-	-	-	-	-	-	-	-

2018 LEGISLATIVE SESSION - HF 4385-3E, HF 4385-2UE, OMNIBUS TAX BILL - PROPERTY TAX, AIDS & CREDITS

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		FY2018-19	FY2020-21	FY2018	FY2019	FY2018-19	FY2020	FY2021	FY2020-21	FY2018	FY2019	FY2018-19	FY2020	FY2021	FY2020-21
68	HOUSE Change Item: Due dates related to property tax modified, effective pay 2021 (include Senior Deferral with impact in FY 2022)			0	0	-	0	0	-						
69	HOUSE Change Item: Senior citizens' property tax deferral - 60 day reconsideration following denial. Effective Pay 2020		-	0	0	-	0	0	-						
70	Subtotal: Senior Deferral Reimbursement base + change items	-	420	0	0	-	0	0	-	-	-	-	-	-	-
71	Subtotal - All Aid Changes	-	420	0	1,006	1,006	346	0	346	-	(346)	(346)	346	-	346
72	Other Aids and One-Time Appropriations														
73															
74	City of Minneapolis Library debt service	-	-	-	-	-	-	-	-	-	-	-	-	-	-
75	HOUSE Change: Repeal Minneapolis Library debt service aid			0	(4,120)	(4,120)	(4,120)	(4,120)	(8,240)						
76	Property tax refund interactions	-	-	0	0	-	100	100	200						
77	Subtotal - Repeal Mpls Library debt service aid			0	(4,120)	(4,120)	(4,020)	(4,020)	(8,040)						
78	HOUSE Change: Prepay Local Government Aid one-time			0	13,984	13,984	(13,984)	0	(13,984)						
79	DOR Administration														
80	GOV Change: MN Response to 2017 Federal Tax Act	3,151	3,078	-	-	-	-	-	-	-	-	-	-	-	-
81	GOV Change: Tobacco Products Tax chgs	417	887	-	-	-	-	-	-	-	-	-	-	-	-
82	GOV Change: DOR Admin - Working Family Credit	276	856	-	-	-	-	-	-	-	-	-	-	-	-
83	GOV Change: SFIA Timber Harvest Credits- DNR admin	\$720	\$0			0			0						
84	Subtotal: DOR Administration base + change items	4,564	4,821	-	-	-	-	-	-	-	-	-	-	-	-
85	Subtotal - All Other Aids and One-Time Changes	4,564	4,821	0	9,864	9,864	(18,004)	(4,020)	(22,024)	-	-	-	-	-	-
86	TOTAL Property Tax Aids and Credits, GF Revenues + Spending Changes	\$12,564	\$7,441	\$0	\$5,370	\$5,370	(\$22,488)	(\$3,020)	(\$25,508)	-	(346)	(346)	(84)	160	76

2018 HF 4385-3E, HF 4385-2UE, OTB - APPENDIX B: ITEMS WITHOUT STATE FUNDS IMPACTS

Updated

All Numbers in Thousands

5/9/18

Note: Positive numbers are program expenditures; negative numbers are cost savings. Numbers in brackets [] are for information purposes only and are not reflected in spreadsheet totals.

Line	General Fund Expenditures	Gov 2018	Gov 2018	HOUSE CHANGES						SENATE CHANGES					
		FY2018-19	FY2020-21	FY2018	FY2019	FY2018-19	FY2020	FY2021	FY2020-21	FY2018	FY2019	FY2018-19	FY2020	FY2021	FY2020-21
1	Property tax changes (no state fund impact)														
2	Metro Agri preserve early termination for purchase by state or local government		-	-	-	-	-	-	-	-	-	-	-	-	-
3	Local governments prohibited from imposing excise tax or fee on food or food containers			-	-	-	-	-	-	-	-	-	-	-	-
4	Sustainable Forest Incentive Act (SFIA) clarification 290C.02 subd 6 "for applications and certifications"			-	-	-	-	-	-	-	-	-	-	-	-
5	County veterans service officer allowed disclose data for MVE			-	-	-	-	-	-	-	-	-	-	-	-
6	City and town expenditures for historical societies permitted.			-	-	-	-	-	-	-	-	-	-	-	-
7	Rail project expenditures and other powers restricted and project insurance required (ZIP RAIL)			-	-	-	-	-	-	-	-	-	-	-	-
8	Standardizing referendum dates			-	-	-	-	-	-	-	-	-	-	-	-
9	Hennepin County; cities (Plymouth, Maple Grove) authorized to receive a portion of transportation, sales and use tax to spend on roads and bridges within city limits			-	-	-	-	-	-	-	-	-	-	-	-
10	Tax-forfeited land sale documentation - file title			-	-	-	-	-	-	-	-	-	-	-	-
11	Border City Enterprise zones clarifying language for restrictions on a retail food or beverage facility			-	-	-	-	-	-	-	-	-	-	-	-
12	School Property Tax Reform Working Group			-	-	-	-	-	-	-	-	-	-	-	-
13	Pipeline and Utilities Property Valuation Study and Report									-	-	-	-	-	-
14	Property tax changes for Local Taxes (no state fund impact)														
15	St Cloud; local tax increase allowed, 1% liquor, food, bev to 1.5% and 0.5% to 1.0% lodging			-	-	-	-	-	-	-	-	-	-	-	-
16	Excelsior; local option sales tax 0.5% for Commons									-	-	-	-	-	-
17	Fire Protection Special taxing District									-	-	-	-	-	-
18	Watershed District Levy Authority modified									-	-	-	-	-	-
19	Increase City of Mpls Max allowable lodging tax cap from 13% to 13.875%									-	-	-	-	-	-

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2018 HF 4385-3E, HF 4385-2UE, OTB - APPENDIX B: ITEMS WITHOUT STATE FUNDS IMPACTS

Updated

All Numbers in Thousands

5/9/18

Note: Positive numbers are program expenditures; negative numbers are cost savings. Numbers in brackets [] are for information purposes only and are not reflected in spreadsheet totals.

Line	General Fund Expenditures	Gov 2018	Gov 2018	HOUSE CHANGES						SENATE CHANGES					
		FY2018-19	FY2020-21	FY2018	FY2019	FY2018-19	FY2020	FY2021	FY2020-21	FY2018	FY2019	FY2018-19	FY2020	FY2021	FY2020-21
20	Authority for St. Paul lodging tax increase from 3% to 4%									-	-	-	-	-	-
21	Wind Energy Production Tax modification									-	-	-	-	-	-
22	Property tax changes for Tax Increment Financing (TIF)														
23	Levy authority for NW MN multicounty housing and redevelopment authorities extended 5 yrs to Pay 2024			-	-	-	-	-	-	-	-	-	-	-	-
24	Champlin; tax increment financing authority modified (Mississippi Crossings).			-	-	-	-	-	-						
25	Minneapolis; special tax increment financing rules authorized (Upper Harbor Terminal).			-	-	-	-	-	-						
26	Cloquet; local sales tax authority -uses of proceeds modified, orig proj total \$16.5M unchgd.			-	-	-	-	-	-						
27	Bloomington TIF modifications (Central Station)- Extends current 5 yr rule exemption of 15 years to 20 years for project phase-in			-	-	-	-	-	-						
28	Public Finance														
29	Bond Allocation Act definition of a public facilities project modified			-	-	-	-	-	-	-	-	-	-	-	-
30	Drainage lien principal interest rate modification									-	-	-	-	-	-
31	Miscellaneous														
32	Department of Revenue Technical Bill - with modifications			-	-	-	-	-	-	-	-	-	-	-	-
33	Department of Revenue Policy Bill - with modifications			-	-	-	-	-	-	-	-	-	-	-	-
34	Minnesota Housing Tax Credit Program study									-	-	-	-	-	-
35	Report on Heat and Power Processing Plants									-	-	-	-	-	-

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2018 LEGISLATIVE SESSION - HF 4385-3E, HF 4385-2UE, OMNIBUS TAX BILL - NON-GENERAL FUND ITEMS

5/9/2018

NON-GENERAL FUND CHANGES

\$\$\$ in thousands | BOLD indicates rows included in total | Negative change indicates revenue decrease

Line	Non General Fund Tax Revenues	Governor		HOUSE CHANGES					SENATE CHANGES						
		FY2018-19	FY2020-21	FY2018	FY2019	FY2018-19	FY2020	FY2021	FY2020-21	FY2018	FY2019	FY2018-19	FY2020	FY2021	FY2020-21
	Total - Changes, Non-General Funds	390	3,970	(3,406)	215	(3,191)	(498)	(805)	(1,303)	-	(30)	(30)	(40)	(20)	(60)
	Legacy Funds														
10	Exemption modified, qualifying data centers	400	4,000												
11	Vapor Product Excise Tax Modifications (including June Acceleration)	(10)	(40)												
12	Premium Cigars, Restore Maximum Rate of \$3.50 per	(negli.)	(negli.)												
13	Restore Indexing, Moist Snuff	negli.	10												
14	Exemption: Construction of Minnetonka Public Safety Facility (Expires 1/1/21)				(10)	(10)	(30)	(10)	(40)	-	(10)	(10)	(30)	(10)	(40)
15	Exemption: Inver Grove Heights Fire Station (Expires 1/1/21)			-	(10)	(10)	-	-	-	-	(10)	(10)	-	-	-
16	Exemption: Extend Exemption of Construction Materials for City of Melrose (Expires 1/1/23)			5	(5)	-									
17	Exemption: Game Release Fees									-	(10)	(10)	(10)	(10)	(20)
18	Exemption, Admissions - College Preferred Seating Based on Criteria (DFE)			-	(50)	(50)	(50)	(50)	(100)						
19	Exemption, Conservation Clubs (7/1/2018)			-	(negli.)	(negli.)	(negli.)	(negli.)	(negli.)						
20	Exemption, Invasive Aquatic Herbicides (7/1/2018)			-	(10)	(10)	(10)	(10)	(20)						
21	Various exemptions, Medical Facilities in Underserved Areas (7/1/2018)			-	(10)	(10)	(10)	(10)	(20)						
22	Construction Exemption by refund, Duluth School Property Redvlpmnt. (7/1/2018 to 12/31/19)			-	(50)	(50)	(200)	-	(200)						
23	Construction Exemption, Virginia Fire station (DFE to 12/31/20)			-	(10)	(10)	(10)	-	(10)						
24	Construction Exemption by refund, Second Harvest (1/1/18 to 12/31/21)			-	(20)	(20)	(20)	-	(20)						
25	Construction Exemption by refund, Mazeppa Property Affected by Fire (Retro 3/11/18 to 12/31/20)			-	(negli.)	(negli.)	-	-	-						
26	Construction Exemption by refund, Elko New Market, Water Trtmnt. Facility (Retro 6/1/14 to 5/31/16)			-	(10)	(10)	-	-	-						
27	Modify Exemption, Bullion Coins (7/1/2018)			-	(15)	(15)	(15)	(15)	(30)						
28	Modify Exemption for Gambling Equipment/Prizes (7/1/2018)			-	(130)	(130)	(140)	(150)	(290)						
29	Modify Exemption, Non Profit Ice Arena (7/1/2018)			-	(negli.)	(negli.)	(negli.)	(negli.)	(negli.)						
30	Modify Exemption, Non Profit Snowmobile Clubs (7/1/2018)			-	(negli.)	(negli.)	(negli.)	(negli.)	(negli.)						
31	Massage Therapy Services subject to Provider Tax (7/1/2018)			-	(140)	(140)	(90)	-	(90)						
32	Collecting Sales Tax - Remote Sellers, Revenue Neutral Rate Reduction (DFE)			-	-	-	-	-	-						
33	Legacy Fund Changes - Subtotal	390	3,970	5	(470)	(465)	(575)	(245)	(820)	-	(30)	(30)	(40)	(20)	(60)
35	State Airports Fund														
36	HF 858 - Modifies Aircraft Registration Tax , Unmanned Aircraft Changes			-	(15)	(15)	(15)	(15)	(30)						
37	State Airports Fund Changes - Subtotal			-	(15)	(15)	(15)	(15)	(30)						
39	Health Care Access Fund														
40	Massage Therapy Services subject to Provider Tax (not sales tax)			-	700	700	500	-	500						
41	Health Care Access Fund Changes - Subtotal			-	700	700	500	-	500						
47	MNSURE ACCOUNT														
48	Revenue reduction									-	(4,676)	(4,676)	(9,127)	(9,126)	(18,253)
49	Expenditure reduction									-	4,676	4,676	9,127	9,126	18,253
50	MNsure Account - Subtotal									-	-	-	-	-	-

2018 LEGISLATIVE SESSION - HF 4385-3E, HF 4385-2UE, OMNIBUS TAX BILL - NON-GENERAL FUND ITEMS

5/9/2018

NON-GENERAL FUND CHANGES

\$\$\$ in thousands | BOLD indicates rows included in total | Negative change indicates revenue decrease

Line	Non General Fund Tax Revenues	Governor		HOUSE CHANGES					SENATE CHANGES						
		FY2018-19	FY2020-21	FY2018	FY2019	FY2018-19	FY2020	FY2021	FY2020-21	FY2018	FY2019	FY2018-19	FY2020	FY2021	FY2020-21
52	Special Revenue Fund														
53	DOR Service and Recovery - one-time transfer to General Fund			(3,411)	-	(3,411)	-	-	-						
54	Special Revenue Fund - Subtotal			(3,411)	-	(3,411)	-	-	-						
56	TACONITE PROPERTY TAX RELIEF ACCOUNT														
57	10 cents/ton transfer from Taconite Property Tax Relief to IRRRB - 2018 distribution only			0	(3,211)	(3,211)	-	-	-	0	(3,211)	(3,211)	-	-	-
58	Taconite Property Tax Relief - Subtotal			0	(3,211)	(3,211)	-	-	-	0	(3,211)	(3,211)	-	-	-
60	IRON RANGE RESOURCES AND REHABILITATION (IRRRB) ACCOUNT														
61	Transfer 10 cents/ton to IRRRB from Taconite Property Tax Relief -2018 distribution only			0	3,211	3,211	-	-	-	0	3,211	3,211	-	-	-
62	Iron Range Resources and Rehabilitation Account - Subtotal			0	3,211	3,211	-	-	-	0	3,211	3,211	-	-	-
64	IRON RANGE SCHOOL CONSOLIDATION AND COOPERATIVELY OPERATED SCHOOL ACCT														
65	Increased Allocation of Production Tax Revenues									0	0	0	2,450	2,450	4,900
66	Iron Range School Consolidation Coop School Account - Subtotal									0	0	0	2,450	2,450	4,900
68	TACONITE ENVIRONMENTAL PROTECTION FUND														
69	Taconite Municipal Aid - Guaranteed distribution based on 1983 production, and annual increase proportional IPD increase			0	0	0	(408)	(545)	(953)						
70	Modify Pellet Chips and Fines TEDF Credit			0	0	0	413	419	832	0	0	0	413	419	832
71	Decreased Allocation of Production Tax Revenues									0	0	0	(2,450)	(2,450)	(4,900)
72	Taconite Environmental Protection Fund - Subtotal			-	-	-	5	(126)	(121)	0	0	0	(2,037)	(2,031)	(4,068)
74	DOUGLAS J JOHNSON ECONOMIC PROTECTION FUND														
75	Taconite Municipal Aid distribution modification			0	0	0	(382)	(481)	(863)						
76	Douglas J Johnson Economic Protection Fund- Subtotal			0	0	0	(382)	(481)	(863)						
78	TACONITE MUNICIPAL AID ACCOUNT														
79	Taconite Municipal Aid distribution modification			0	0	0	790	1,026	1,816						
80	Distributions to Municipalities			0	0	0	(790)	(1,026)	(1,816)						
81	Taconite Municipal Aid Account- Subtotal			0	0	0	0	0	0						
83	TACONITE ECONOMIC DEVELOPMENT FUND														
84	Modify Pellet Chips and Fines TEDF Credit			0	0	0	(413)	(419)	(832)	0	0	0	(413)	(419)	(832)
85	Taconite Economic Development Fund - Subtotal			0	0	0	(413)	(419)	(832)	0	0	0	(413)	(419)	(832)

APPENDIX A: INTERACTIONS WITH TAX POLICY

GENERAL FUND

\$\$\$ in thousands | BOLD indicates rows included in total | Negative change indicates revenue decrease

Line	ITEM	GOVERNOR		HOUSE					SENATE						
		FY 2018-19	FY 2020-21	FY 2018	FY 2019	FY 2018-19	FY 2020	FY 2021	FY 2020-21	FY 2018	FY 2019	FY 2018-19	FY 2020	FY 2021	FY 2020-21
1	INDIVIDUAL INCOME TAX INTERACTIONS														
1	Senate Change Item: Cloquet Area Fire and Ambulance Taxing District									0	0	-	-40	-40	(80)
1	Senate Change Item: Intrastate Natural Gas Transportation or Distribution Pipeline Exemption									0	0	-	0	<i>Negl.</i>	-
2	House Change Item: Special State General Levy Refund aid authorized for Aitkin, Crow wing and Mille Lacs Counties			0	50	50	0	0	-						
3	House Change: Medical facilities in medically underserved areas exempted from property taxes (see also sales tax component).			0	0	-	(negligible)	(negligible)	(negligible)						
4	House Change: Property exempted (natural gas pipeline distribution system) from state general levy. Max 12 yr. Effective pay 2020			0	0	-	0	negligible	negligible						
5	House Change: Property tax abatement for nonprofit Mental Health Center (Duluth)			0	negligible	negligible	0	0	-						
6	House Change: Repeal Mpls Library debt service - Income tax interactions			0	0	-	80	80	160						
7	Gov Change: State General levy	-	(1,950)	-	-	-	-	-							
8	TOTAL: INDIVIDUAL INCOME TAX INTERACTIONS	-	(1,950)	-	50	50	80	80	160	-	-	-	(40)	(40)	(80)