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Senate

State of Minnesota

S.F. No. 2232 – State General Tax; Increasing Exclusion & Reducing Levy Amount for Commercial / Industrial Property

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SF 2232 increases the market value exclusion on commercial-industrial property subject to the state general tax, from the first \$100,000 of market value to the first \$150,000 of market value. To prevent a shift onto other properties, the state general levy amount for commercial industrial property is correspondingly reduced by approximately \$20 million.

Prior to 2017, the state general tax was apportioned 95 percent to all commercial-industrial property and five percent to all seasonal residential recreational property. In 2017, the tax was separated into base amounts for commercial-industrial and seasonal recreational properties, the inflationary index was removed, and the first \$100,000 of commercial-industrial tax capacity was exempted.

Effective beginning with property taxes payable in 2022 and thereafter.