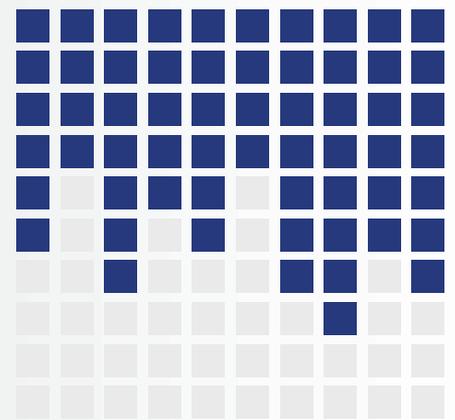
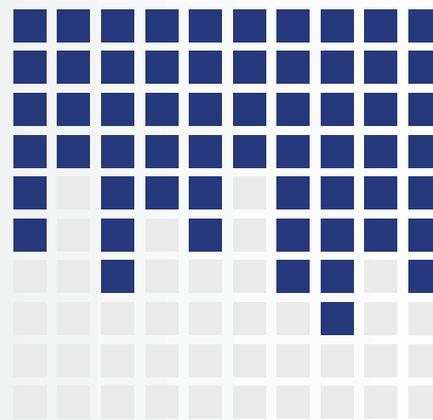
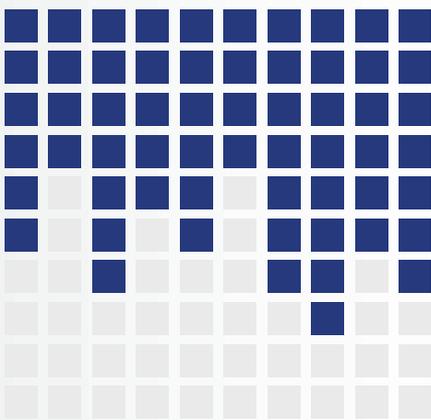


## 2016 PROPERTY TAXES: Comparative Data

- This insert supplements the annual property tax report published in this issue of *Minnesota Cities* magazine.
- The insert contains a comparative data table that allows you to compare tax and other data from your city with groups of other similar cities.
- Data on the tax capacities and market values by property type can be found in a separate table on the League of Minnesota Cities (LMC) website at [www.lmc.org/propertytax-reports](http://www.lmc.org/propertytax-reports). You will also find the online version of this report and the 2016 Property Tax Data Table, which includes data for all Minnesota cities, on the League website.
- Additionally, several other property tax resources are available at [www.lmc.org/property-tax](http://www.lmc.org/property-tax). These include *Property Taxation 101*, *Property Tax Statement 101*, *Fiscal Disparities 101*, *State Homeowner Property Tax Relief Programs 101*, and *Homestead Market Value Exclusion 101*. A new video resource, *Special Delivery: City Services and Your Property Taxes*, can be used to help city residents better understand the property tax system. You'll also find a document, titled *Why Your Property Taxes Change from Year to Year*, designed to help engage residents in the budget and property tax levy-setting process. Another helpful online tool is the Property Tax Calculator and a glossary of terms for the calculator, which you can find at [www.lmc.org/prop-tax-calc-terms](http://www.lmc.org/prop-tax-calc-terms).
- If you have questions or suggestions about other information you would like highlighted in future reports, contact Policy Analysis Manager Rachel Walker at [rwalker@lmc.org](mailto:rwalker@lmc.org) or (651) 281-1236, or Policy Analyst Lena Gould at [lgould@lmc.org](mailto:lgould@lmc.org) or (651) 281-1245.



# Comparative Data Table

This table follows the layout of the tax information contained in the 2016 Property Tax Data Table (available online). The Comparative Data Table contains averages for subgroups of cities by region and population size. It allows you to compare the information for your city from the 2016 Property Tax Data Table with

averages of cities from the same geographic region or population size category. The last column in the table shows the number of cities in each category. To access the 2016 Property Tax Data Table, as well as other property tax information, visit [www.lmc.org/propertytax-reports](http://www.lmc.org/propertytax-reports).

## State totals

The first line in the Comparative Data Table contains the totals and averages for all 853 cities in the state as a group. The second line shows totals and averages for all townships and unincorporated areas in the state as a group. The third line contains data representing the

City	2016 TAX BASE DATA							2016 NET TAX CAPACITY RATES			
	Total Tax Capacity	Captured TIF Tax Capacity	Fiscal Disp Contrib Tax Capacity	Taxable Tax Capacity	Fiscal Disp Distrib Tax Capacity	Total State Tax Capacity (cabin & C/I)	JOBZ/ BIO Tax Capacity	Average County Tax Rate	Average City Tax Rate	Average School Tax Rate	Average Special Tax Rate
<b>ALL CITIES</b>	4,667,996,581	174,576,088	370,784,932	4,122,527,513	375,053,085	1,549,932,588	7,039,356	44.13%	46.52%	27.50%	6.90%
<b>ALL TOWNSHIPS</b>	2,044,048,297	1,300,497	8,812,570	2,032,720,927	7,561,056	339,113,536	1,287,834	44.55%	11.86%	18.72%	1.71%
<b>AVERAGE CITY</b>	5,472,446	204,661	434,683	4,832,975	439,687	1,817,037	8,252	44.13%	46.52%	27.50%	6.90%
<b>CITY AVERAGES BY REGION</b>											
Region 1	425,700	16,234	-	409,466	-	144,309	535	44.389%	67.336%	21.972%	5.018%
Region 2	762,683	26,107	-	736,540	-	402,215	399	54.115%	60.394%	19.329%	2.061%
Region 3	2,299,342	39,471	86,559	2,172,604	106,382	887,757	7,364	60.510%	49.015%	25.586%	4.624%
Region 4	1,183,424	54,649	-	1,128,723	-	459,592	9,742	43.070%	49.863%	23.292%	2.565%
Region 5	1,246,916	31,513	3,060	1,212,322	5,384	618,842	4,145	38.862%	47.774%	19.444%	0.734%
Region 6E	1,044,566	15,653	-	1,028,913	-	411,002	13,632	50.777%	71.367%	22.254%	2.138%
Region 6W	347,474	7,381	-	340,085	-	158,806	6,653	35.346%	98.823%	9.331%	1.552%
Region 7E	1,338,041	27,876	-	1,309,963	-	445,827	12,061	70.576%	61.632%	31.482%	1.762%
Region 7W	4,615,385	73,222	1,688	4,539,925	2,752	1,554,675	11,905	47.932%	47.165%	31.405%	2.656%
Region 8	541,253	21,528	-	519,725	-	233,928	13,260	30.579%	75.608%	16.132%	0.847%
Region 9	1,512,724	40,729	-	1,471,995	-	588,570	9,754	42.184%	63.727%	22.927%	0.459%
Region 10	2,952,268	52,861	-	2,899,407	-	1,058,612	17,732	49.513%	58.627%	22.285%	1.387%
Region 11	24,927,033	1,057,420	2,604,371	21,265,131	2,623,757	7,889,275	-	42.339%	42.951%	28.616%	8.727%
<b>CITY AVERAGES BY POPULATION SIZE</b>											
Greater MN, under 500	103,709	1,663	462	101,577	1,040	38,788	1,314	43.261%	76.102%	15.318%	1.841%
Greater MN, 500-2,499	709,756	21,146	6,998	681,565	9,288	279,670	4,570	43.416%	72.597%	18.706%	1.153%
Greater MN, 2,500-4,999	2,456,020	73,562	33,470	2,348,746	23,170	889,182	20,430	49.943%	58.303%	23.438%	1.332%
Greater MN, 5,000-9,999	4,985,720	111,555	20,691	4,853,195	56,143	1,917,884	32,623	50.781%	62.082%	26.417%	1.646%
Greater MN, 10,000-24,999	11,818,529	235,822	58,739	11,523,352	72,383	4,135,279	84,077	47.049%	52.448%	27.586%	2.631%
Greater MN, 25,000+	42,491,680	799,678	-	41,687,170	-	17,089,842	111,628	52.327%	44.855%	25.312%	2.784%
Metro, under 2,500	1,480,165	16,645	81,193	1,382,326	118,337	277,931	-	40.087%	33.751%	24.907%	8.489%
Metro, 2,501-4,999	5,882,880	158,455	440,263	5,283,946	427,940	1,297,479	-	39.066%	37.369%	28.097%	7.654%
Metro, 5,000-9,999	10,361,164	184,730	536,359	9,639,940	739,071	1,711,388	-	44.608%	33.685%	27.593%	8.615%
Metro, 10,000-24,999	17,879,077	553,222	1,830,495	15,495,249	2,534,502	5,286,683	-	40.301%	46.960%	28.691%	7.907%
Metro, 25,000-49,999	35,775,796	1,402,629	3,976,979	30,396,189	4,068,002	11,451,260	-	42.276%	41.944%	32.135%	8.105%
Metro, 50,000-99,999	89,964,070	2,770,677	10,464,067	76,728,951	6,914,199	30,998,726	-	39.970%	37.450%	27.580%	9.099%
Metro, 100,000+	368,757,290	31,300,987	38,696,240	298,760,064	51,812,215	129,471,475	-	48.054%	55.988%	28.166%	9.418%

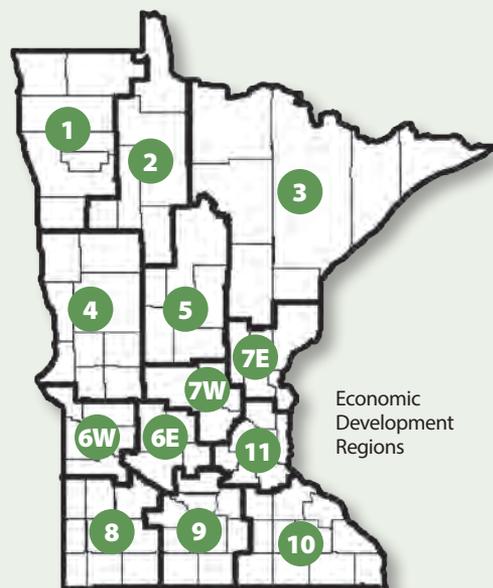
average Minnesota city—in other words, the totals for all cities divided by 853. (According to tax abstract data on unique taxing jurisdictions from the Department of Revenue, there are 1,773 townships and 157 unincorporated areas.)

### Regional totals

The second section contains averages by economic development region. There are 13 economic development regions (see map). The data for each region represents the average city; that is, totals for that region divided by the number of cities in that region.

### Population group totals

The third section contains averages by population size category. There are 13 population size categories; six categories are for Greater Minnesota cities and seven are for metro area cities. The data for each size category represents the average city; that is, totals for that category divided by the number of cities in that category.



2016 MV TAX RATES			2016 AID AND LEVY DATA				2016 MARKET VALUE AND POPULATION DATA					
Average Total NTC Rate	Average County MV Tax Rate	Average City MV Tax Rate	Average School MV Tax Rate	Certified City LGA/Town Aid	Certified City Levy	Fiscal Disp Levy	City Net Levy	Homestead MV Subject to Homestead MV Exclusion	HGA & Residential Homestead MV Excluded	Homestead TMV (After Homestead MV Exclusion)	2015 Population	Number of cities
125.06%	0.004%	0.019%	0.201%	519,398,012	2,101,459,747	182,823,880	1,918,635,867	247,552,894,243	21,136,587,725	226,293,336,538	4,536,533	853
76.84%	0.011%	0.014%	0.174%	10,000,000	241,139,852	1,475,131	907,600,406	61,488,255,826	6,182,886,595	55,242,871,837	948,705	
125.06%	0.004%	0.019%	0.201%	609,622.08	2,463,610	214,330	2,249,280	290,214,413	24,779,118	265,291,133	5,318	
138.714%	0.000%	0.000%	0.216%	306,190	275,762	-	275,762	26,440,356	5,145,197	21,236,476	899	56
135.899%	0.000%	0.000%	0.145%	274,597	444,912	-	444,912	26,296,241	5,566,806	20,649,527	1,226	22
139.735%	0.000%	0.045%	0.122%	1,048,130	1,162,850	97,332	1,065,518	112,366,562	18,564,268	93,384,984	3,169	68
118.790%	0.000%	0.023%	0.168%	345,625	563,694	-	563,694	58,035,089	8,859,794	49,085,103	1,621	82
106.814%	0.000%	0.008%	0.134%	239,388	586,423	6,316	580,108	47,736,112	6,744,252	40,870,692	1,169	64
146.535%	0.000%	0.000%	0.171%	445,036	736,318	-	736,318	58,341,299	12,057,241	46,251,202	1,847	40
145.051%	0.000%	0.074%	0.244%	269,882	338,069	-	338,069	18,233,638	4,907,538	13,289,261	729	37
165.452%	0.017%	0.022%	0.142%	268,793	808,278	-	808,278	77,070,614	11,454,592	65,505,283	2,000	39
129.158%	0.000%	0.061%	0.162%	526,517	2,144,389	1,445	2,142,944	229,653,319	28,834,167	200,634,809	5,433	54
123.166%	0.048%	0.019%	0.230%	310,287	393,557	-	393,557	28,553,996	6,501,419	22,030,371	1,048	79
129.297%	0.000%	0.049%	0.180%	615,037	939,701	-	939,701	78,604,446	13,715,995	64,772,664	2,375	71
131.813%	0.000%	0.032%	0.210%	669,092	1,701,867	-	1,701,867	155,528,864	22,995,169	132,408,105	3,810	101
122.633%	0.003%	0.016%	0.211%	1,277,249	10,388,727	1,255,165	9,133,562	1,343,416,971	84,484,850	1,258,683,637	20,911	140
136.522%	0.035%	0.000%	0.210%	44,141	78,389	1,085	77,304	5,548,020	1,447,698	4,085,034	206	346
135.871%	0.024%	0.113%	0.187%	317,670	505,421	9,895	495,527	38,043,456	7,631,111	30,330,924	1,122	239
133.016%	0.037%	0.035%	0.167%	860,369	1,392,640	19,478	1,373,162	124,204,629	21,047,599	102,970,441	3,442	62
140.926%	0.000%	0.037%	0.154%	1,441,695	3,069,506	52,045	3,017,462	272,789,240	39,288,792	233,033,699	6,893	30
129.714%	0.000%	0.019%	0.175%	2,442,523	6,108,449	56,843	6,051,606	587,762,639	82,492,868	504,517,554	15,056	28
125.278%	0.000%	0.056%	0.174%	10,550,369	18,706,775	-	18,706,775	2,015,099,894	273,819,286	1,739,180,621	53,453	8
107.233%	0.004%	0.000%	0.225%	59,822	532,647	66,104	466,543	90,219,438	3,498,663	86,707,133	894	38
112.186%	0.004%	0.014%	0.212%	185,968	2,185,874	211,322	1,974,553	344,978,416	14,793,272	330,133,703	3,839	20
114.502%	0.004%	0.000%	0.204%	205,744	3,585,254	337,996	3,247,258	684,841,711	26,043,273	658,711,696	7,291	22
123.858%	0.002%	0.020%	0.210%	669,310	8,521,997	1,245,402	7,276,595	1,086,973,602	88,586,312	998,142,093	18,186	27
124.459%	0.004%	0.015%	0.203%	412,148	14,579,529	1,830,300	12,749,229	2,036,437,247	143,583,235	1,892,303,645	32,202	17
114.100%	0.004%	0.012%	0.235%	219,656	31,584,287	2,848,992	28,735,295	4,913,555,799	261,826,298	4,651,321,239	64,645	14
141.626%	0.000%	0.023%	0.175%	70,071,422	195,731,106	28,460,976	167,270,130	14,963,224,839	1,163,899,403	13,794,505,436	356,435	2

# Property Tax Changes Likely Coming Soon

The 2016 legislative session ended without a signed omnibus tax bill. However, there were several property tax-related provisions included in the proposed bill that are of interest to cities and will likely come back in a future session.

## Small business tax relief

This provision would have provided property tax relief to small business owners by exempting the first \$100,000 of each commercial and industrial property's market value from the state general property tax levy. The state general property tax levy is paid by commercial and industrial properties and seasonal-recreational properties.

Rather than shift the tax burden to other properties not benefiting from the exemption, the state general levy would be reduced by \$56.4 million, the estimated amount of the levy paid by the exempted properties. This exemption would not apply to city, county, or school district levies.

## Agricultural containment facilities exemption repeal

Chemical containment facilities used in agriculture are exempt from property taxes under current law. A provision in the omnibus tax bill would have repealed this exemption. A large number of cities stand to lose property tax base if this exemption is not repealed.

Enacted in 1992, the exemption has not been updated despite considerable changes to chemical storage processes. Throughout its existence, the exemption has not been administered consistently by assessors across the state. The Department of Revenue (DOR) has worked with counties to develop and issue guidance on how to uniformly administer the law, effective for the 2016 assessment.

The DOR also surveyed counties to get a sense of the tax impact when counties come into compliance. According to the results of the survey, an estimated \$112 million will shift from taxable to exempt. The DOR identified 55 counties, 153 cities, 101 townships, and 142 school districts that will lose tax base unless the exemption is repealed. Eleven counties did not respond to the survey and thus are not included in these counts.

## Outlook

The original omnibus tax bill had strong bipartisan support. If the bill is reintroduced in the 2017 session, it will probably be very similar to the original bill, and the two provisions outlined above are likely to be included.



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