Tax base sharing in the metro area

About the program

• Shares part of growth capacity in commercial-industrial tax-base (net tax capacity) in the seven-county metro area
• Enacted in 1971
• Attracts national and international interest
Tax-base sharing in the metro area

Benefits of the program

• Improves equity in fiscal resources
• Supports cost-effective regional wastewater treatment and transportation services
• Encouraging land uses that protect the environment and increase livability
How tax-base sharing works

Contribution
- 40% of growth in commercial-industrial property tax base since 1971

Shared pool
- Shared pool of tax base for metro area

Distribution
- Based on population and relative property tax wealth
Participation in the program

177 communities participate

- Six areas excluded by statue
- Statutory role of Metropolitan Council and Minnesota Department of Revenue to determine eligibility of communities to participate in the program
- Four communities ineligible to participate
Shared tax base in the metro area

Shared tax base for 2024 in the metro area

- 9% of the total tax base for the metro area
- 32% of the total commercial industrial tax base for the metro area

Shared tax base as part of the total tax base

- 9%

Shared tax base as part of the total commercial-industrial tax base

- 32%
Results for taxes payable in 2024

- **Tax base**: Shared over $563 million in tax base for taxes payable in 2024
- **Tax revenue**: Shared over $693 million in tax revenue for taxes payable in 2024
Net recipients and net contributors

Taxes payable in 2024

• 109 net recipients
  • 94 cities
  • 15 townships
• 75 net contributors
  • 49 cities
  • 25 townships
Fiscal Disparities Program
Net Recipients and Net Contributors for 2024
<table>
<thead>
<tr>
<th>Top 20 Net Contributors</th>
<th>Top 20 Net Recipients</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bloomington</td>
<td>St. Paul</td>
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<tr>
<td>Plymouth</td>
<td>Brooklyn Center</td>
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<tr>
<td>Edina</td>
<td>Apple Valley</td>
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<tr>
<td>Minneapolis</td>
<td>Coon Rapids</td>
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<td>Eden Prairie</td>
<td>Columbia Heights</td>
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<td>Minnetonka</td>
<td>Cottage Grove</td>
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<td>Eagan</td>
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<td>Shakopee</td>
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<td>Brooklyn Park</td>
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<td>St. Louis Park</td>
<td>Lakeville</td>
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<td>West St. Paul</td>
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<td>Fridley</td>
<td>Blaine</td>
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<td>Mendota Heights</td>
<td>Champlin</td>
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<td>Chanhassen</td>
<td>North St. Paul</td>
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<tr>
<td>Woodbury</td>
<td>Richfield</td>
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<tr>
<td>Vadnais Heights</td>
<td>Lino Lakes</td>
</tr>
</tbody>
</table>

Fiscal Disparities Program
Top 20 Recipients and Contributors for Taxes Payable 2024

Top 20 Recipients and Contributors for Taxes Payable 2024

Top 20 Net Contributors:
- Bloomington
- Plymouth
- Edina
- Minneapolis
- Eden Prairie
- Minnetonka
- Eagan
- Roseville
- Shakopee
- Maple Grove
- Golden Valley
- St. Louis Park
- Rogers
- Wayzata
- Oak Park Heights
- Fridley
- Mendota Heights
- Chanhassen
- Woodbury
- Vadnais Heights

Top 20 Net Recipients:
- St. Paul
- Brooklyn Center
- Apple Valley
- Coon Rapids
- Columbia Heights
- Cottage Grove
- Andover
- Crystal
- Farmington
- Brooklyn Park
- South St. Paul
- Lakeville
- Hastings
- Robbinsdale
- West St. Paul
- Blaine
- Champlin
- North St. Paul
- Richfield
- Lino Lakes

City and Township Boundaries
Benefits to the region

Reduces disparities in property tax wealth

Ratio of highest to lowest commercial-industrial tax base per person for communities with population over 10,000

Fiscal Disparities
For more information visit:
Fiscal Disparities - Metropolitan Council (metrocouncil.org)

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