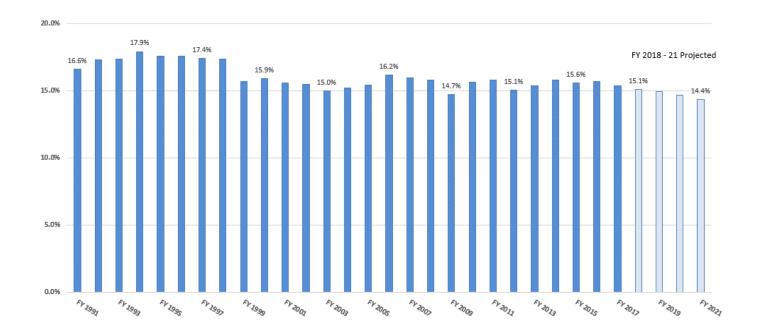
MANAGEMENT AND BUDGET

Price of Government

State and Local Government Revenues

The state general fund forecast represents only a portion of public sector revenues and spending in Minnesota. In broad terms, the "Price of Government" is a measure of the cost of all general government services statewide. It answers the question: *How much do Minnesotans pay to state and local governments in total?* It is comprehensive and includes nearly all revenues generated by state and local units of government as well as public school districts. All state taxes, property taxes, special assessments, fees and charges are included. Federal taxes are not included. The measure serves as a financial index for the cost of public services in Minnesota.

The annual receipts collected by each unit of government are considered to represent the aggregate cost that Minnesota taxpayers pay for public services. The "Price of Government" measures that cost for each fiscal year relative to Minnesota Personal Income. The result is stated as a percentage of total statewide personal income. For fiscal year 2017 it is projected at 15.4 percent.



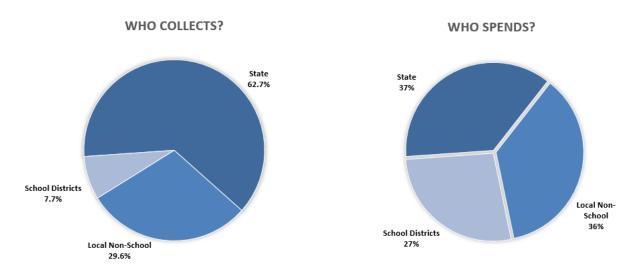
Minnesota Price of Government State and Local Revenues as % of MN Personal Income

Because the price of government focuses on revenues collected by the state, local governments and school districts, it is designed to be a performance measure for both taxpayers in general and policymakers during the budget development process.

The following table shows the revenues collected at each level of government, excluding federal grants and excluding intergovernmental revenues such as state aid to school districts, cities and counties. The results are called "own source" revenues and represent the taxes, fees and charges at each level of government.

	Actual FY 2016	Percent of Total	Projected FY 2017	Percent of Total
State Revenues				
Tax Revenues	\$23,683		\$24,030	
Non-Tax Revenues	4,414		4,266	
Total State Revenues	28,097	63%	28,296	62.7%
Local Non-School Revenues				
Tax Revenues	6,220		6,454	
Non-Tax Revenues	6,746		6,893	
Total Local Non-School Revenues	12,966	29%	13,346	29.6%
School District Revenues				
Tax Revenues	2,458		2,628	
Non-Tax Revenues	850		864	
Total School District Revenues	3,308	7%	3,492	7.7%
Total Own Source Revenues	\$44,371		\$45,134	
Minnesota Personal Income	\$282,523		\$293,575	
Governmental Revenue as Percent of Personal Income	15.7%		15.4%	
r ersonar meonie	15./%		15.4%	

Own Source Revenues (\$ in millions) In FY 2017, of all payments Minnesotans will make in taxes, fees and charges, the state will collect 62.7 percent. Counties, cities, and townships will collect about 29.6 percent, while school districts will collect about 7.7 percent. However, once intergovernmental aids are considered, the state will spend only 37 percent of the total while non-school local governments will spend 36 percent, and school districts will spend 27 percent.



A table showing price of government data follows. It includes major taxes and other revenue sources for FY 2006 through FY 2021 shown by level of government.

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2017 End of Session Budget Price of Government State & Local Revenues as a Percent of Personal Income (\$ in Thousands)

		Actual FY 2006	Actual FY 2007	Actual FY 2008	Actual FY 2009	Actual FY 2010	Actual FY 2011	Actual FY 2012	Actual FY 2013	Actual FY 2014	Actual FY 2015	Actual FY 2016	Projected FY 2017	Projected FY 2018	Projected FY 2019	Projected FY 2020	Projected FY 2021
State Revenues																	
Tax Revenues: Individual Income Tax General Sales Tax Corporate Income Tax Gasoline & Special Fuels Taxes Motor Vehicle License Tax Motor Vehicle Sales Tax Statewide Property Tax Health Care Taxes All Other Taxes		6,862,953 4,484,813 1,061,627 650,363 491,406 538,718 631,279 440,980 1,528,458	7,230,855 4,525,773 1,171,101 647,941 533,261 665,744 467,410 1,373,816	7,759,209 4,592,576 1,020,181 651,855 477,323 512,662 704,246 481,608 1,339,263	6,988,235 4,366,488 708,194 745,760 501,441 442,627 729,373 516,792 1,333,019	6,530,958 4,430,792 663,505 826,753 531,551 453,563 766,831 525,153 1,327,011	7,529,204 4,686,836 924,613 849,534 557,15 506,035 766,926 546,903 1,358,831	7,972,460 4,959,128 1,044,159 845,177 580,240 558,379 799,333 484,278 1,434,307	9,012,500 5,065,744 1,280,743 857,362 623,210 597,785 811,388 513,763 1,419,267	9,659,554 5,368,451 1,278,209 877,702 652,951 640,272 835,554 525,318 2,017,761	10,403,481 5,482,099 1,455,275 889,252 687,115 694,265 838,080 554,751 2,056,285	10,738,906 5,597,268 1,473,097 900,382 702,306 714,496 853,780 584,236 2,118,984	11,187,700 5,746,048 1,142,224 912,000 762,475 755,600 838,331 611,446 2,073,882	11,714,436 5,927,211 1,277,760 922,711 830,685 808,100 830,906 632,717 2,081,698	12,435,996 6,228,073 1,343,197 935,614 860,305 849,500 815,100 666,410 2,090,950	12,918,221 6,481,038 1,341,337 939,878 880,020 888,900 814,017 466,173 2,115,276	13,656,171 6,737,412 1,322,266 933,221 892,835 914,700 813,171 0 2,139,804
	Subtotal - State Taxes	16,690,597	17,099,892	17,538,923	16,331,929	16,056,117	17,726,057	18,677,461	20,181,762	21,855,772	23,060,603	23,683,455	24,029,706	25,026,224	26,225,145	26,844,860	27,409,580
Non-Tax Revenues: Fees & Charges Investment Earnings Post-Secondary Tuition Tobacco Settlements All Other Resources		1,268,418 185,763 1,061,327 180,790 569,495	1,177,089 264,747 1,150,022 183,911 474,762	1,220,266 253,303 1,221,500 184,411 533,964	1,228,610 171,748 1,307,918 179,854 701,676	1,265,434 75,683 1,447,977 168,297 760,955	1,285,126 68,572 1,598,637 169,375 777,684	1,205,344 72,194 1,630,000 166,861 854,442	1,222,131 77,114 1,674,300 170,060 906,671	1,180,866 84,431 1,678,700 175,399 1,173,559	1,138,905 93,588 1,629,700 170,747 920,233	1,169,798 123,734 1,640,893 171,238 1,307,886	1,129,924 143,597 1,645,800 158,453 1,188,278	1,118,465 152,522 1,673,100 154,296 719,640	1,122,150 172,514 1,673,100 152,052 675,124	1,127,194 198,014 1,673,100 149,436 678,419	1,123,124 200,591 1,673,100 146,724 680,178
	Subtotal - State Non Tax Revenues	3,265,793	3,250,531	3,413,444	3,589,806	3,718,346	3,899,394	3,928,841	4,050,276	4,292,955	3,953,173	4,413,549	4,266,052	3,818,023	3,794,940	3,826,163	3,823,717
	Subtotal - State Own Source Revenues	19,956,390	20,350,423	20,952,367	19,921,735	19,774,463	21,625,451	22,606,302	24,232,038	26,148,727	27,013,776	28,097,004	28,295,758	28,844,247	30,020,085	30,671,023	31,233,297
Federal Grants		6,056,552	6,531,710	6,781,953	8,031,181	9,725,606	9,756,757	8,486,104	8,808,041	9,409,547	10,564,728	10,930,643	11,510,999	12,318,125	12,459,997	12,837,663	13,304,689
TOTAL STATE REVENUES		26,012,942	26,882,133	27,734,320	27,952,916	29,500,069	31,382,208	31,092,406	33,040,079	35,558,274	37,578,504	39,027,647	39,806,757	41,162,372	42,480,082	43,508,686	44,537,986
Local Non-School Revenues																	
Tax Revenues: Property Tax Sales Tax Other Taxes	Subtotal - Local Taxes	3,691,559 132,800 161,507 3,985,866	3,977,679 142,405 164,632 4,284,716	4,303,124 181,214 148,454 4,632,793	4,643,104 234,361 186,030 5,063,495	4,875,947 281,471 186,593 5,344,011	4,973,156 295,212 172,002 5,440,369	5,057,424 316,217 175,355 5,548,996	5,300,123 331,528 176,652 5,808,303	5,367,186 346,540 215,053 5,928,779	5,447,952 372,913 223,850 6,044,715	5,575,309 421,657 222,893 6,219,859	5,800,945 430,457 222,117 6,453,519	6,044,708 445,595 217,988 6,708,291	6,293,005 471,974 227,916 6,992,895	6,569,813 493,258 238,469 7,301,540	6,830,317 512,940 244,850 7,588,107
Non-Tax Revenues: Special Assessments Licenses and Permits Charges for Services Investment Earnings Selected Enterprise Revenues Miscellaneous Revenues	Subtotal - Local Non Tax Revenues Subtotal - Local Own Source Revenues	344,394 199,330 1,075,780 224,633 2,943,018 498,821 5,285,976 9,271,842	341,531 197,952 1,089,702 380,413 3,214,027 506,124 5,729,749 10,014,465	345,448 180,199 1,166,288 489,121 3,294,338 531,468 6,006,862 10,639,655	329,666 168,677 1,105,485 359,674 3,425,271 463,039 5,851,812 10,915,307	344,332 151,194 1,122,285 178,693 3,468,110 615,737 5,880,351 11,224,362	347,913 157,641 1,091,618 143,817 3,432,935 512,230 5,686,154 11,126,523	321,931 170,119 1,101,390 189,380 3,586,765 504,049 5,873,634 11,422,630	338,755 189,936 1,200,528 118,811 3,819,575 483,034 6,150,639 11,958,942	368,775 206,706 1,278,007 (48,374) 3,786,805 489,369 6,081,288 12,010,067	355,259 227,075 1,294,978 197,075 3,981,481 499,612 6,555,480 12,600,195	345,430 234,231 1,324,846 152,871 4,131,496 557,365 6,746,239 12,966,098	353,169 239,356 1,349,174 160,515 4,219,270 571,261 6,892,745 13,346,264	365,286 247,504 1,388,707 168,540 4,361,215 591368 7,122,620 13,830,911	377,619 255,789 1,428,841 176,967 4,505,343 611853 7,356,412 14,349,307	387,349 262,248 1,461,084 185,816 4,620,206 666,531 7,583,234 14,884,774	398,172 269,449 1,497,056 195,107 4,748,356 686,012 7,794,152 15,382,259
Intergovernmental Revenue: State Aid Local Aid Federal Aid	Subtotal - Intergovernmental Revenue	2,570,258 203,588 731,744 3,505,590	2,701,489 239,302 779,073 3,719,864	2,765,824 457,236 795,978 4,019,038	2,494,934 541,921 1,004,511 4,041,366	2,587,881 340,912 1,077,804 4,006,597	2,498,658 308,779 1,218,445 4,025,882	2,541,924 333,561 1,169,494 4,044,979	2,499,281 330,102 1,121,132 3,950,515	2,541,940 409,895 985,667 3,937,502	2,836,470 391,775 1,035,303 4,263,548	2,987,900 387,299 1,055,474 4,430,673	2,961,664 387,299 1,076,584 4,425,547	3,022,622 387,299 1,098,116 4,508,037	3,078,078 387,299 1,120,078 4,585,455	3,097,549 387,299 1,142,479 4,627,327	3,108,625 387,299 1,165,329 4,661,253
TOTAL LOCAL NON-SCHOOL RE	VENUES	12,777,432	13,734,329	14,658,693	14,956,673	15,230,959	15,152,405	15,467,609	15,909,457	15,947,569	16,863,743	17,396,771	17,771,811	18,338,948	18,934,762	19,512,101	20,043,512

2017 End of Session Budget Price of Government State & Local Revenues as a Percent of Personal Income (\$ in Thousands)

Actual	Projected	Projected	Projected	Projected	Projected											
FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	

School District Revenues

Tax Revenues: Property Tax Taconite Production Tax		1,364,355 7,842	1,599,861 8,500	1,764,204 8,490	1,908,471 8,867	2,056,723 8,667	2,122,599 8,805	2,162,072 7,679	2,262,056 7,606	2,297,370 7,257	2,339,265 8,908	2,448,645 9,119	2,619,636 8,664	2,682,165 8,599	2,852,377 7,846	3,029,990 7,880	3,177,278 8,000
	Subtotal - School District Tax Revenues	1,372,197	1,608,361	1,772,694	1,917,338	2,065,390	2,131,404	2,169,751	2,269,662	2,304,627	2,348,173	2,457,764	2,628,300	2,690,764	2,860,223	3,037,870	3,185,278
Non-Tax Revenues:																	
Fee Revenue Other Miscellaneous Revenue		442,392 360,366	456,810 386,963	479,537 375,218	491,257 317,470	487,304 266,948	493,927 261,008	509,731 261,224	516,350 248,829	526,486 264,903	518,615 264,603	545,579 304,628	556,491 307,674	567,620 310,751	578,973 313,859	590,552 316,997	602,363 320,167
	Subtotal - School District Non Tax Revenue	802,758	843,773	854,755	808,727	754,252	754,935	770,955	765,179	791,389	783,218	850,207	864,165	878,371	892,832	907,549	922,530
	Subtotal - School Dist Own Source Revenu	2,174,955	2,452,134	2,627,449	2,726,065	2,819,642	2,886,339	2,940,706	3,034,841	3,096,016	3,131,391	3,307,971	3,492,465	3,569,135	3,753,055	3,945,419	4,107,808
Intergovernmental Revenue:																	
State Aid		6,234,345	6,424,245	6,760,948	6,864,416	6,755,240	6,868,597	7,007,915	7,285,035	7,527,881	8,124,733	8,399,548	8,749,116	9,076,662	9,397,928	9,520,836	9,684,669
State Paid Tax Credits Market Value Homestead Credit		8,706	9,440	9,489	9,425	9,592	9,567	10,184	9,934	9,766	9,661 0	9,784	10,671	10,204	10,254 0	10,323 0	10,393
Homestead Agric Land MV Cred	it.	60,880 5,300	59,743 5.597	56,302 5,768	53,475 5.777	53,994 5.624	57,165 5,470	60,934 5,345	132 5.279	0 5.134	5.021	0 8.801	0 9.101	44.261	44.261	0 54.661	0 61.361
Local Aid	11	30,643	30.576	36.389	38,738	43.389	40.314	40.927	43.350	47.235	52.039	51.359	53,252	53.252	53.252	53.252	53.252
Federal Aid		595,642	590,552	609,822	633,187	1,362,002	905,266	797,199	709,503	695,420	699,270	713,583	720,719	727,926	735,205	742,557	749,983
	Subtotal - Intergovernmental Revenue	6,935,516	7,120,153	7,478,718	7,605,018	8,229,841	7,886,379	7,922,504	8,053,233	8,285,436	8,890,724	9,183,075	9,542,859	9,912,305	10,240,900	10,381,629	10,559,658
TOTAL SCHOOL DISTRICT REVEN	IUES	9,110,471	9,572,287	10,106,167	10,331,083	11,049,483	10,772,718	10,863,210	11,088,074	11,381,452	12,022,115	12,491,046	13,035,324	13,481,440	13,993,955	14,327,048	14,667,466
Total State, Local & School Distric	t Revenues																
Tax Revenues		22,048,660	22,992,969	23,944,410	23,312,762	23,465,518	25,297,830	26,396,208	28,259,727	30,089,178	31,453,491	32,361,078	33,111,525	34,425,279	36,078,263	37,184,270	38,182,965
Non-Tax Revenues		9,354,527	9,824,053	10,275,061	10,250,345	10,352,949	10,340,483	10,573,430	10,966,094	11,165,632	11,291,871	12,009,995	12,022,962	11,819,014	12,044,184	12,316,946	12,540,399
Intergovernmental Revenue		16,497,658	17,371,727	18,279,709	19,677,565	21,962,044	21,669,018	20,453,587	20,811,789	21,632,485	23,719,000	24,544,391	25,479,405	26,738,467	27,286,352	27,846,619	28,525,600
TOTAL ALL REVENUES	-	47,900,845	50,188,749	52,499,180	53,240,672	55,780,511	57,307,331	57,423,225	60,037,610	62,887,295	66,464,362	68,915,464	70,613,892	72,982,760	75,408,799	77,347,835	79,248,964
Less: Intergovernmental Revenues		(16,497,658)	(17,371,727)	(18,279,709)	(19,677,565)	(21,962,044)	(21,669,018)	(20,453,587)	(20,811,789)	(21,632,485)	(23,719,000)	(24,544,391)	(25,479,405)	(26,738,467)	(27,286,352)	(27,846,619)	(28,525,600)
Total Own Source Revenues		31,403,187	32,817,022	34,219,471	33,563,107	33,818,467	35,638,313	36,969,638	39,225,821	41,254,810	42,745,362	44,371,073	45,134,487	46,244,293	48,122,447	49,501,216	50,723,364
Minnesota Personal Income		193,989,000	205,856,500	216,840,750	228,070,000	216,267,000	225,853,000	245,619,674	255,579,645	261,211,895	274,461,491	282,523,020	293,575,000	306,725,000	322,300,000	337,877,500	353,320,000
Revenue as Percent of Personal Income		16.2%	15.9%	15.8%	14.7%	15.6%	15.8%	15.1%	15.3%	15.8%	15.6%	15.7%	15.4%	15.1%	14.9%	14.7%	14.4%