



Ag2School 40% Credit is Permanent Law

Fred Nolan, Executive Director

Permanent Law, existing into Perpetuity MS 273.1387

- The appropriations portion of <u>Subdivision 5 of the statute</u>:
- "An amount sufficient to make the payments required by this section is annually appropriated from the general fund to the commissioner of education." <u>View the statute</u>



Permanent Law, existing into Perpetuity

It would take an act of both bodies of the legislature and a signature by the Governor to amend or repeal the program.



House Tax Chair Marquart on Ag2School (DFL Dilworth)

"The 40% school bond credit for taxes paid on agricultural production land, known as Ag2School, was passed with broad bi-partisan support.

Ag2School creates more equity for kids, farmers and school personnel as they work to educate the next generation of students.

Ag2School is part of the <u>state's forecasted</u> <u>budget base</u>.

It would take an act of the House, Senate and signature by the Governor to diminish or repeal this sound program.

Simply put, Ag2School is here to stay."



Senate Tax Chair Chamberlain on Ag2School (GOP Centennial)

• "Tax credits, such as the Ag2School 40% credit, never go away once they are started.

- It will not happen.
- Minnesota needs a vibrant rural economy to thrive as a state."



Senate Tax Chair Chamberlain's Signature on Ag2School Statement (GOP Centennial)

Tax credits, such as the Ag2School 40% credit, never go away once they are started. It will not happen. Minnesota needs a vibrant rural economy to thrive as a state.

Roger Chamberlain

Senate Tax Chair



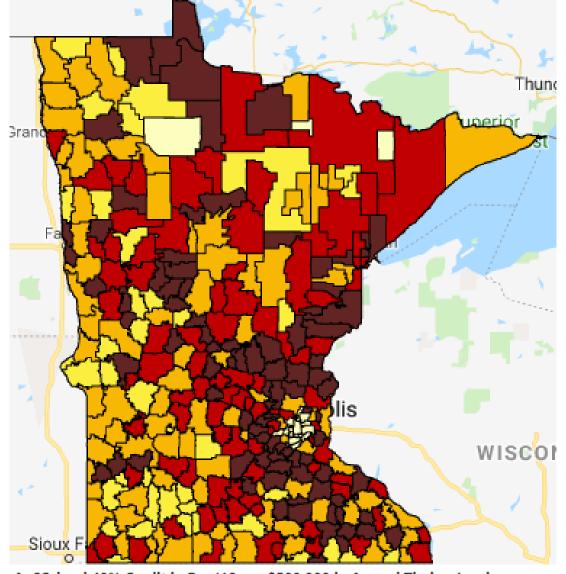
YOUR AG BOND CREDIT is PUBLIC and OBVIOUS

Truth in Taxation Notice: Upper Right Hand Corner

- Calculated on each parcel statement
- Sum all parcels for total
- Because paid by state, it does not show up on Levy Certification Report

PROPOSED TAXES 2019 THIS IS NOT A BILL. DO NOT PAY. VALUES AND CLASSIFICATION Step Taxes Payable Year 2018 2019 \$125,000 Estimated Market Value \$150,000 Homestead Exclusion \$23,800 Taxable Market Value \$125,000 \$126,200 Res NHmstd Class Res Hmstd PROPOSED TAX Property Taxes before credits \$1,467.52 Step School building bond credit \$ 12.00 Agricultural market value credit Other credits Property Taxes after credits \$1,479.52 Step PROPERTY TAX STATEMENT 3 Coming in 2019 The time to provide feedback on PROPOSED LEVIES is NOW It is too late to appeal your value without going to Tax Court.

A total of 277 districts' farmers receive a 40 percent credit on their taxes through Ag2School.



Ag2School 40% Credit in Pay '18 per \$500,000 in Ag and Timber Land

- -430 to -160 Districts with greater than the median 40% credit per \$500,000
- -159.99 to -85 Districts close to the median credit per \$500,000
- -84.99 to -1 Districts with less than the median credit per \$500,000
- -0.99 to 1 Districts with no debt and >\$500,000 in Ag and Timber Land
- □ 1.01 to 10 Districts with <\$500,000 in Ag or Timber Land

Questions?

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THANK YOU

231

member districts

30 cooperatives

57

associate members

