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Citizens League
545 Mobil Oil Building
Minneapolis, Minnesota 55402

APPROVED
BOARD OF DIRECTORS
DATE MAY 5 1967

CITIZENS LEAGUE TAX RELIEF AND REFORM PROPOSAL

SUMMARY

The Citizens League proposes that the 1967 Legislature enact the 3 per cent sales tax with credits or exemptions described in this plan to provide property tax relief and new revenue for local governments and school districts. The tax will initially net $195 million per year. At least two-thirds of the net, or $130 million the first year, should be distributed to local governments and school districts to replace revenues which would otherwise have to be raised by the property tax. The remaining one-third would go to provide direct tax relief to low income elderly homeowners and renters, for elimination of certain burdensome taxes on agriculture and business, and to provide $14 million in new revenue for the State.

This tax would provide for liberal credits on the personal income tax or, in the alternative, exemptions of necessities from the tax, so that it would be a progressive tax through $12,000-$15,000 income levels. The credits or exemptions would be made permanent by an amendment to the Minnesota Constitution.

The primary aims of the Citizens League tax proposal are:

1. To provide for substantial property tax relief without a shifting of overall tax burdens between segments of our society, and

2. To assure local governments and school districts a major share of the large amount of revenue which can be raised through a statewide sales tax with liberal personal credits or exemptions.

EFFECT OF PLAN ON MINNESOTA COMMUNITIES

A table showing the tax relief potential of this proposal is attached. It shows for an $18,000 home in communities throughout Minnesota the tax relief which would have been possible in 1967 had the revenue made available to local governments and schools under this proposal been allocated to tax relief. Also shown is the equivalent reduction in local mills for each community.

The tables do not show the potential tax relief to counties resulting from the distribution to them of per capita amounts for the benefit of residents of unincorporated areas. This relief will amount to about $17 million in 1968, or 10.6 per cent of total statewide county levies payable in 1966. In Goodhue County, for example, the distribution will be sufficient to reduce taxes on an $18,000 house $20 more than the amount shown on the table for communities such as Red Wing.

A Local Property Tax Relief Fund would be created under the proposed legislation, which would contain two-thirds of the proceeds of the proposed 3 per cent tax. One-half of this fund would be distributed to municipalities (or to counties for the benefit of residents of unincorporated areas) and one-half to school districts. As the proceeds from the tax grow, school districts and municipalities or counties will receive greater amounts every year. At the option of the local school board, city or village council, or county boards, the revenue from the tax may be allocated to reducing local property tax levies or to provide new services without the need to increase property taxes.

How the funds will be allocated remains the decision of the local elected bodies responsible to their local constitutencies for providing municipal or school services. Undoubtedly, in some instances, for example in the case of the Minneapolis schools, most of the revenue would be allocated to services, thereby reducing the need for increases in the school mill rate. A comparison of the projected yield to local units with their current local spending from the property tax leads us to conclude that, statewide, <u>the major portion of the funds made available will go to relief in the form of local property tax reduction</u>.

The initial distribution to municipalities in 1968 would be sufficient in many instances to reduce property tax levies for municipal purposes by 50 to 90 per cent. This will be almost universally true in Twin Cities suburban areas. Minneapolis would receive over $8 3/4 million and St. Paul nearly $5 3/4 million, for municipal property tax relief in 1968.

School districts similarly would receive very substantial amounts to reduce their current local mill levies for school purposes, going as high as 50 per cent or more in several outstate school districts. Minneapolis schools would receive $5½ million and St. Paul schools $3 3/4 million in 1968. Suburban school districts would receive amounts ranging from 45 per cent of current property tax levies in Centennial School District #12 (Circle Pines) and 36 per cent in Anoka-Hennepin District #11, to a range of 15-25 per cent in the schools serving the closer, built-up Twin Cities suburbs.

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545 Mobil Oil Building
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May 5, 1967

TO: Citizens League Board of Directors

FROM: Area Revenue and Tax Needs Committee,
David Graven and John W. Mooty, Co-Chairmen

SUBJECT: Citizens League Tax Relief and Reform Proposal

RECOMMENDATIONS

Revenue

1. We recommend that the 1967 Legislature enact a statewide 3 per cent sales tax, with estimated gross receipts in the first year of $262 million.

2. We recommend that the sales tax be imposed on a broad range of goods and services, including, for example, machinery sales and most professional fees as well as the normal retail purchases by the consumer.

3. We recommend that the sales tax not be imposed on housing payments, rent, educational costs or medical services.

4. We recommend that the sales tax provide for an $18 credit, that is, a deduction for every citizen on his state income tax. This means that a family of four would have its total state income tax reduced by $72. A person with little or no income, who normally would pay little or no income tax, would receive a cash payment in the amount his credit exceeded his income tax liability. The effect of the credit system would be to exempt the first $600 of a consumer's purchases from the sales tax. The credit system is estimated to cost a total of $67 million, which would be transferred from the gross sales tax revenue to the state income tax fund, leaving a net of $195 million from the sales tax in the first year.

An alternative to the credit system would be to exempt from the tax, in addition to the items shown in 3 above, food purchased for home consumption, prescription drugs, and non-luxury clothing purchases.

Distribution

1. We recommend that two thirds of the net sales tax revenue, after provision for credits or exemptions and the cost of administration, be dedicated to local municipal governments and school districts. The revenue would be divided 50-50 between municipal governments and school districts, with each receiving an estimated $65 million in the first year.

   a. We recommend that the $65 million for municipal governments be distributed statewide on an equal per capita basis, which would be approximately $18 per person in the first year. Municipal governments would receive their amounts directly. County governments would receive the shares attributable to residents of unincorporated areas. Official regular and special census records would be used in allocating the funds.

b. We recommend that the $65 million for school districts be distributed statewide on an equal per child basis, either according to public school enrollment or school census figures, which take into account all school age children. The first year's distribution would be approximately $78 per school child. The aid should be separate from and supplemental to the funds provided to school districts under the regular state school foundation aid program.

2. We recommend that the other one third of the net revenue, approximately $65 million the first year, be distributed in the following manner:

--$5 million in tax relief to elderly low income homeowners and renters.

--$17 million in tax relief to farmers through elimination of personal property taxes on farmers' livestock, tools and machinery.

--$29 million in tax relief to manufacturers, retailers, wholesalers and contractors through elimination of personal property taxes on all inventories.

--$14 million to the state general revenue fund.

Constitutional Amendment

We recommend that the legislation provide for the submission to the people at the November 1968 general election an amendment to the Minnesota Constitution guaranteeing against any future erosion of the credit of $6 per person for each per cent of the tax (or, in the alternative, guaranteeing against any erosion of exemptions). This is a key and inseparable part of this proposal.

Property Tax Assessment Reform and Interim Studies

1. We recommend that the legislature should enact the following tax assessment reforms:

- Require that "full and true" value of all property be 33-1/3% of assessor's estimated market value.
- Require assessor's market value estimate on all tax statements.
- Provide for statewide standards for assessors and partial state payment of assessor's pay and training costs.
- Provide for State Tax Department assessment of industrial property.
- Provide funds for state tax research, and conduct of the EARC ratio studies, which should be required to be made public.
- Strengthen the county assessor system.
- Reduction in the number of classes of real and personal property, wherever possible, without shifting business property tax burdens onto homeowners.

2. We recommend that the legislature provide for a well-staffed and financed Tax Interim Commission, including provision for outside consultants to study problems of tax exempt property, further assessment reform, property tax imbalance and other pressing related tax problems and to recommend legislation to the 1969 Legislature.

COMMITTEE PROCEDURES AND SCOPE OF STUDY

The Citizens League's Board of Directors early this year authorized the formation of the Area Revenue and Tax Needs Committee and charged it to determine the need in the seven-county metropolitan area for legislation to provide for property tax relief and a supplemental source of revenue for local governments and schools. Specifically, the Board asked the committee to consider the work of the Twin Cities Metropolitan Area Tax Study, which had been conducted under the direction of mayors of metropolitan area communities, and the recommendations of the expert advisors to that study.

Committee membership is broadly based and includes persons from several area counties, notably Hennepin and Ramsey. Co-chairmen of the committee are David Graven, professor of law at the University of Minnesota, and John W. Mooty, Minneapolis attorney.

The 66 committee members who have participated in the work of the committee, in addition to the co-chairmen, Messrs. Graven* and Mooty*, are A. Wade Anderson, Robert B. Anderson, Garfield Anderson, Jerrold Bergfalk, Arch Berreman, Robert Black, Charles Bochert, Jr., Dr. Francis M. Boddy*, Reynold Boezi, Charles Clay*, Mayor Philip Cohen, Earl F. Colborn, Jr.*, John J. Costello*, Joy Decker, Roland DeLapp, Nicholas E. Duff*, Mrs. Nicholas E. Duff, Harold D. Field, Jr.*, Richard FitzGerald*, Howard Freeman, Julian Garzon[z], Raymond Haik, Dr. Seymour Handler, Melvin Hoagland, Milton Hughes, Mrs. Milton Hughes, Robert L. Hoffman[y], C. Paul Jones*, Douglas R. Jordal, Jerome N. Julius, Rev. Leonard Klippen, Neil Kurlander, Robert Latz*[z], Ralph W. Laurens*, Leland C. Lehman*, Miles H. Locketz, Gerald Magnuson*, John McNulty, Alan C. Mingo, Dr. Van D. Mueller, Donald Nightingale, Charles Nungesser*, Richard Oakley, Robert Odegard, Mrs. Vernon Olsen*, George Patchin, Jr., Rev. David Preus, Richard Ramberg, George Reilly, John Shanard*, Roger Sherman, Emil Shipka, Charles Slocum*, H. O. Sogard, Charles Stenvig, David B. Stewart, John Sullivan*, Michael Sullivan, Russell Susag, W. W. Thulin, Adolph Tobler, George F. Weikert, LeRoy Werges and D. R. Wahlund.

(* member steering committee, y abstained, z voted not to approve the proposal)

The committee has held 50 hours of meetings in 11 sessions between February 8, 1967 and May 3, 1967. In addition, a steering committee, authorized by the full committee on April 12, met for many hours to formulate this proposal for the full committee. The proposal was adopted with minor changes by a 44-2 vote of the full committee members present at a May 3 meeting.

During its early meetings the committee received extensive testimony, verbal and written, from elected and top staff officials from a great variety of municipalities within the metropolitan area, including both the core cities, large, mature suburbs, and fast-growing more outlying suburbs. It also heard or received testimony from a like variety of representative metropolitan area school districts.

The committee has spent many hours with members of the Research Advisory Committee to the Twin Cities Metropolitan Tax Study, including its chairman, Francis M. Boddy, associate dean of the Graduate School of the University of Minnesota, who has been a member of our committee and the steering committee; Kenneth M. Anderson, Minneapolis attorney; Thomas L. Anding, Executive Director of the Upper Midwest Research and Development Council; and Walter W. Heller, professor of economics at the University of Minnesota. Other tax experts who appeared before the committee have included State Commissioner of Administration Rolland F. Hatfield and Oscar Litterer, an officer of the Federal Reserve Bank, who was research director of the Metropolitan Tax Study. In all, the committee has heard from over 40 persons, including leading legislators, mayors, school superintendents, local assessors, and other municipal and school officials.

In addition, the committee has received and considered a mass of reports, data, proposals, proposed bills, and other material. The testimony to and deliberations of the committee, and summarization of many of the written materials presented to the committee, have been contained in the minutes of the committee's deliberations to date, which number about 100 pages. These minutes have been mailed during the course of the committee's deliberations to nearly 100 interested persons, including legislators and state, local and school officials.

While the committee has considered and not rejected proposed limited-yield new taxes or redistribution of existing taxes, such as gross earnings taxes on utilities, wheelage taxes, etc., the committee determined midway in its deliberations that the magnitude of the need for real estate property tax relief, and for providing a supplemental source of revenue for municipalities and school districts, was such that the committee should concentrate on a major new tax source. Although the committee was specifically charged with determining the need for tax relief in the metropolitan area, study of statewide data and testimony from persons outside of the metropolitan area, including outstate legislators, has convinced the committee that the need for tax relief and a new source of revenue for local governments and schools is statewide in scope and urgency.

The committee is well aware that, in recommending a non-regressive statewide sales tax, some element of "export" from the metropolitan area to the other parts of the state would be involved. In other words, a tax similar to the one we recommend, but levied only in the seven-county metropolitan area, would yield at the same rate significantly greater tax relief for our area than the statewide tax will yield. Nevertheless, the committee believes that the need for significant homeowner property tax relief and for an augmenting and continuing new source of revenue for municipalities and schools is so pressing throughout the state that we have determined to recommend a statewide tax. In the event, however, that the 1967 Legislature determines not to enact our proposal on a statewide basis, we would urge that this program at least be enacted for the seven-county metropolitan area.

This proposal does not constitute the full report of this committee, which will continue to meet after the conclusion of the legislative session. Depending on the actions taken this session with respect to providing property tax relief and new sources of revenue for local government and school districts, the committee will likely continue its deliberations and issue a full report later this year.

DISCUSSION OF ASPECTS OF THE PROPOSAL

Distribution

The use and method of distribution of the revenue recommended in this proposal is absolutely essential to the proposal. For example, the committee would not back allocation of any less than two thirds of the net proceeds of the proposed tax back to local governments and school districts to meet need for substantial local property tax relief through the guaranteeing of a supplemental source of revenue for both school and municipal purposes.

In recommending that the major portion of the proceeds of the tax go for relief to local governments and schools on a 50-50 basis, the committee has in mind that Minnesota has lagged far behind most progressive states in recognizing the state's responsibility to provide either financial aid or shared taxes as supplemental revenue resources for municipal government. In the case of schools, while the state since 1957 has had a soundly conceived program for state school aids on an equalization basis, the state has not been able to provide a sufficient amount of state aid, especially, we have found, for "have not" communities in the metropolitan area where school costs are higher than outstate. Furthermore, the state foundation aids program, while recognizing relative local ability to tax property, has not taken into account the vast disparity in family income levels as between metropolitan area communities.

The committee has had very much in mind the existence of "have" and "have not" communities within the metropolitan area. These may be measured by a number of factors, including, especially, family income, assessed valuation per capita or per school child, and also by other factors including how much municipalities are able to spend for necessary public services. For example, in a broad tier of communities in the northern portions of the metropolitan area, it has been impracticable for municipalities to provide such services as parks and recreation. Expenditure in these areas for public safety protection are very low, often a small fraction of the per capita amount spent for fire and police in other communities.

To distribute the proceeds from a major new tax source, as is done in many other states and as has been suggested in some proposed legislation in Minnesota, on the basis of existing property tax levies, would be totally unacceptable to this committee. Because the property tax base in the metropolitan area is so unequally distributed, this would mean that the "haves" in terms of property would get back more money and the "have nots" less. Similarly, to distribute the proceeds from a sales tax in accordance with the place of collection would be, in our opinion, grossly unfair to most suburban and rural communities without large commercial centers, even though such a distribution would favor the core cities and certain other communities.

The distribution we have recommended, essentially a distribution based on population, is by far the most equitable and progressive distribution formula we could devise - at least until such time as standards might be evolved against which the relatively very different types of needs of core cities, different types of suburbs, and other communities can be measured.

The Tax Base

The Citizens League proposes that the 3 per cent sales tax be applied to a broad base of goods and services purchased by individuals and businesses. This base would be broader than those applied in most other states and would include many of the purchases of individuals and businesses such as building materials, hardware, farm equipment, office supplies and auto supplies, as well as apparel and accessories, home furnishings, merchandise, restaurant meals over $1, retail sales (probably over 25¢) etc. Exempting groceries. prescription drugs, and non-luxury clothing is an alternative to the credit system we favor and will reduce the base by the approximate amount of the cost of the credit plan - $67 million. Certain exemptions including rent and other housing expenses, medical services, and educational costs would be provided under either alternative.

Our revenue estimates are mainly derived from projected information from 1963 Census of Business Statistics on Retail Sales and Selective Services in Minnesota, and also reflect experience in Iowa and other states. We estimate that in the range of 30-35 per cent of the tax will be paid by business. If, as we recommend, non-medical professional service fees such as those of lawyers and accountants are taxed, the impact on business could be greater. Our revenue projections include a wide range of services such as hotel and motel, personal services such as cleaning and pressing and barbers, business services such as mailing and advertising, auto service, repair services, and amusement services such as movies, bowling alleys, sports etc. The projections do not include figures for non-medical professional services, because the figures were not available for Minnesota. Thus, if these services were taxed, the gross revenue would be increased.

It is absolutely essential in our thinking that the tax be such as to qualify for the federal deductibility for individuals and concerns paying the tax. Otherwise, Minnesota would be in the position of, in effect, exporting many millions of dollars to other parts of the country.

It would be anticipated and we would recommend that a use tax to complement the sales tax be enacted.

Regressivity - Progressivity

The incidence of a tax is the burden of the tax on families and individuals in terms of the amount the tax takes of their incomes. If the tax takes a larger per cent of the annual income as the amount of income increases, the tax is progressive; if the amount of the tax remains constant in relation to annual income, it is a proportional tax; if the rate of increase in the amount of the tax is less than the rate of increase of the annual income, it is a regressive tax. Our figures show that under the credit plan we recommend this proposed tax on this proposed base will be progressive to the $10,000-$15,000 income levels. This compares with the extreme regressivity of the property tax especially at the lowest income levels and with the Minnesota individual income tax which, while progressive without the surtax, is only progressive into the $15,000-$20,000 income levels.

The key to progressivity of the sales tax is the liberal credits, far greater than those in existence in other states. The tax should provide for credits against state income tax liability in the amount of $6 per person for each per cent of the tax, or a total of $18 per person, or $72 for a family of four. This would be equivalent to exempting the first $600 of purchases per person from the 3 per cent tax. Rebates to the taxpayer, to the extent his and his dependents' credits exceed his income tax liability, should be provided. Thus, the four person family owing no state income tax would receive $72 back from the state under this plan.

Relief for the Elderly

The plan we propose for tax relief for the elderly is the latest Wisconsin plan. It provides relief for elderly renters as well as homeowners whose income does not exceed $3,500. It provides credits against state income tax liability or, in most cases, rebates from the income tax fund into which $5 million yearly from the sales tax fund would be placed. Maximum relief is $300 per elderly family unit (one or more persons) with relief estimated to average $150 per year in the metropolitan area, the amount in each case to depend on the amount paid in property taxes or rent as compared with income.

Tax relief for the elderly was the highest priority we placed on distribution of the final $65 million after allocation of $130 million to general property tax relief.

Personal Property Tax Relief

The committee concluded that a tax relief package of the size we recommend must contain some elements of personal property tax relief. We were impressed that farmers, many manufacturers and many wholesalers operate in a competitive market which extends beyond the state borders. Thus many farmers, wholesalers and manufacturers must compete with goods and produce not as heavily taxed in other states as personal property is taxed here.

Thus we concluded that these interests are entitled to special relief as part of an overall large package especially as they will be paying significant portions of the sales tax.

In the case of retailers most of whom do not compete in a broad market we concluded that there are significant problems in the administration of taxes on inventories. We also concluded that relief for manufacturers was more justifiable and needed with regard to inventories than to machinery and tools. An alternative we rejected was partial across-the-board personal property tax relief for manufacturers. Having decided to recommend elimination of tax on some inventories, those of wholesalers and manufacturers, it seemed advisable also to include such special relief for retailers.

Tax Shift

It should be noted that the special business tax relief we recommend amounts to only $29 million of the total of $262 million, a substantial portion of which will be paid by business. While it is also true that business and farmers will receive substantial real estate property tax relief from the distribution to local governments and schools it is also true that in the end it is people who pay taxes and who can expect some benefit from business tax relief in the form of possible lower prices on goods, rent etc. We wish to emphasize that, to the extent the legislature may wish to grant special business personal property tax relief beyond the $29 million worth we recommend, we specifically urge that its cost not be made up through the proceeds of the sales tax, but that the legislature consider other possible sources, including a possible increase in the state net income tax on corporations.

Replacement Revenue

To the extent we have recommended elimination of personal property taxes on farmers' livestock, tools and machines, and on inventories, we believe that the revenue heretofore produced by the tax on these items will have to be replaced on a dollar-for-dollar basis for a limited number of years. However, we would not favor freezing in this replacement as a permanent feature of the tax structure. We estimate that the revenue from the tax we propose will increase at the approximate rate of 8 per cent yearly, so that local governments and school districts will be receiving greater per capita or per pupil distributions from the state every year. Also, while the rate of growth is somewhat smaller than that enjoyed by the sales tax, we would expect that, particularly with better property tax administration, the property tax base in most communities will be increasing, thereby producing more revenue on a stable mill rate. Thus, loss of local revenue as a result of the exemption of certain personal property tax items should be made up and compensated for in most communities quickly, perhaps in four years or less.

A relatively minor problem exists with respect to a handful of jurisdictions which, because of special local circumstances, would receive back under our distribution formula as much as or slightly more than they may be levying on local property for municipal purposes. But, in all but one of these instances, our municipal distribution amounts to only a portion - half, a third, or less - of the total local municipal expenditures in these communities. In these few instances in which the proposed amounts to be distributed might exceed local property taxes for municipal purposes, the legislature may wish to consider a limitation based on a per cent of total local municipal expenditures.

Tax Assessment Reform

The committee spent considerable time considering matters of property tax assessment administration and reform. These were the subjects of a comprehensive study which resulted in a series of recommendations made to the 1965 Legislature by the Citizens League. The committee subscribed to all of the recommendations in that report, and, in addition, had been impressed with the arguments made for State Tax Department assessment of essentially all industrial property in the state, and the State Tax Department's capacity, which has increased since 1965, to take on such responsibilities. In principle, the committee favored substantial reduction in the number of classes of real and personal property, but believes that, to the extent such reduction can be accomplished at this legislative session, no shift in tax burden from business property to residential property should occur. We would not favor, in fact would strongly oppose, utilization of any of the proceeds of the proposed tax above the $29 million provided for to replace taxes on inventories to accomplish reclassification.

It should be noted that we have recommended elimination of personal property taxes on a limited number of types of property. Our estimates of the cost of such elimination reflect the overall property tax relief we provide through the utilization of two thirds of the proceeds of the tax, minus credits or exemptions, for local property tax relief for schools and local government. It is not anticipated that the administrative cost of this program would exceed one per cent of the anticipated gross revenue, and probably less. Such expenses should be provided for before the allocation of the net proceeds after provision for payment of the credits, two thirds for tax relief to local governments and schools, and the rest as we have provided for in the proposal. Expenses of the administration of this tax should include standard provisions for a retention of a fractional portion of one per cent of tax collected by retailers and others charged with imposing the tax.

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TAX RELIEF POTENTIAL OF CITIZENS LEAGUE REVENUE PROPOSAL

The table on the following pages shows the amount of aid to municipalities and school districts in Minnesota under the Citizens League proposed distribution formula of revenue from a 3% sales tax. Also shown is the tax relief potential in total mills and in amount of taxes on an $18,000 house assuming the $130 million made available to local municipalities and school districts under the proposal is allocated to reduction in local property taxes. All municipalities in Minnesota with populations of 2,500 or more as of the latest official census (1960 or 1965) are included in the tabulation.

Following is an explanation of each column in the table:

Column A--This is the amount which would be returned to municipal governments. Under the proposed sales tax, an estimated $65 million would be distributed to municipal governments on a per capita basis in the first year. This amounts to approximately $18.28 per capita. The figures in Column A were arrived at by multiplying $18.28 times the latest official population of each community.

Column B--This is the amount of money which would be returned to school districts. Under the proposed sales tax, an estimated $65 million would be distributed to municipal governments on a per child basis in the first year. This amounts to approximately $78.03 per child. The figures in Column B were arrived at by multiplying $78.03 times the total enrollment in the fall of 1966 in each school district.

Column C--This is the estimated tax on an $18,000 house in each municipality for 1967, assuming that property in each municipality were valued on the tax books at 33-1/3% of market value. In almost all cases, the value is less than 33-1/3%. Some communities with abnormally high mill rates actually have a much lower tax on an $18,000 house than is indicated here because property is placed on the tax books far below the recommended standard of 33-1/3%. These estimates should not be assumed to be anything more than a guideline, to be related to the figures in Columns D and E.

Column D--This is the estimated tax on an $18,000 house for 1967 if the proposed aid to municipalities and school districts had been in effect and if this aid had been used entirely to reduce the mill rates for municipalities and school districts. As in Column C, it is assumed that property is valued on the tax books at 33-1/3% of market value.

Column E--This is the difference between the figures in Columns C and D and is intended to show, relatively, the magnitude of the potential tax reduction if the proposed aid for municipalities and school districts were used to reduce mill rates.

Column F--This represents the savings in mills which would be realized in each municipality if the aid for municipal government and schools were all used to reduce local property taxes. Possible reduction in county mill rates as a result of distribution to counties of $18.28 per capita for residents of unincorporated areas is not included in this table.

IMPACT OF CITIZENS LEAGUE TAX PROPOSAL

Municipality	COL. A Potential Aid to Municipal Gov't at $18.28 per capita	COL. B Potential Aid to Schools at $78.03 per child	COL. C Est. Tax, $18,000 House, 1967	COL. D Est. Tax, $18,000 House if Aid Had Been Available	COL. E Difference between Columns C and D	COL. F Saving in Mills
Albert Lea	$ 337,339	$ 546,834	$ 514	$ 403	$111	62 mills
Alexandria	122,714	225,585	587	445	142	79
Anoka (11)[a]	210,750	1,698,791	504	349	155	86
Arden Hills (621)	81,090		449	366	83	46
Aurora	51,166	201,786	614	481	133	74
Austin	510,158	621,197	644	527	117	65
Babbitt	47,290	112,285	494	169	325	181
Bayport (834)	58,587		515	416	99	55
Bemidji	182,032	263,741	676	478	198	110
Benson	67,223	134,524	548	404	144	80
Blaine (11)	284,144	(Anoka)[b]	514	332	182	101
Blaine (12)		(Cir. Pines)	635	370	265	147
Blaine (16)		(Sp. Lake Park)	560	384	176	98
Bloomington (271)	1,216,388	1,570,120	521	413	108	60
Blue Earth	76,776	105,809	502	389	113	63
Brainerd	235,775	398,577	503	336	167	93
Breckenridge	79,244	106,121	518	352	166	92
Brooklyn Center (286)	550,374	188,208	630	475	155	86

a In this table all municipalities in the Twin Cities metropolitan area have numbers in parentheses behind them. These numbers refer to school districts. In some cases, such as Anoka, the same school district covers the entire municipality. In other cases, such as Blaine, there is more than one school district in the municipality.

b The name in parentheses refers to the municipality opposite which is the total amount of potential aid for the school district in question.

Municipality	COL. A Potential Aid to Municipal Gov't at $18.28 per capita	COL. B Potential Aid to Schools at $78.03 per child	COL. C Est. Tax, $18,000 House, 1967	COL. D Est. Tax, $18,000 House if Aid Had Been Available	COL. E Difference between Columns C and D	COL. F Saving in Mills
Brooklyn Park (11)	$ 270,270	(Anoka)	$ 502	$ 340	$ 162	90 mills
Brooklyn Park (279)		(Osseo)	579	421	158	88
Brooklyn Park (281)		(Robbinsdale)	500	370	130	72
Burnsville (191)	195,980	$385,780	429	375	54	30
Burnsville (194)		(Lakeville)	504	414	90	50
Burnsville (196)		(Rosemount)	490	412	78	43
Caledonia	46,852	84,897	590	430	160	89
Cambridge	49,868	175,646	567	402	165	92
Chaska (112)	59,739	108,072	448	340	108	60
Chisholm	130,592	152,315	865	761	104	58
Circle Pines (12)	67,234	244,858	682	369	313	174
Cloquet	164,757	266,863	582	494	88	49
Columbia Heights (13)	425,613	559,943	588	451	137	76
Coon Rapids (11)	482,811	(Anoka)	523	334	189	105
Cottage Grove (833)	200,148	(St.Paul Park)	533	418	115	64
Crookston	156,221	199,835	625	506	119	66
Crosby	48,058	111,193	801	546	255	142
Crystal (281)	531,747	(Robbinsdale)	495	357	138	77
Deephaven (276)	60,068	(Minnetonka)	567	452	115	64
Detroit Lakes	109,278	251,569	497	370	127	71
Duluth	1,953,840	1,741,005	591	458	133	74
E. Grand Forks	144,375	168,155	613	466	147	82
Eden Prairie (272)	99,736	125,082	485	392	93	52
Eden Prairie (274)		(Hopkins)	484	405	79	44

Municipality	COL. A Potential Aid to Municipal Gov't at $18.28 per capita	COL. B Potential Aid to Schools at $78.03 per child	COL. C Est. Tax, $18,000 House, 1967	COL. D Est. Tax, $18,000 House if Aid Had Been Available	COL. E Difference between Columns C and D	COL. F Saving in Mills
Eden Prairie (276)		(Minnetonka)	$ 575	$ 458	$ 117	65 mills
Edina (273)	$645,321	$792,473	465	398	67	37
Edina (280)		(Richfield)	488	409	79	44
Ely	99,407	132,573	1,142	977	165	92
Eveleth	104,580	175,411	1,143	871	272	151
Fairmont	178,139	211,227	456	364	92	51
Falcon Heights (623)	108,346		488	387	101	56
Faribault	309,407	233,466	651	513	138	77
Fergus Falls	251,039	285,746	501	391	110	61
Forest Lake (831)	51,349	229,564	543	421	122	68
Fridley (14)	453,143	409,970	593	467	126	70
Fridley (11)		(Anoka)	514	363	151	84
Fridley (13)		(Col. Heights)	543	433	110	61
Fridley (16)		(Sp. Lake Park)	563	417	146	81
Gilbert	47,363	87,940	1,056	914	142	79
Glencoe	58,788	121,415	479	380	99	55
Glenwood	48,095	115,406	603	457	146	81
Golden Valley (275)	388,413	123,209	457	398	59	33
Golden Valley (274)		(Hopkins)	469	401	68	38
Grand Rapids	132,804	448,282	576	477	99	55
Granite Falls	57,966	102,219	455	378	77	43
Hastings (200)	193,549	254,222	515	380	135	75
Hibbing	324,123	455,461	860	720	140	78
Hopkins (274)	222,778	765,318	501	433	68	38
Hoyt Lakes	58,240		400	329	71	39

Municipality	COL. A Potential Aid to Municipal Gov't at $18.28 per capita	COL. B Potential Aid to Schools at $78.03 per child	COL. C Est. Tax, $18,000 House, 1967	COL. D Est. Tax, $18,000 House if Aid Had Been Available	COL. E Difference between Columns C and D	COL. F Saving in Mills
Hutchinson	$ 113,464	$ 178,299	$ 458	$ 350	$ 108	60 mills
Int'l Falls	123,902	292,769	685	600	85	47
Inver Grove Heights (199)	158,542	258,982	436	339	97	54
Inver Grove Heights (196)		(Rosemount)	477	387	90	50
Inver Grove Heights (197)		(W. St. Paul)	416	340	76	42
Jackson	61,604	108,930	497	386	111	62
LaCrescent	47,967					
Lake City	63,870	105,653	565	450	115	64
Le Sueur	60,507	97,147	588	475	113	63
Lino Lakes (12)	56,723	(Cir. Pines)	637	367	270	150
Little Canada (623)	64,199	(Roseville)	446	380	66	37
Little Falls	138,032	219,967	629	444	185	103
Litchfield	92,826	150,520	488	333	155	86
Luverne	77,672	139,518	448	338	110	61
Mankato	520,139	526,078	556	462	94	52
Maple Grove (279)	66,777	(Osseo)	585	444	141	78
Maplewood (622)	391,887	(N. St. Paul)	514	413	101	56
Marshall	134,596	164,331	528	416	112	62
Mendota Heights (197)	105,622	(W. St. Paul)	430	346	84	47
Minneapolis (1)	8,826,900	5,528,113	419	354	65	36
Minnetonka (276)	565,327	579,841	573	447	126	70
Minnetonka (274)		(Hopkins)	482	394	88	49
Minnetonka (284)		(Wayzata)	526	425	101	56
Moorhead	492,901	503,684	516	383	133	74

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Montevideo	$ 104,068	$ 152,939	$ 587	$ 452	$ 135	75 mills
Morris	76,758	130,154	569	452	117	65
Mound (277)	109,534	234,792	590	482	108	60
Mounds View (621)	117,284	845,065	491	354	137	76
New Brighton (621)	199,069	(Mounds View)	469	362	107	59
New Hope (281)	212,414	(Robbinsdale)	466	346	120	67
New Prague	46,303	85,287	494	382	112	62
New Ulm	230,090	163,941	389	306	83	46
Northfield	159,164	224,648	655	490	165	92
North Mankato	120,977	(Mankato)	568	440	128	71
North St. Paul (622)	192,507	788,727	517	386	131	73
Orono (278)	103,154	154,890	563	482	81	45
Orono (277)		(Mound)	557	471	86	48
Orono (284)		(Wayzata)	522	436	86	48
Ortonville	48,881	86,145	495	385	110	61
Osseo (279)	49,831	813,073	579	423	157	87
Owatonna	270,105	298,933	492	389	103	57
Park Rapids	55,699	150,208	473	322	151	84
Pipestone	97,323	186,024	499	395	104	58
Plymouth (284)	238,810	(Wayzata)	528	424	104	58
Proctor	54,163	205,219	667	268	399	222
Red Wing	192,451	248,994	555	456	99	55
Redwood Falls	78,330	113,768	441	325	116	64
Richfield (280)	848,996	881,739	524	413	111	62
Robbinsdale (281)	299,445	1,950,013	516	385	131	73
Rochester	873,729	873,702	485	413	72	40

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Roseville (623)	$ 540,741	$ 902,105	$ 491	$ 408	$ 83	46 mills
Roseville (621)		(Mounds View)	473	378	95	53
St. Anthony (282)	131,086	150,754	441	372	69	38
St. Cloud	689,997	600,831	625	471	154	86
St. James	76,301	137,254	517	404	113	63
St. Louis Park (283)	877,824	859,500	503	421	82	46
St. Paul (625)	5,729,153	3,741,773	461	389	72	40
St. Paul Park (833)	93,429	545,274	593	462	131	73
St. Peter	155,088	148,491	505	354	151	84
Sauk Centre	65,314	99,020	545	380	165	92
Sauk Rapids	83,540	104,638	605	427	178	99
Shakopee (720)	115,054	107,213	460	345	115	64
Shoreview (621)	155,014	(Mounds View)	460	350	110	61
Shorewood (276)	58,441	(Minnetonka)	576	459	117	65
Silver Bay	68,056					
Sleepy Eye	63,834	51,344	414	311	103	57
South St. Paul (6)	446,562	446,254	527	430	97	54
Spring Lake Park (16)	94,105	321,562	547	385	162	90
Springfield	49,374					
Spring Valley	48,040	88,252	578	425	153	85
Staples	49,466	131,637	719	409	310	172
Stillwater (834)	151,907	473,330	599	482	117	65
Thief River Falls	130,720	221,761	567	396	171	95
Tracy	52,317	100,893	559	438	121	67
Two Harbors	85,825		503			

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Virginia	$ 256,542	$ 274,275	$ 602	$ 537	$ 65	36 mills
Wabasha	47,500	62,970	512	357	155	86
Wadena	80,085	148,569	524	367	157	87
Waseca	111,545	146,306	559	480	119	66
Wayzata (284)	58,843	402,869	524	447	77	43
Wells	52,957	78,576	482	367	115	64
West St. Paul (197)	276,832	408,331	459	365	94	52
White Bear Lake (624)	354,815	753,770	508	367	141	78
Willmar	190,423	310,325	588	446	142	79
Windom	67,471	160,040	533	461	72	40
Winona	489,374	328,194	516	413	103	57
Worthington	164,794	235,338	506	394	112	62