

Explanation Detail for Line Calculation: Payable 2026 Property Tax Statements

Please send questions, corrections, or requests for future calculation examples to:

Auditor/Treasurer Services

Property Tax Division

Email: PropTax.Admin@state.mn.us

Line 3: Property Taxes Before Credits

Regular Parcel

Line 3 = (Net tax capacity X total local tax rate)
+ (State net tax capacity X state tax rate, if applicable)
+ (Referendum market value X total referendum tax rate (Line 11 plus market value based portion of tax on lines 9A and 9B))

Tax Increment Parcel

Line 3 = (Net tax capacity X retained captured value percentage X total local tax rate)
+ (Net tax capacity X (1 – retained captured value percentage) X total local tax rate)
+ (State net tax capacity X state tax rate, if applicable)
+ (Referendum market value X total referendum tax rate (Line 11 plus market value based portion of tax on lines 9A and 9B))

Fiscal Disparity Parcel

Line 3 = (Net tax capacity X contribution proportion X area tax rate)
+ (Net tax capacity X (1 – contribution proportion) X total local tax rate)
+ (State net tax capacity X state tax rate, if applicable)
+ (Referendum market value X total referendum tax rate (Line 11 plus market value based portion of tax on lines 9A and 9B))

Tax Increment/Fiscal Disparity Parcel

Line 3 = (Net tax capacity X contribution proportion X area tax rate)
+ (Net tax capacity X retained captured value percentage X total local tax rate)
+ (Net tax capacity X (1 – contribution proportion – retained captured value percentage) X total local tax rate)
+ (State net tax capacity X state tax rate, if applicable)
+ (Referendum market value X total referendum tax rate (Line 11 plus market value based portion of tax on lines 9A and 9B))

Note: If the total of the contribution proportion and the retained captured value percentage is 100% or more, then:

Line 3 = (Net tax capacity X contribution proportion X area tax rate)
 + (Net tax capacity X (1 – contribution proportion) X total local tax rate)
 + (State net tax capacity X state tax rate, if applicable)
 + (Referendum market value X total referendum tax rate (Line 11 plus market value based portion of tax on lines 9A and 9B))

Note: These examples assume only a parcel that is fully subject to the state tax rate. For a split class property, use only the net tax capacity subject to the state tax rate when calculating the state tax.

LINE 6: County

Regular Parcel

Line 6 = (Net tax capacity X county local tax rate)
 ÷ (Net tax capacity X total local tax rate)
 X (Line 5 – Line 11 – state general tax on Line 8 – market value-based portion of tax on Lines 9A and 9B + county economic development tax abatement, if any, from Line 4)

Tax Increment Parcel

Line 6 = (Net tax capacity X (1 – retained captured value percentage) X county local tax rate)
 ÷ (Net tax capacity X total local tax rate)
 X (Line 5 – Line 11 – state general tax on Line 8 – market value based portion of tax on Lines 9A and 9B + county economic development tax abatement, if any, from Line 4)

Fiscal Disparity Parcel

Line 6 = (Net tax capacity X (1 – contribution proportion) X county local tax rate)
 ÷ (Net tax capacity X (1 – contribution proportion) X total local tax rate)
 X (Line 5 – Line 11 – state general tax on Line 9 – market value based portion of tax on Lines 9A and 9B – (net tax capacity X contribution proportion X area tax rate) + county economic development tax abatement, if any, from Line 4)

Tax Increment/Fiscal Disparity Parcel

Line 6 = (Net tax capacity X (1 – retained captured value percentage – contribution proportion) X county local tax rate)
 ÷ (Net tax capacity X (1 – contribution proportion) X total local tax rate)
 X (Line 5 – Line 11 – state general tax on Line 8 – market value based portion of tax on Lines 9A and 9B – (net tax capacity X contribution proportion X area tax rate) + county economic development tax abatement, if any, from Line 4)

Note: If the total of the contribution proportion and the retained captured value percentage is 100% or more, then: Line 6 = 0

LINE 7: City or Town

Regular Parcel

Line 7 = (Net tax capacity X city or town local tax rate)

$$\begin{aligned} & \div (\text{Net tax capacity} \times \text{total local tax rate}) \\ & \times (\text{Line 5} - \text{Line 11} - \text{state general tax on Line 8} - \text{market value-based portion of tax on Lines 9A and 9B} + \text{county economic development tax abatement, if any, from Line 4}) \end{aligned}$$

Tax Increment Parcel

$$\begin{aligned} \text{Line 7} &= (\text{Net tax capacity} \times (1 - \text{retained captured value percentage}) \times \text{city or town local tax rate}) \\ &\div (\text{Net tax capacity} \times \text{total local tax rate}) \\ &\times (\text{Line 5} - \text{Line 11} - \text{state general tax on Line 8} - \text{market value-based portion of tax on Lines 9A and 9B} + \text{county economic development tax abatement, if any, from Line 4}) \end{aligned}$$

Fiscal Disparity Parcel

$$\begin{aligned} \text{Line 7} &= (\text{Net tax capacity} \times (1 - \text{contribution proportion}) \times \text{city or town local tax rate}) \\ &\div (\text{Net tax capacity} \times (1 - \text{contribution proportion}) \times \text{total local tax rate}) \\ &\times (\text{Line 5} - \text{Line 11} - \text{state general tax on Line 8} - \text{market value based portion of tax on Lines 9A and 9B} - (\text{net tax capacity} \times \text{contribution proportion} \times \text{area tax rate}) + \text{county economic development tax abatement, if any, from Line 4}) \end{aligned}$$

Tax Increment/Fiscal Disparity Parcel

$$\begin{aligned} \text{Line 7} &= (\text{Net tax capacity} \times (1 - \text{retained captured value percentage} - \text{contribution proportion}) \times \text{city or town local tax rate}) \\ &\div ((\text{Net tax capacity} \times (1 - \text{contribution proportion}) \times \text{total local tax rate}) \\ &\times (\text{Line 5} - \text{Line 11} - \text{state general tax on Line 8} - \text{market value based portion of tax on Lines 9A and 9B} - (\text{net tax capacity} \times \text{contribution proportion} \times \text{area tax rate}) + \text{county economic development tax abatement, if any, from Line 4})) \end{aligned}$$

Note: If the total of the contribution proportion and the retained captured value percentage is 100% or more, then: Line 7=0

LINE 9: School District

Regular Parcel

$$\begin{aligned} \text{Lines 9A} &= (\text{Net tax capacity} \times (\text{school district operating purposes net tax capacity based referendum local tax rate} + \text{school district bonded debt net tax capacity based referendum local tax rate})) \\ &\div (\text{Net tax capacity} \times \text{total local tax rate}) \\ &\times (\text{Line 5} - \text{Line 11} - \text{state general tax on Line 8} - \text{market value-based portion of tax on Lines 9A and 9B} + \text{county economic development tax abatement, if any, from Line 4}) \end{aligned}$$

Tax Increment Parcel

$$\begin{aligned} \text{Lines 9A} &= (\text{Net tax capacity} \times (1 - \text{retained captured value percentage}) \times (\text{school district operating purposes net tax capacity based referendum local tax rate} + \text{school district bonded debt net tax capacity based referendum local tax rate})) \\ &\div (\text{Net tax capacity} \times \text{total local tax rate}) \end{aligned}$$

- X (Line 5 – Line 11 – state general tax on Line 8 – market value-based portion of tax on Lines 9A and 9B + county economic development tax abatement, if any, from Line 4)

Fiscal Disparity Parcel

- Line 9A = (Net tax capacity X (1 – contribution proportion) X (school district operating purposes net tax capacity based referendum local tax rate + school district bonded debt net tax capacity based referendum local tax rate))
 ÷ (Net tax capacity X (1 – contribution proportion) X total local tax rate)
 X (Line 5 – Line 11 – state general tax on Line 8 – market value based portion of tax on Lines 9A and 9B – (net tax capacity X contribution proportion X area tax rate) + county economic development tax abatement, if any, from Line 4)

Tax Increment/Fiscal Disparity Parcel

- Line 9A = (Net tax capacity X (1 – retained captured value percentage – contribution proportion) X (school district operating purposes net tax capacity based referendum local tax rate + school district bonded debt net tax capacity based referendum local tax rate))
 ÷ (Net tax capacity X (1 – contribution proportion) X total local tax rate)
 X (Line 5 – Line 11 – state general tax on Line 8 – market value based portion of tax on Lines 9A and 9B – (net tax capacity X contribution proportion X area tax rate) + county economic development tax abatement, if any, from Line 4)

Note: If the total of the contribution proportion and the retained captured value percentage is 100% or more, then: the school district net tax capacity based portion of Lines 9A = 0

Regular Parcel

- Line 9B = (Net tax capacity X school district other local levies local tax rate)
 ÷ (Net tax capacity X total local tax rate)
 X (Line 5 – Line 11 – state general tax on Line 8 – market value-based portion of tax on Lines 9A and 9B + county economic development tax abatement, if any, from Line 4)

Tax Increment Parcel

- Line 9B = (Net tax capacity X (1 – retained captured value percentage) X school district other local levies local tax rate)
 ÷ (Net tax capacity X total local tax rate)
 X (Line 5 – Line 11 – state general tax on Line 8 – market value-based portion of tax on Lines 9A and 9B + county economic development tax abatement, if any, from Line 4)

Fiscal Disparity Parcel

- Line 9B = (Net tax capacity X (1 – contribution proportion) X school district other local levies local tax rate)
 ÷ (Net tax capacity X (1 – contribution proportion) X total local tax rate)
 X (Line 5 – Line 11 – state general tax on Line 8 – market value based portion of tax on Lines 9A and 9B – (net tax capacity X contribution proportion X area tax

rate) + county economic development tax abatement, if any, from Line 4)

Tax Increment/Fiscal Disparity Parcel

Line 9B = (Net tax capacity X (1 – retained captured value percentage – contribution proportion) X school district other local levies local tax rate)
÷ (Net tax capacity X (1 – contribution proportion) X total local tax rate)
X (Line 5 – Line 11 – state general tax on Line 8 – market value based portion of tax on Lines 9A and 9B – (net tax capacity X contribution proportion X area tax rate) + county economic development tax abatement, if any, from Line 4)

Note: If the total of the contribution proportion and the retained captured value percentage is 100% or more, then: Line 9B = 0

LINE 10: Special Taxing District Taxes

Regular Parcel

Line 10 = (Net tax capacity X special taxing district local tax rate)
÷ (Net tax capacity X total local tax rate)
X (Line 5 – Line 11 – state general tax on Line 8 – market value-based portion of tax on Lines 9A and 9B + county economic development tax abatement, if any, from Line 4)

Tax Increment Parcel

Line 10 = (Net tax capacity X (1 – retained captured value percentage) X special taxing district local tax rate)
÷ (Net tax capacity X total local tax rate)
X (Line 5 – Line 11 – state general tax on Line 9 – market value-based portion of tax on Lines 9A and 9B + county economic development tax abatement, if any, from Line 4)

Fiscal Disparity Parcel

Line 10 = (Net tax capacity X (1 – contribution proportion) X special taxing district local tax rate)
÷ (Net tax capacity X (1 – contribution proportion) X total local tax rate)
X (Line 5 – Line 11 – state general tax on Line 8 – market value based portion of tax on Lines 9A and 9B – (net tax capacity X contribution proportion X area tax rate) + county economic development tax abatement, if any, from Line 4)

Tax Increment/Fiscal Disparity Parcel

Line 10 = (Net tax capacity X (1 – retained captured value percentage – contribution proportion) X special taxing district local tax rate)
÷ ((Net tax capacity X (1 – contribution proportion) X total local tax rate)
X (Line 5 – Line 11 – state general tax on Line 8 – market value based portion of tax on Lines 9A and 9B – (net tax capacity X contribution proportion X area tax rate) + county economic development tax abatement, if any, from Line 4)

Note: If the total of the contribution proportion and the retained captured value percentage is 100% or more, then: Line 10 = 0

Metropolitan Special Taxing District Taxes

Metropolitan special taxing district, tax increment, and fiscal disparity taxes that are to be shown separately as part of line 11 are determined as follows. Any metropolitan special taxing district referendum market value-based taxes are not included on line 11. They are part of line 12. Referendum market value-based taxes do not affect tax increment and fiscal disparity tax determinations.

Determine the same way as previously shown for other special taxing districts, substituting “metropolitan special taxing district local tax rate” for “special taxing district local tax rate.”

Tax Increment without Fiscal Disparity Taxes

$$\begin{aligned} \text{Tax Increment Tax} &= (\text{Net tax capacity} \times \text{retained captured value percentage} \times \text{total local tax rate}) \\ &\div (\text{Net tax capacity} \times \text{total local tax rate} \\ &\times (\text{Line 5} - \text{Line 11} - \text{state general tax on Line 8} - \text{market value-based portion of tax on Lines 9A and 9B} + \text{county economic development tax abatement, if any, from Line 4}) \end{aligned}$$

Tax Increment with Fiscal Disparity Taxes

$$\begin{aligned} \text{Tax Increment Tax} &= (\text{Net tax capacity} \times \text{retained captured value percentage} \times \text{total local tax rate}) \\ &\div (\text{Net tax capacity} \times (1 - \text{contribution proportion}) \times \text{total local tax rate}) \\ &\times (\text{Line 5} - \text{Line 11} - \text{state general tax on Line 8} - \text{market value-based portion of tax on Lines 9A and 9B} + \text{county economic development tax abatement, if any, from Line 4}) \end{aligned}$$

Note: If the total of the contribution proportion and the retained captured value percentage is 100% or more, then:

$$\begin{aligned} \text{Tax Increment Tax} &= (\text{Line 5} - \text{Line 11} - \text{state general tax on Line 8} - \text{market value based portion of tax on Lines 9A and 9B} - (\text{net tax capacity} \times \text{contribution proportion} \times \text{area tax rate})) \end{aligned}$$

Note: If a qualifying commercial or industrial property receiving a county economic development tax abatement under Minnesota Statutes, section 375.194, for taxes payable year 2025 is located within a TIF district, the tax abatement for 2025 is deducted from the tax increment tax under line 10 instead of from the county tax on line 6.

Fiscal Disparity Taxes

$$\text{Fiscal Disparity Tax} = (\text{Net tax capacity} \times \text{contribution proportion} \times \text{area tax rate})$$

Fiscal Disparities Adjustment

Fiscal Disparities Adjustment = (Total gross tax payable – sum of tax amounts for individual taxing jurisdictions)

The fiscal disparities adjustment is an estimate of the net impact of the fiscal disparities program to the parcel.