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# **Le Sueur County, MN**

**Tuesday, June 27, 2017**

**Board Meeting**

## **Item 11**

### **WORKSHOP - Wheelage and Sales Tax**

**Staff Contact:**



**NEW FUNDING FOR  
LOCAL TRANSPORTATION  
-2013-  
WHEELAGE AND  
SALES TAX CHANGES  
FOR COUNTIES**

# -The Wheelage Tax-

The wheelage tax was authorized by the legislature in 1972 for counties in the Twin Cities metropolitan area at a rate of \$5 per vehicle. The authority to use this tax was not widely embraced because the law at that time required a reduction in the general levy equivalent to the revenue generated by the wheelage tax. The tax revenue must be deposited in the county road and bridge fund and must be used for highway purposes within the meaning of Article 14 of the Minnesota Constitution.

Transportation advocates including the Minnesota Transportation Alliance have been advocating for a number of years for changes to this law including the expansion of the authority and the repeal of the requirement for a corresponding reduction in the general levy. The first change to the law did repeal that requirement. Subsequent to that change in law, additional counties passed resolutions to impose the tax so that by 2013, five of the seven counties in the Twin Cities Metropolitan Area imposed the wheelage tax at \$5 per vehicle.

Advocates continued to push for expansion of the authority to all 87 counties and a change in the rate to allow the tax to be imposed by counties at a rate up to \$20 per vehicle.

During the 2013 Legislative Session, the Transportation Alliance worked to have a bill (SF891/HF931) introduced that would provide additional revenue for highways and transit and the language included the expansion of the wheelage tax to all 87 counties and the authority to charge up to \$20 per vehicle.

The Transportation Appropriations bill that was passed into law in 2013 – Chapter 117 (Article 3, section 4) - did include the expansion of the wheelage tax authority to all 87 counties. The rate was restricted to \$10 per vehicle from January 1, 2014 through December 31, 2017 due to computer programming issues at the Department of Public Safety. After January 1, 2018, all counties will be able to charge an amount up to \$20 per vehicle annually in any increment of a whole dollar. The new tax authority applies to a registration period starting on or after January 1, 2014.

The tax applies to most vehicles, but there are exemptions from the tax. The following vehicles are exempt from the wheelage tax: motorcycles, vertical motorcycles, recreational vehicles, prorated (MN trailer), moped, contract trailer, semi trailer, trailer (farm), state owned tax exempt and tax exempt vehicles, utility trailer, street rod, pioneer, classic, collector and classic motorcycle.

The wheelage tax does apply to: passenger vehicles, pickup trucks, one ton trucks, buses, class 2 city buses, school buses, farm trucks, concrete pump/sweepers, prorated trucks, commercial zone trucks, van pools, commercial trucks and prorated foreign trucks.

A county board may provide for the collection of the wheelage tax by resolution by county officials or it may request that the tax be collected by the state registrar of motor vehicles. If the tax is made collectible by the state registrar, it needs to be certified by the county auditor to the registrar no later than August 1 in the year before the calendar year or years for which the tax is levied.

The costs for each county are determined by the total costs of the program and the number of vehicles domiciled in each of the counties. Counties that pass a resolution imposing the wheelage tax should contact:

Patricia McCormack, Director  
Driver and Vehicle Services Division  
Minnesota Department of Public Safety  
(651) 201-7580  
[patricia.mccormack@state.mn.us](mailto:patricia.mccormack@state.mn.us)

Ms. McCormack will set up a meeting to discuss the costs involved and the set up process.

If all 87 counties were to impose the wheelage tax at the \$10 per vehicle rate, we estimate that the tax would generate approximately \$46.8 million in the coming year. A five-cent increase in the state motor fuel tax would generate approximately \$41 million for the County State Aid Fund. Money generated through the wheelage tax does not have to be spent exclusively on the State Aid system.

## Estimated Revenue of Wheelage Fee by County-2014

\*Estimate based on a \$10 charge per vehicle

**DISCLAIMER: These numbers are estimates by Alliance staff for planning purposes only. These estimates were derived from information from the Department of Revenue, state budget forecast and Department of Public Safety.**

Aitkin	— — — — —	— — — — —	— \$164,700
Anoka	— — — — —	— — — — —	— \$2,719,990
Becker	— — — — —	— — — — —	— \$313,980
Beltrami	— — — — —	— — — — —	— \$342,960
Benton	— — — — —	— — — — —	— \$316,240
Big Stone	— — — — —	— — — — —	— \$59,830
Blue Earth	— — — — —	— — — — —	— \$501,850
Brown	— — — — —	— — — — —	— \$284,280
Carlton	— — — — —	— — — — —	— \$318,880
Carver	— — — — —	— — — — —	— \$734,360
Cass	— — — — —	— — — — —	— \$257,940
Chippewa	— — — — —	— — — — —	— \$126,450
Chisago	— — — — —	— — — — —	— \$538,090
Clay	— — — — —	— — — — —	— \$464,070
Clearwater	— — — — —	— — — — —	— \$95,220
Cook	— — — — —	— — — — —	— \$52,780
Cottonwood	— — — — —	— — — — —	— \$122,670
Crow Wing	— — — — —	— — — — —	— \$602,430
Dakota	— — — — —	— — — — —	— \$3,347,760
Dodge	— — — — —	— — — — —	— \$193,600
Douglas	— — — — —	— — — — —	— \$360,420
Faribault	— — — — —	— — — — —	— \$163,840
Fillmore	— — — — —	— — — — —	— \$234,500
Freeborn	— — — — —	— — — — —	— \$288,100
Goodhue	— — — — —	— — — — —	— \$462,830
Grant	— — — — —	— — — — —	— \$73,430

Hennepin	\$8,923,970
Houston	\$196,110
Hubbard	\$190,350
Isanti	\$334,640
Itasca	\$422,630
Jackson	\$108,470
Kanabec	\$147,070
Kandiyohi	\$398,240
Kittson	\$54,560
Koochiching	\$130,110
Lac Qui Parle	\$80,960
Lake	\$108,410
Lake of the Woods	\$44,510
Le Sueur	\$309,940
Lincoln	\$67,610
Lyon	\$244,960
Mahnomen	\$40,540
Marshall	\$114,420
Martin	\$191,820
McLeod	\$356,820
Meeker	\$222,820
Mille Lacs	\$280,420
Morrison	\$344,080
Mower	\$353,010
Murray	\$101,770
Nicollet	\$259,500
Nobles	\$204,820
Norman	\$75,420
Olmsted	\$1,200,540
Otter Tail	\$568,650



Pennington - - - - -	-\$136,350
Pine - - - - -	-\$272,900
Pipestone - - - - -	-\$106,680
Polk - - - - -	\$300,800
Pope - - - - -	\$114,910
Ramsey - - - - -	\$3,801,960
Red Lake - - - - -	-\$47,440
Redwood - - - - -	\$172,220
Renville - - - - -	\$173,530
Rice - - - - -	\$530,690
Rock - - - - -	\$93,880
Roseau - - - - -	-\$170,200
Scott - - - - -	-\$1,048,040
Sherburne - - - - -	-\$778,690
Sibley - - - - -	-\$147,080
St. Louis - - - - -	-\$1,687,700
Stearns - - - - -	-\$1,336,410
Steele - - - - -	\$336,200
Stevens - - - - -	-\$93,660
Swift - - - - -	\$112,970
Todd - - - - -	\$230,360
Traverse - - - - -	-\$41,160
Wabasha - - - - -	\$236,900
Wadena - - - - -	\$150,790
Waseca - - - - -	\$181,440
Washington - - - - -	-\$2,027,890
Watsonwan - - - - -	-\$113,440
Wilkin - - - - -	-\$75,960
Winona - - - - -	\$390,190
Wright - - - - -	-\$1,119,590
Yellow Medicine - - - - -	-\$114,420

# -The Local Option Sales Tax-

The authority for a Local Option Sales tax for Transportation was enacted as part of the comprehensive transportation funding bill passed in 2008 – Chapter 152.

Local sales tax authority included in Chapter 152 allowed the seven counties in the Twin Cities Metropolitan Area to impose a ¼ cent local sales tax for transit purposes. Five of the seven counties in the Metropolitan Area have formed a joint powers board – the Counties Transit Improvement Board (CTIB) and have been levying this tax to fund transit projects.

For counties outside of the metropolitan transportation area, a single county or group of counties acting under a joint powers agreement, may impose a local sales tax of up to ½ of one percent and an excise tax of \$20 per motor vehicle. Motor vehicles are not included in the taxable sales that the increased sales tax would apply to so the \$20 per vehicle fee is imposed instead of increasing the sales tax rate on those vehicles.

The Minnesota Transportation Alliance supported removing the referendum requirement for imposition of the local option sales tax outside of the metropolitan transportation area and included this language in SF891/HF931 that was introduced during the 2013 Session.

Under the law passed in 2008, the local sales tax and excise tax authorized outside of the metropolitan transportation area were subject to approval of the voters in each county at a general election. The Transportation Appropriations bill passed in 2013 – Chapter 117 – removed the requirement for holding a referendum in order to impose the tax. Now the tax may be imposed by resolution of the county board or boards following a public hearing.

According to the new language passed in 2013, the proceeds of the tax must be dedicated exclusively to:

- 1) **Payment of the capital cost of a specific transportation project or improvement;**
- 2) **Payment of the costs, which may include both capital and operating costs, of a specific transit project or improvement;**
- 3) **Payment of the capital costs of a safe routes to school program under section 174.40; or**
- 4) **Payment of transit operating costs.**

The transportation or transit project or improvement must be designated by the board of the county or more than one county acting under a joint powers board. Except for taxes for operating costs of a transit project or improvement, or for transit operations, the taxes must terminate when revenues raised are sufficient to finance the project.

The new language was made effective the day following final enactment of the law.



**The administration, collection, and enforcement provisions in Minnesota Statutes section 297A.99, subdivisions 4 and 6 to 12, apply to all taxes imposed under this section.**

MS 291A.99, Subdivision 12 states that a political subdivision may impose a tax under this section starting only on the first day of a calendar quarter. A political subdivision may repeal a tax under this section stopping only on the last day of a calendar quarter.

(b) The political subdivision shall notify the commissioner of revenue at least 90 days before imposing, changing the rate of, or repealing a tax under this section.

(c) The political subdivision shall change the rate of tax imposed under this section starting only on the first day of a calendar quarter, and only after the commissioner has notified sellers at least 60 days prior to the change.

(d) The political subdivision shall apply the rate change for sales tax imposed under this section to purchases from printed catalogs, wherein the purchaser computed the tax based upon local tax rates published in the catalog, starting only on the first day of a calendar quarter, and only after the commissioner has notified sellers at least 120 days prior to the change.

(e) The political subdivision shall apply local jurisdiction boundary changes to taxes imposed under this section starting only on the first day of a calendar quarter, and only after the commissioner has notified sellers at least 60 days prior to the change.

The project must serve a transportation purpose but the language does not specifically require the funding to be used for roadways or bridges. A building that served a transportation purpose would qualify. Bus purchases would not qualify but bus facilities would fall into the category of transit capital.

The 80 counties outside of the Twin Cities Metropolitan Area could generate over \$145 million in new revenue for transportation with the imposition of a ½ cent local sales tax in each county.

### Estimated New Revenue of 1/2 Cent Local Option Sales Tax by County

**DISCLAIMER: These numbers are estimates by Alliance staff for planning purposes only. These estimates were derived from information from the Department of Revenue, state budget forecast and Department of Public Safety.**

County	2014 Projection	2015 Forecast	2016 Forecast	2017 Forecast
Aitkin	\$710,657	\$732,862	\$755,550	\$775,928
Becker	\$1,965,684	\$2,027,104	\$2,089,860	\$2,146,225
Beltrami	\$2,958,212	\$3,050,643	\$3,145,087	\$3,229,912
Benton	\$2,270,491	\$2,341,434	\$2,413,921	\$2,479,026
Big Stone	\$155,042	\$159,886	\$164,836	\$169,281
Blue Earth	\$7,431,952	\$7,664,169	\$7,901,441	\$8,114,547
Brown	\$1,595,238	\$1,645,083	\$1,696,012	\$1,741,755
Carlton	\$1,492,892	\$1,539,538	\$1,587,200	\$1,630,008
Cass	\$1,335,145	\$1,376,863	\$1,419,489	\$1,457,773

County	2014 Projection	2015 Forecast	2016 Forecast	2017 Forecast
Chippewa	\$847,913	\$874,406	\$901,477	\$925,790
Chisago	\$1,501,782	\$1,548,706	\$1,596,652	\$1,639,715
Clay	\$2,697,808	\$2,782,103	\$2,868,233	\$2,945,591
Clearwater	\$238,281	\$245,726	\$253,334	\$260,166
Cook	\$640,149	\$660,151	\$680,589	\$698,945
Cottonwood	\$447,554	\$461,538	\$475,827	\$488,660
Crow Wing	\$5,565,039	\$5,738,923	\$5,916,592	\$6,076,166
Dodge	\$528,401	\$544,912	\$561,781	\$576,933
Douglas	\$3,350,872	\$3,455,572	\$3,562,552	\$3,658,636
Faribault	\$676,335	\$697,468	\$719,061	\$738,454
Fillmore	\$855,791	\$882,531	\$909,853	\$934,392
Freeborn	\$1,852,329	\$1,910,206	\$1,969,343	\$2,022,458
Goodhue	\$2,169,556	\$2,237,345	\$2,306,610	\$2,368,821
Grant	\$199,030	\$205,248	\$211,603	\$217,310
Houston	\$476,945	\$491,848	\$507,075	\$520,751
Hubbard	\$971,549	\$1,001,906	\$1,032,924	\$1,060,782
Isanti	\$2,185,815	\$2,254,112	\$2,323,896	\$2,386,573
Itasca	\$2,621,603	\$2,703,517	\$2,787,214	\$2,862,387
Jackson	\$421,983	\$435,168	\$448,641	\$460,741
Kanabec	\$403,520	\$416,128	\$429,011	\$440,582
Kandiyohi	\$3,707,096	\$3,822,927	\$3,941,280	\$4,047,578
Kittson	\$153,307	\$158,097	\$162,991	\$167,387
Koochiching	\$843,868	\$870,235	\$897,177	\$921,374
Lac Qui Parle	\$228,715	\$235,862	\$243,163	\$249,722
Lake	\$1,034,945	\$1,067,282	\$1,100,324	\$1,130,000
Lake of the Woods	\$367,650	\$379,137	\$390,875	\$401,417
Le Sueur	\$686,151	\$707,590	\$729,496	\$749,171
Lincoln	\$217,901	\$224,709	\$231,666	\$237,914
Lyon	\$3,012,592	\$3,106,723	\$3,202,903	\$3,289,287
Mahnomen	\$333,651	\$344,077	\$354,729	\$364,296
Marshall	\$272,753	\$281,276	\$289,983	\$297,804
Martin	\$999,047	\$1,030,263	\$1,062,158	\$1,090,805
McLeod	\$2,189,550	\$2,257,964	\$2,327,867	\$2,390,651
Meeker	\$960,449	\$990,459	\$1,021,122	\$1,048,663
Mille Lacs	\$956,073	\$985,946	\$1,016,469	\$1,043,884
Morrison	\$1,278,816	\$1,318,773	\$1,359,600	\$1,396,270

County	2014 Projection	2015 Forecast	2016 Forecast	2017 Forecast
Mower	\$1,645,381	\$1,696,792	\$1,749,322	\$1,796,502
Murray	\$297,729	\$307,031	\$316,537	\$325,074
Nicollet	\$1,210,139	\$1,247,950	\$1,286,585	\$1,321,285
Nobles	\$1,243,448	\$1,282,300	\$1,321,999	\$1,357,654
Norman	\$231,206	\$238,430	\$245,812	\$252,441
Olmsted	\$12,370,865	\$12,757,402	\$13,152,353	\$13,507,079
Otter Tail	\$4,250,850	\$4,383,671	\$4,519,383	\$4,641,274
Pennington	\$1,013,325	\$1,044,987	\$1,077,339	\$1,106,395
Pine	\$987,294	\$1,018,142	\$1,049,663	\$1,077,973
Pipestone	\$419,038	\$432,131	\$445,509	\$457,525
Polk	\$1,417,451	\$1,461,740	\$1,506,994	\$1,547,638
Pope	\$381,071	\$392,978	\$405,144	\$416,071
Red Lake	\$147,392	\$151,998	\$156,703	\$160,930
Redwood	\$944,642	\$974,159	\$1,004,317	\$1,031,404
Renville	\$539,592	\$556,452	\$573,679	\$589,152
Rice	\$2,710,126	\$2,794,806	\$2,881,329	\$2,959,040
Rock	\$319,699	\$329,688	\$339,895	\$349,062
Roseau	\$725,808	\$748,486	\$771,658	\$792,470
Sherburne	\$3,830,620	\$3,950,311	\$4,072,607	\$4,182,447
Sibley	\$301,989	\$311,425	\$321,066	\$329,725
St. Louis	\$16,190,061	\$16,695,932	\$17,212,814	\$17,677,054
Stearns	\$11,560,101	\$11,921,305	\$12,290,372	\$12,621,850
Steele	\$2,869,528	\$2,959,188	\$3,050,801	\$3,133,082
Stevens	\$616,754	\$636,025	\$655,715	\$673,400
Swift	\$457,405	\$471,697	\$486,300	\$499,416
Todd	\$505,402	\$521,194	\$537,329	\$551,821
Traverse	\$119,427	\$123,159	\$126,972	\$130,396
Wabasha	\$644,005	\$664,128	\$684,688	\$703,154
Wadena	\$796,674	\$821,566	\$847,001	\$869,845
Waseca	\$698,379	\$720,201	\$742,497	\$762,523
Watonwan	\$410,464	\$423,290	\$436,394	\$448,164
Wilkin	\$139,622	\$143,984	\$148,442	\$152,446
Winona	\$2,738,739	\$2,824,313	\$2,911,749	\$2,990,281
Wright	\$6,548,722	\$6,753,342	\$6,962,416	\$7,150,196
Yellow Medicine	\$355,330	\$366,432	\$377,776	\$387,965

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1 **Estimated County and City Local Aid Increase From HUTD Formula**

2 Whole dollars

3 **County State Aid Highway (CSAH) - Not including MVLST or 5% Set aside**

4 <b>County</b>	<b>2017 Allotment</b>	<b>% of total</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
5 Aitkin	\$ 4,870,032	0.88%	201,299	216,991	498,153	503,369
6 <b>Anoka</b>	<b>19,482,541</b>	<b>3.51%</b>	<b>805,294</b>	<b>868,070</b>	<b>1,992,858</b>	<b>2,013,726</b>
7 Becker	5,748,254	1.03%	237,599	256,121	587,986	594,143
8 Beltrami	6,986,323	1.26%	288,774	311,285	714,627	722,110
9 Benton	4,131,574	0.74%	170,775	184,088	422,616	427,042
10 Big Stone	3,055,369	0.55%	126,291	136,136	312,532	315,805
11 Blue Earth	8,700,582	1.57%	359,631	387,666	889,978	899,297
12 Brown	4,734,243	0.85%	195,686	210,940	484,263	489,334
13 Carlton	5,410,732	0.97%	223,648	241,082	553,461	559,256
14 <b>Carver</b>	<b>7,006,464</b>	<b>1.26%</b>	<b>289,606</b>	<b>312,182</b>	<b>716,687</b>	<b>724,192</b>
15 Cass	6,092,877	1.10%	251,844	271,476	623,237	629,763
16 Chippewa	3,055,369	0.55%	126,291	136,136	312,532	315,805
17 Chisago	6,397,114	1.15%	264,419	285,032	654,357	661,209
18 Clay	5,647,755	1.02%	233,445	251,643	577,706	583,755
19 Clearwater	3,669,808	0.66%	151,688	163,513	375,383	379,313
20 Cook	3,174,963	0.57%	131,234	141,465	324,765	328,166
21 Cottonwood	3,435,417	0.62%	142,000	153,070	351,407	355,086
22 Crow Wing	6,812,591	1.23%	281,592	303,544	696,856	704,153
23 <b>Dakota</b>	<b>16,940,958</b>	<b>3.05%</b>	<b>700,240</b>	<b>754,827</b>	<b>1,732,881</b>	<b>1,751,026</b>
24 Dodge	4,214,152	0.76%	174,188	187,767	431,063	435,577
25 Douglas	5,644,792	1.02%	233,323	251,511	577,403	583,449
26 Faribault	4,949,951	0.89%	204,602	220,552	506,328	511,629
27 Fillmore	6,309,851	1.14%	260,812	281,144	645,431	652,189
28 Freeborn	6,016,251	1.08%	248,676	268,062	615,399	621,843
29 Goodhue	6,432,705	1.16%	265,890	286,618	657,998	664,888
30 Grant	3,055,369	0.55%	126,291	136,136	312,532	315,805
31 <b>Hennepin</b>	<b>43,222,435</b>	<b>7.78%</b>	<b>1,786,562</b>	<b>1,925,833</b>	<b>4,421,199</b>	<b>4,467,493</b>
32 Houston	4,612,686	0.83%	190,661	205,524	471,829	476,770
33 Hubbard	4,210,744	0.76%	174,047	187,615	430,715	435,225
34 Isanti	4,062,365	0.73%	167,914	181,004	415,537	419,888
35 Itasca	9,943,290	1.79%	410,997	443,036	1,017,094	1,027,744
36 Jackson	4,945,061	0.89%	204,400	220,334	505,828	511,124
37 Kanabec	3,055,369	0.55%	126,291	136,136	312,532	315,805
38 Kandiyohi	6,549,897	1.18%	270,734	291,839	669,985	677,001
39 Kittson	3,589,300	0.65%	148,361	159,926	367,148	370,992
40 Koochiching	4,945,809	0.89%	204,431	220,367	505,904	511,201
41 Lac Qui Parle	3,407,360	0.61%	140,840	151,819	348,537	352,186
42 Lake	4,346,700	0.78%	179,667	193,673	444,622	449,277
43 Lake of the Woods	3,272,400	0.59%	135,262	145,806	334,732	338,237
44 Le Sueur	4,990,531	0.90%	206,279	222,360	510,479	515,824
45 Lincoln	3,055,369	0.55%	126,291	136,136	312,532	315,805
46 Lyon	4,203,492	0.76%	173,748	187,292	429,973	434,475
47 Mc Leod	4,657,351	0.84%	192,508	207,514	476,398	481,386
48 Mahnomon	3,055,369	0.55%	126,291	136,136	312,532	315,805
49 Marshall	5,286,391	0.95%	218,508	235,542	540,742	546,404
50 Martin	5,383,123	0.97%	222,507	239,852	550,637	556,402
51 Meeker	3,959,894	0.71%	163,679	176,438	405,055	409,297
52 Mille Lacs	4,659,008	0.84%	192,576	207,588	476,567	481,557
53 Morrison	6,493,073	1.17%	268,386	289,307	664,173	671,127
54 Mower	5,562,955	1.00%	229,940	247,865	569,032	574,990
55 Murray	3,784,152	0.68%	156,415	168,608	387,079	391,132
56 Nicollet	4,563,542	0.82%	188,630	203,335	466,802	471,690
57 Nobles	4,886,604	0.88%	201,984	217,729	499,848	505,082
58 Norman	4,014,109	0.72%	165,920	178,854	410,601	414,900
59 Olmsted	\$ 8,238,258	1.48%	340,521	367,066	842,687	851,511
60 Otter Tail	12,400,667	2.23%	512,571	552,528	1,268,457	1,281,739
61 Pennington	3,163,477	0.57%	130,760	140,953	323,590	326,979
62 Pine	7,904,681	1.42%	326,733	352,204	808,565	817,032
63 Pipestone	3,055,369	0.55%	126,291	136,136	312,532	315,805
64 Polk	8,239,340	1.48%	340,566	367,115	842,798	851,622
65 Pope	3,549,708	0.64%	146,724	158,162	363,098	366,900
66 <b>Ramsey</b>	<b>19,463,146</b>	<b>3.50%</b>	<b>804,492</b>	<b>867,206</b>	<b>1,990,875</b>	<b>2,011,721</b>
67 Red Lake	3,055,369	0.55%	126,291	136,136	312,532	315,805
68 Redwood	4,918,540	0.89%	203,304	219,152	503,115	508,383
69 Renville	5,635,397	1.01%	232,934	251,093	576,442	582,478
70 Rice	5,864,307	1.06%	242,396	261,292	599,857	606,138
71 Rock	3,311,757	0.60%	136,889	147,560	338,758	342,305
72 Roseau	5,306,854	0.96%	219,354	236,454	542,835	548,519
73 St. Louis	29,282,714	5.27%	1,210,375	1,304,730	2,995,313	3,026,676
74 <b>Scott</b>	<b>9,888,101</b>	<b>1.78%</b>	<b>408,716</b>	<b>440,577</b>	<b>1,011,448</b>	<b>1,022,039</b>
75 Sherburne	5,595,504	1.01%	231,285	249,315	572,361	578,354
76 Sibley	3,475,310	0.63%	143,649	154,847	355,488	359,210
77 Stearns	12,784,911	2.30%	528,453	569,649	1,307,762	1,321,455



78	County State Aid Highway (CSAH)						
79	County	2017 Allotment	% of total	FY 2018	FY 2019	FY 2020	FY 2021
80	Steele	5,581,345	1.00%	230,700	248,684	570,913	576,891
81	Stevens	3,055,369	0.55%	126,291	136,136	312,532	315,805
82	Swift	3,446,871	0.62%	142,473	153,580	352,579	356,270
83	Todd	4,210,534	0.76%	174,039	187,606	430,693	435,203
84	Traverse	3,055,369	0.55%	126,291	136,136	312,532	315,805
85	Wabasha	4,688,621	0.84%	193,800	208,908	479,596	484,618
86	Wadena	3,088,024	0.56%	127,641	137,591	315,872	319,180
87	Waseca	3,510,920	0.63%	145,121	156,434	359,130	362,891
88	Washington	11,228,886	2.02%	464,136	500,318	1,148,597	1,160,623
89	Watonwan	3,437,247	0.62%	142,076	153,151	351,594	355,276
90	Wilkin	3,710,548	0.67%	153,372	165,328	379,550	383,524
91	Winona	6,034,137	1.09%	249,416	268,859	617,229	623,692
92	Wright	10,855,882	1.95%	448,718	483,698	1,110,442	1,122,070
93	Yellow Medicine	3,790,020	0.68%	156,657	168,869	387,679	391,738
94							
95	TOTAL	\$ 555,521,599		22,962,000	24,752,000	56,824,000	57,419,000

96 \*Note Does not Include Town Road and Bridge or Motor Vehicle Lease Sales Tax

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Municipal State Aid Street (MSAS)

Municipality

2017 Allotment

% of total

FY 2018

FY 2019

FY 2020

FY 2021

Albert Lea

943,643

0.54%

38,820

41,849

96,070

97,078

Albertville

319,602

0.18%

13,148

14,174

32,538

32,879

Alexandria

1,001,181

0.58%

41,187

44,401

101,928

102,997

Andover

1,490,056

0.86%

61,299

66,082

151,699

153,291

Anoka

751,974

0.43%

30,935

33,349

76,557

77,360

Apple Valley

2,010,372

1.16%

82,704

89,157

204,672

206,819

Arden Hills

352,166

0.20%

14,488

15,618

35,853

36,229

Austin

1,305,322

0.75%

53,699

57,889

132,892

134,286

Baxter

539,576

0.31%

22,198

23,929

54,933

55,509

Belle Plaine

338,304

0.20%

13,917

15,003

34,442

34,803

Bemidji

730,757

0.42%

30,062

32,408

74,397

75,177

Big Lake

429,916

0.25%

17,686

19,066

43,769

44,228

Blaine

2,369,289

1.37%

97,470

105,075

241,212

243,743

Bloomington

4,048,476

2.34%

166,550

179,544

412,167

416,491

Brainerd

771,790

0.45%

31,751

34,228

78,574

79,399

Brooklyn Center

1,041,770

0.60%

42,857

46,201

106,060

107,173

Brooklyn Park

2,830,504

1.63%

116,444

125,529

288,168

291,191

Buffalo

770,700

0.44%

31,706

34,180

78,463

79,286

Burnsville

2,564,550

1.48%

105,503

113,734

261,091

263,830

Byron

222,417

0.13%

9,150

9,864

22,644

22,881

Cambridge

473,047

0.27%

19,461

20,979

48,160

48,665

Champlin

956,563

0.55%

39,352

42,422

97,386

98,407

Chanhassen

1,044,321

0.60%

42,962

46,314

106,320

107,435

Chaska

1,032,246

0.60%

42,465

45,779

105,091

106,193

Chisago City

254,535

0.15%

10,471

11,288

25,914

26,186

Chisholm

279,453

0.16%

11,496

12,393

28,451

28,749

Circle Pines

176,056

0.10%

7,243

7,808

17,924

18,112

Cloquet

690,929

0.40%

28,424

30,642

70,342

71,080

Columbia Heights

723,385

0.42%

29,759

32,081

73,646

74,419

Coon Rapids

2,512,887

1.45%

103,377

111,443

255,832

258,516

Corcoran

364,340

0.21%

14,989

16,158

37,093

37,482

Cottage Grove

1,546,706

0.89%

63,630

68,594

157,467

159,119

Crookston

534,963

0.31%

22,008

23,725

54,463

55,035

Crystal

827,141

0.48%

34,028

36,683

84,209

85,093

Dayton

259,000

0.15%

10,655

11,486

26,368

26,645

Delano

289,480

0.17%

11,909

12,838

29,471

29,781

Detroit Lakes

667,847

0.39%

27,474

29,618

67,992

68,705

Duluth

5,258,036

3.04%

216,309

233,187

535,310

540,925

Eagan

2,862,015

1.65%

117,740

126,926

291,376

294,432

East Bethel

756,487

0.44%

31,121

33,549

77,016

77,824

East Grand Forks

637,456

0.37%

26,224

28,270

64,898

65,579

Eden Prairie

2,641,707

1.53%

108,677

117,156

268,947

271,768

Edina

2,181,257

1.26%

89,734

96,736

222,069

224,399

Elk River

1,400,088

0.81%

57,598

62,092

142,540

144,035

Fairmont

672,047

0.39%

27,647

29,804

68,420

69,137

Falcon Heights

180,969

0.10%

7,445

8,026

18,424

18,617

Faribault

1,149,529

0.66%

47,290

50,980

117,031

118,259

Farmington

852,202

0.49%

35,059

37,794

86,761

87,671

Fergus Falls

985,649

0.57%

40,548

43,712

100,347

101,400

Forest Lake

1,178,243

0.68%

48,472

52,253

119,954

121,213

Fridley

1,092,547

0.63%

44,946

48,453

111,230

112,397

Glencoe

284,416

0.16%

11,701

12,613

28,956

29,260

Golden Valley

1,033,398

0.60%

42,513

45,830

105,208

106,312

Grand Rapids

930,201

0.54%

38,267

41,253

94,702

95,695

154	Municipal State Aid Street (MSAS)						
155	Municipality	2017 Allotment	% of total	FY 2018	FY 2019	FY 2020	FY 2021
156	Ham Lake	872,960	0.50%	35,913	38,715	88,874	89,807
157	Hastings	822,944	0.48%	33,855	36,496	83,782	84,661
158	Hermantown	618,526	0.36%	25,445	27,431	62,971	63,631
159	Hibbing	1,294,420	0.75%	53,251	57,406	131,782	133,165
160	Hopkins	679,417	0.39%	27,950	30,131	69,170	69,896
161	Hugo	686,835	0.40%	28,256	30,460	69,925	70,659
162	Hutchinson	733,854	0.42%	30,190	32,545	74,712	75,496
163	International Falls	275,257	0.16%	11,324	12,207	28,023	28,317
164	Inver Grove Heights	1,520,140	0.88%	62,537	67,416	154,762	156,386
165	Isanti	234,937	0.14%	9,665	10,419	23,918	24,169
166	Jordan	275,231	0.16%	11,323	12,206	28,021	28,315
167	Kasson	256,742	0.15%	10,562	11,386	26,138	26,413
168	LaCrescent	223,956	0.13%	9,213	9,932	22,800	23,040
169	Lake City	253,067	0.15%	10,411	11,223	25,764	26,035
170	Lake Elmo	491,531	0.28%	20,221	21,799	50,042	50,567
171	Lakeville	2,701,598	1.56%	111,141	119,812	275,044	277,929
172	Lino Lakes	964,551	0.56%	39,680	42,777	98,199	99,229
173	Litchfield	342,403	0.20%	14,086	15,185	34,859	35,225
174	Little Canada	442,120	0.26%	18,188	19,607	45,011	45,484
175	Little Falls	599,976	0.35%	24,682	26,608	61,082	61,723
176	Mahtomedi	312,061	0.18%	12,838	13,839	31,770	32,104
177	Mankato	1,981,572	1.14%	81,520	87,880	201,740	203,856
178	Maple Grove	2,826,055	1.63%	116,261	125,332	287,715	290,733
179	Maplewood	1,758,254	1.02%	72,333	77,976	179,004	180,882
180	Marshall	721,907	0.42%	29,698	32,016	73,496	74,267
181	Medina	286,100	0.17%	11,770	12,688	29,127	29,433
182	Mendota Heights	546,448	0.32%	22,480	24,234	55,633	56,216
183	Minneapolis	15,952,913	9.21%	656,284	707,490	1,624,133	1,641,171
184	Minnetonka	2,266,283	1.31%	93,232	100,507	230,726	233,146
185	Minnetrista	388,749	0.22%	15,993	17,240	39,578	39,993
186	Montevideo	279,064	0.16%	11,480	12,376	28,411	28,709
187	Monticello	539,820	0.31%	22,208	23,940	54,958	55,534
188	Moorhead	2,426,368	1.40%	99,818	107,606	247,023	249,615
189	Morris	287,428	0.17%	11,824	12,747	29,262	29,569
190	Mound	391,837	0.23%	16,120	17,377	39,892	40,311
191	Mounds View	484,476	0.28%	19,931	21,486	49,323	49,841
192	New Brighton	795,660	0.46%	32,733	35,286	81,004	81,854
193	New Hope	764,356	0.44%	31,445	33,898	77,817	78,634
194	New Prague	292,951	0.17%	12,052	12,992	29,825	30,138
195	New Ulm	714,786	0.41%	29,405	31,700	72,771	73,534
196	North Branch	773,368	0.45%	31,815	34,298	78,735	79,561
197	North Mankato	661,041	0.38%	27,194	29,316	67,299	68,005
198	North St. Paul	511,688	0.30%	21,050	22,693	52,094	52,640
199	Northfield	808,650	0.47%	33,267	35,863	82,327	83,191
200	Oak Grove	629,479	0.36%	25,896	27,917	64,086	64,758
201	Oakdale	932,389	0.54%	38,357	41,350	94,925	95,920
202	Orono	352,528	0.20%	14,503	15,634	35,890	36,267
203	Otsego	785,978	0.45%	32,334	34,857	80,019	80,858
204	Owatonna	1,349,811	0.78%	55,530	59,862	137,421	138,863
205	Plymouth	3,196,402	1.85%	131,496	141,756	325,419	328,833
206	Prior Lake	957,362	0.55%	39,385	42,458	97,467	98,490
207	Ramsey	1,199,156	0.69%	49,332	53,181	122,084	123,364
208	Red Wing	926,741	0.54%	38,125	41,100	94,350	95,339
209	Redwood Falls	299,955	0.17%	12,340	13,303	30,538	30,858
210	Richfield	1,526,618	0.88%	62,803	67,703	155,422	157,052
211	Robbinsdale	545,421	0.31%	22,438	24,189	55,528	56,111
212	Rochester	5,465,966	3.16%	224,863	242,408	556,479	562,316
213	Rogers	715,813	0.41%	29,448	31,745	72,875	73,640
214	Rosemount	1,101,309	0.64%	45,307	48,842	112,122	113,298
215	Roseville	1,362,945	0.79%	56,070	60,445	138,759	140,214
216	Sartell	803,187	0.46%	33,042	35,620	81,771	82,629
217	Sauk Rapids	657,872	0.38%	27,064	29,176	66,977	67,679
218	Savage	1,201,368	0.69%	49,423	53,279	122,309	123,592
219	Shakopee	1,649,600	0.95%	67,863	73,158	167,942	169,704
220	Shoreview	963,002	0.56%	39,617	42,708	98,041	99,070
221	Shorewood	347,470	0.20%	14,295	15,410	35,375	35,746
222	South St. Paul	797,082	0.46%	32,791	35,350	81,149	82,001
223	Spring Lake Park	240,130	0.14%	9,879	10,649	24,447	24,704
224	St. Anthony	354,830	0.20%	14,597	15,736	36,125	36,503
225	St. Cloud	3,177,474	1.83%	130,718	140,917	323,492	326,886
226	St. Francis	462,777	0.27%	19,038	20,524	47,114	47,609
227	St. Joseph	199,844	0.12%	8,221	8,863	20,346	20,559
228	St. Louis Park	1,945,243	1.12%	80,025	86,269	198,041	200,119
229	St. Michael	945,401	0.55%	38,893	41,927	96,249	97,259

230 **Municipal State Aid Street (MSAS)**

231 Municipality	2017 Allotment	% of total	FY 2018	FY 2019	FY 2020	FY 2021
232 St. Paul	12,322,193	7.11%	506,921	546,473	1,254,497	1,267,657
233 St. Paul Park	247,438	0.14%	10,179	10,974	25,191	25,455
234 St. Peter	607,128	0.35%	24,977	26,925	61,810	62,459
235 Stewartville	216,576	0.13%	8,910	9,605	22,049	22,280
236 Stillwater	812,935	0.47%	33,443	36,053	82,763	83,631
237 Thief River Falls	683,106	0.39%	28,102	30,295	69,546	70,275
238 Vadnais Heights	452,806	0.26%	18,628	20,081	46,099	46,583
239 Victoria	318,021	0.18%	13,083	14,104	32,377	32,717
240 Virginia	534,230	0.31%	21,978	23,692	54,389	54,959
241 Waconia	508,584	0.29%	20,923	22,555	51,778	52,321
242 Waite Park	318,371	0.18%	13,097	14,119	32,413	32,753
243 Waseca	362,281	0.21%	14,904	16,067	36,883	37,270
244 West St. Paul	715,840	0.41%	29,449	31,747	72,878	73,643
245 White Bear Lake	916,363	0.53%	37,698	40,639	93,293	94,272
246 Willmar	1,126,020	0.65%	46,323	49,937	114,638	115,840
247 Winona	1,158,916	0.67%	47,676	51,396	117,987	119,225
248 Woodbury	2,985,259	1.72%	122,810	132,392	303,923	307,111
249 Worthington	533,698	0.31%	21,956	23,669	54,335	54,905
250 Wyoming	455,901	0.26%	18,755	20,219	46,414	46,901
251 Zimmerman	225,734	0.13%	9,286	10,011	22,982	23,223

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253 **TOTAL** **173,218,364** **7,126,000** **7,682,000** **17,635,000** **17,820,000**

254 Note: Estimates based on MnDOT 2017 Commissioner's Orders, assume no change in demographic or road indicators af

**163.051 COUNTY WHEELAGE TAX.**

Subdivision 1. **Tax authorized.** (a) Except as provided in paragraph (c), the board of commissioners of each county is authorized to levy by resolution a wheelage tax at the rate specified in paragraph (b), on each motor vehicle that is kept in such county when not in operation and that is subject to annual registration and taxation under chapter 168. The board may provide by resolution for collection of the wheelage tax by county officials or it may request that the tax be collected by the state registrar of motor vehicles. The state registrar of motor vehicles shall collect such tax on behalf of the county if requested, as provided in subdivision 2.

(b) The wheelage tax under this section is at the rate of:

(1) from January 1, 2014, through December 31, 2017, \$10 per year for each county that authorizes the tax; and

(2) on and after January 1, 2018, up to \$20 per year, in any increment of a whole dollar, as specified by each county that authorizes the tax.

(c) The following vehicles are exempt from the wheelage tax:

(1) motorcycles, as defined in section 169.011, subdivision 44;

(2) motorized bicycles, as defined in section 169.011, subdivision 45; and

(3) motorized foot scooters, as defined in section 169.011, subdivision 46.

(d) For any county that authorized the tax prior to May 24, 2013, the wheelage tax continues at the rate provided under paragraph (b).

Subd. 2. **Collection by registrar of motor vehicles.** The wheelage tax levied by any county, if made collectible by the state registrar of motor vehicles, shall be certified by the county auditor to the registrar not later than August 1 in the year before the calendar year or years for which the tax is levied, and the registrar shall collect such tax with the motor vehicle taxes on the affected vehicles for such year or years. Every owner and every operator of such a motor vehicle shall furnish to the registrar all information requested by the registrar. No state motor vehicle tax on any such motor vehicle for any such year shall be received or deemed paid unless the applicable wheelage tax is paid therewith.

Subd. 2a. **Tax proceeds deposited; costs of collection; appropriation.** Notwithstanding the provisions of any other law, the state registrar of motor vehicles shall deposit the proceeds of the wheelage tax imposed by subdivision 2, to the credit of the county wheelage tax account of each county. The amount necessary to pay the costs of collection of said tax is appropriated from the county wheelage tax account of each county to the state registrar of motor vehicles.

Subd. 3. **Distribution to county; appropriation.** On a monthly basis, the registrar of motor vehicles shall issue a warrant in favor of the treasurer of each county for which the registrar has collected a wheelage tax in the amount of such tax then on hand in the county wheelage tax account. There is hereby appropriated from the county wheelage tax account each year, to each county entitled to payments authorized by this section, sufficient moneys to make such payments.

Subd. 4. **Use of tax.** The treasurer of each county receiving payments under subdivision 3 shall deposit such payments in the county road and bridge fund. The moneys shall be used for purposes authorized by law which are highway purposes within the meaning of the Minnesota Constitution, article 14.

Subd. 5. [Repealed, 2008 c 154 art 2 s 33]

Subd. 6. [Repealed by amendment, 2013 c 117 art 3 s 4]

Subd. 7. **Offenses; penalties; application of other laws.** (a) Any owner or operator of a motor vehicle who willfully gives any false information relative to the tax authorized by this section to the registrar of motor vehicles or any county, or who willfully fails or refuses to furnish any such information, is guilty of a misdemeanor.

(b) Except as otherwise provided in this section, the collection and payment of a wheelage tax and all matters relating thereto are subject to all provisions of law relating to collection and payment of motor vehicle taxes so far as applicable.

**History:** 1971 c 830 s 11; Ex1971 c 48 s 12; 1973 c 492 s 14; 1973 c 551 s 1,2; 1976 c 2 s 172; 1986 c 444; 2003 c 112 art 2 s 50; 2008 c 350 art 1 s 4; 2008 c 366 art 9 s 1; 2009 c 101 art 2 s 109; 2013 c 117 art 3 s 4

**297A.993 GREATER MINNESOTA TRANSPORTATION SALES AND USE TAX.**

Subdivision 1. **Authorization; rates.** Notwithstanding section 297A.99, subdivisions 1, 2, 3, 5, and 13, or 477A.016, or any other law, the board of a county outside the metropolitan transportation area, as defined under section 297A.992, subdivision 1, or more than one county outside the metropolitan transportation area acting under a joint powers agreement, may by resolution of the county board, or each of the county boards, following a public hearing impose (1) a transportation sales tax at a rate of up to one-half of one percent on retail sales and uses taxable under this chapter, and (2) an excise tax of \$20 per motor vehicle, as defined in section 297B.01, subdivision 11, purchased or acquired from any person engaged in the business of selling motor vehicles at retail, occurring within the jurisdiction of the taxing authority.

Subd. 2. **Allocation; termination.** The proceeds of the taxes must be dedicated exclusively to: (1) payment of the capital cost of a specific transportation project or improvement; (2) payment of the costs, which may include both capital and operating costs, of a specific transit project or improvement; (3) payment of the capital costs of a safe routes to school program under section 174.40; or (4) payment of transit operating costs. The transportation or transit project or improvement must be designated by the board of the county, or more than one county acting under a joint powers agreement. Except for taxes for operating costs of a transit project or improvement, or for transit operations, the taxes must terminate when revenues raised are sufficient to finance the project.

Subd. 3. **Administration, collection, enforcement.** The administration, collection, and enforcement provisions in section 297A.99, subdivisions 4 and 6 to 12, apply to all taxes imposed under this section.

**History:** 2008 c 152 art 4 s 3; 2009 c 88 art 8 s 4; 2013 c 117 art 3 s 25,26



# Local Option Taxes for Transportation

February 2017



Association of  
Minnesota Counties

[www.mncounties.org](http://www.mncounties.org)

