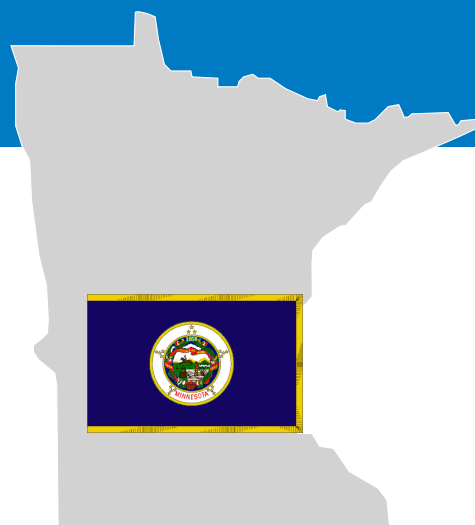


Tax Facts & Comparisons Minnesota

Taxes are complicated. Each state's tax code is a multifaceted system with many moving parts, and Minnesota is no exception. The Tax Foundation produces a number of rankings that evaluate states on tax structures and overall tax burdens. Here's how Minnesota scores.



Tax Foundation Rankings of Minnesota

State Business Tax Climate Index

47th
best

Minnesota ranks 47th out of the 50 states on the Tax Foundation's 2014 *State Business Tax Climate Index*, which annually compares the states' tax systems on over 100 variables that impact business. Last year, Minnesota ranked 47th.

Minnesota's individual income tax ranks 46th best, its corporate income tax ranks 44th best, its sales tax ranks 37th best, its property tax ranks 34th best, and its unemployment insurance tax ranks 29th best.

Neighboring states' ranks: Wisconsin (43rd), Iowa (41st), North Dakota (25th), South Dakota (2nd)

State-Local Tax Burdens Rank

6th
highest

Estimated at 10.7% of income, Minnesota's 2011 state-local tax burden ranks 6th highest nationally, above the national average of 9.8%. Minnesota taxpayers pay \$4,858 per capita in state and local taxes.

Neighboring states' ranks: Wisconsin (5th), Iowa (29th), North Dakota (36th), South Dakota (48th)

Tax Freedom Day®

2015
April
30

In 2014, Minnesota taxpayers worked 120 days into the year until April 30 to pay their total tax bill, ranking 44th highest nationally.

That's 6 days after national Tax Freedom Day (April 21), the day when Americans finally have earned enough money to pay their total tax bill for the year.

More at taxfoundation.org/publications

Minnesota Taxes at a Glance

Each state uses a variety of tax tools to raise revenue, including individual income taxes, property taxes, and sales taxes, among others. Here are some facts on how Minnesota structures their different tax types:

Note: All collections listed on this page are combined state and local tax collections as reported by the Census Bureau's Government Finance Division. For all ranks, 1 indicates highest among the 50 states.

General Info

		Rank	Nat. Avg.
Income per capita	\$45,552	14th	\$43,735
Federal aid as % of gen. revenue	26%	39th	32.8%
State debt per capita	\$9,033	17th	\$3,678

Individual Income Tax

Number of brackets	4
Bottom income bracket rate	5.35%
Bottom bracket kick in	\$0
Top income tax rate	9.85%
Top bracket kick in	\$154,950
Collections per capita (2012)	\$1,489
Collections rank (2012)	6th

Property Tax

Collections per capita (2012)	\$1,466
Collections rank (2012)	16th
Property taxes paid as share of owner-occupied housing value (2013)	1.19%
Property taxes paid percent rank (2013)	19th

Sources of State & Local Tax Collections

	Minnesota	All States.
Property Tax	28%	32%
Sales Tax	18%	23%
Corporate Income Tax	4%	4%
Individual Income Tax	28%	22%
Other	22%	20%

Corporate Income Tax

Number of brackets	1
Top corporate tax rate	9.80%
Collections per capita (2012)	\$199
Collections rank (2012)	10th

Sales Tax

State rate	6.88%
State + average local rate	7.20%
State + average local rank	17th
Collections per capita (2011)	\$944
Collections rank (2011)	24th

Excise Taxes

	Rate	Rank
Gasoline taxes and fees	28.6¢ per gallon	20th
Cigarette taxes	\$2.90 per pack	7th
Spirits taxes	\$8.59 per gallon	13th
Beer taxes	\$0.47 per gallon	11th
Cell phone taxes	9.42%	26th

Other Taxes

	Rate	Exemption
Gross receipts tax	None	N/A
Capital stock tax	None	N/A
Inheritance tax	None	N/A
Estate tax	9-16%	\$1,400,000

About the Tax Foundation



The Tax Foundation is the nation's leading independent tax policy research organization. Since 1937, our principled research, insightful analysis, and engaged experts have informed smarter tax policy at the federal, state, and local levels. Our Center for

State Tax Policy is routinely relied upon for presentations, testimony, and media appearances on state tax and fiscal policy, and our website is a comprehensive resource for information on tax and spending policy in each U.S. state.

More at taxfoundation.org