

**Date:** December 1, 2025

**To:** Energy Transition Advisory Committee (ETAC)

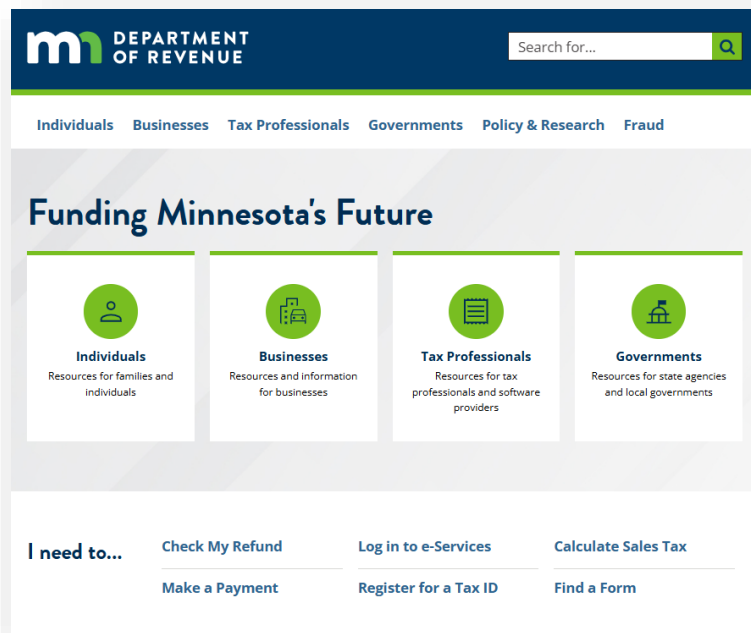
**From:** Holly Soderbeck, Property Tax Division, Minnesota Department of Revenue

## RE: Fourth Quarter 2025 ETAC Meeting

---

### New Look for Revenue's Homepage

We updated the design of our [Revenue homepage](#) on Friday, November 7. This update helps make the site easier to use, more inclusive, and more helpful for all visitors. No URLs or bookmarks have changed. Any links you use will work as before.



---

### Electric Generation Transition Aid

When a utility retires an electric generation unit that uses coal, natural gas, or nuclear as its primary fuel source, local jurisdictions where the facility is located may be eligible for aid. Local jurisdictions include counties, cities, townships, and school districts. This legislation was enacted in 2023 and applies to retirements that occurred 2016 and forward.

In order to be eligible, the facility's net tax capacity must be 4% or more of the host jurisdiction's net tax capacity. The aid is eliminated if the jurisdiction's net tax capacity is 90% of its pre-retirement net tax capacity, with an additional consideration for the growth in the statewide net tax capacity.

Below are the certified aid amounts, by jurisdiction:

Recipient	Amount by Year		
	2024	2025	2026
Itasca County	\$1,119,280		
City of Cohasset	\$452,664	\$430,031	\$407,398
City of Granite Falls	\$135,777	\$128,988	\$122,199
Manyaska Township	\$20,282	\$19,268	\$18,254
Independent School District 318 (Grand Rapids)	\$418,392		
Independent School District 2448 (Martin County West)	\$21,910		
Sherburne County		\$455,980	
City of Fergus Falls		\$256,116	
City of Becker		\$573,160	
Independent School District 726 (Becker)		\$240,015	

Resources:

- <https://www.revenue.state.mn.us/electric-generation-transition-aid>
- <https://www.revisor.mn.gov/statutes/cite/477A.24>

---

## Preliminary Property Tax Levies for 2026

The Minnesota Department of Revenue annually releases a list of the preliminary maximum property tax levies that have been reported by local governments and have been passed by local school referenda on November 4, 2025.

For 2026, preliminary property taxes statewide could increase by a maximum of \$948.2 million over 2025, a 6.9% increase. Last year, the final statewide levy increase was \$63 million lower than the preliminary levies, resulting in a 5.6% increase.

**Cities** - The 2026 preliminary property tax levies for cities will total approximately \$4.022 billion compared with a final levy of \$3.7 billion in 2025, an 8.7% increase.

**Counties** - The 2026 preliminary property tax levies for counties will total approximately \$4.543 billion compared with a final levy of \$4.201 billion in 2025, an 8.1% increase.

**Townships** - The 2026 preliminary property tax levies for townships will total approximately \$350 million compared with a final levy of \$331 million in 2025, a 5.6% increase.

**Schools** - The 2026 preliminary property tax levies for schools will total approximately \$4.390 billion compared with a final levy of \$4.148 billion in 2025, a 5.8% increase.

**Special Taxing Districts** - The 2026 preliminary property tax levies for special taxing districts will total approximately \$546 million compared with a final levy of \$522 million in 2025, a 4.6% increase.

Truth-in-Taxation notices do not include the results of levy referenda for operations or capital projects by 70 of Minnesota's school districts. The results of these referenda are included in the [summarized data](#). Statewide, 44 of the 70 referenda at least partially passed.

The preliminary property tax levy information for local governments and schools is available on the [Department of Revenue Property Tax Reports and Data website](#).

### **Truth-in-Taxation notices**

The preliminary amounts are used by counties to compute parcel-specific property tax estimates for 2026, which are mailed to property owners in November in the form of Truth-in-Taxation notices. Truth-in-Taxation notices also list Truth-in-Taxation meeting times and locations for residents. These meetings, which take place between late November and late December, are an opportunity for Minnesotans to provide input to local leaders on their levies and on how they are proposing to spend tax dollars. These meetings are required for cities with populations over 500, counties, school districts, regional library authorities, and metropolitan taxing districts.

After input from citizens, local governments must set their final 2026 property tax levies by December 29, 2025. The final levies can be set lower, but not higher, than preliminary levies. The department will release final property tax levy information in February.

---

## **Minnesota Revenue urges shutdown-affected taxpayers to explore available tax options**

With the federal government shutdown entering its second month, the Minnesota Department of Revenue reminds those impacted of the various options available to lessen the negative effects of the shutdown. These include claiming previously unclaimed tax credits, amending previously filed returns to claim forgotten credits, and applying for relief from penalty and interest on tax payment agreements.

"The impacts of the federal government shutdown are being felt across the state of Minnesota, impacting both our federal workforce and those who depend on the federal government for critical services such as heating and nutrition assistance," said Revenue Commissioner Paul Marquart. "The Minnesota Department of Revenue wants to meet this critical moment for taxpayers. We have resources available to help those taxpayers get valuable tax credits they may not have claimed previously as well as information for those struggling to make their tax payments due to the shutdown."

### **Didn't have a tax filing obligation? You can still file and claim credits that you qualify for.**

If you have not filed an individual income tax return, you can go back up to 3 1/2 years from the due date (typically April 15) to file and claim most income tax credits you qualify to receive. You can file a return and claim some credits, even if you do not have a tax filing obligation. Filing a tax return and claiming credits you are qualified to receive could result in a refund.

You may be able to claim credits like the:

- [Child Tax Credit](#)
- [Renter's Credit](#)
- [Working Family Credit](#)

To learn more about specific credits and filing requirements, visit the [Income Tax Credits](#) webpage.

**Forgot to claim a tax credit? You can file an amended return to get your tax benefit.**

If you forgot to claim a credit on your Minnesota Individual Income Tax return after you filed it, you can file [Form M1X, Amended Minnesota Income Tax](#), to correct it and claim the credit. Doing this may result in a refund.

To learn more about filing an amended return, visit the [Amending an Income Tax Return](#) webpage.

**Owe Minnesota Revenue a debt and have trouble making payments due to the shutdown? Contact us to discuss your options.**

If the federal government shutdown has impacted you financially and made you unable to pay for basic necessities, we're here to help. Claiming a hardship looks different depending on the current situation of your collection:

- If we issued a [wage levy](#) to your employer, you may request a reduction of the amount withheld from your paycheck.
- If you received a bill and cannot pay in full, you may request a [payment agreement](#) to pay your debt through installment payments.
- If you cannot afford to pay in full or set up a payment agreement, you may request a temporary [suspension of collection activity](#).

No matter your situation, we may ask for information about your income and expenses or supporting documentation to ensure we are meeting your needs.

To learn more about claiming a financial hardship, visit the [Financial Hardship](#) webpage or call us at 651-556-3003 or 800-657-3909.

**Chose advance payment for your Child Tax Credit? Third and final payment will be coming earlier than expected.**

The third and final advance payment for the 2025 Child Tax Credit will start reaching recipients in mid-November. More than 17,000 Minnesota families elected to receive advance payment of part of their 2025 credit to help meet their financial needs throughout the year. The average advance payment is \$447.

**Want to help and reduce your taxable income for this year? Take advantage of tax savings on charitable contributions over \$500.**

Not all Minnesotans are directly impacted by the federal government shutdown but may want to help those in need. Many Minnesota charities have stepped up to help those affected by the shutdown and would welcome charitable contributions. Under Minnesota law, if you do not itemize on your Minnesota return, you can take a subtraction for 50% of the amount of charitable contributions made over \$500 for this tax year. This could reduce the amount of tax owed or increase a refund when filing your tax return in 2026.