

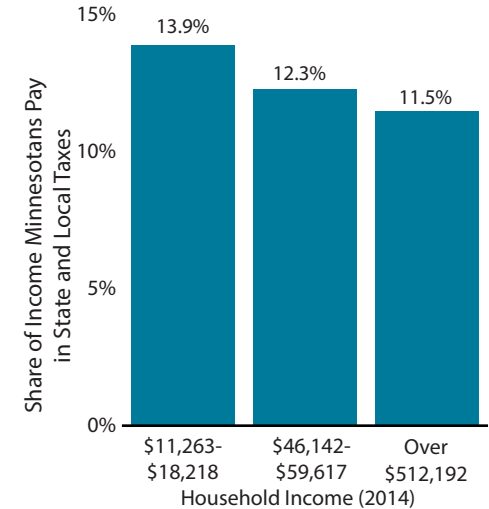
Everyone is an important part of Minnesota's tax system, and can have a say at the Capitol

Today, you might have paid...

- sales taxes by buying school supplies
- income taxes through your paycheck
- property taxes through your rent

...You're paying into Minnesota's tax system!

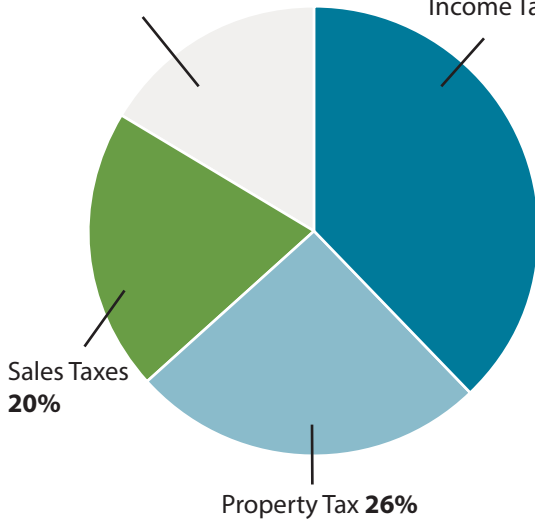
Low-income folks in Minnesota actually contribute a higher percentage of their incomes to fund public services than the highest-income Minnesotans.



State and Local Taxes Paid by Minnesotans

Other, including corporate taxes, tobacco taxes **16%**

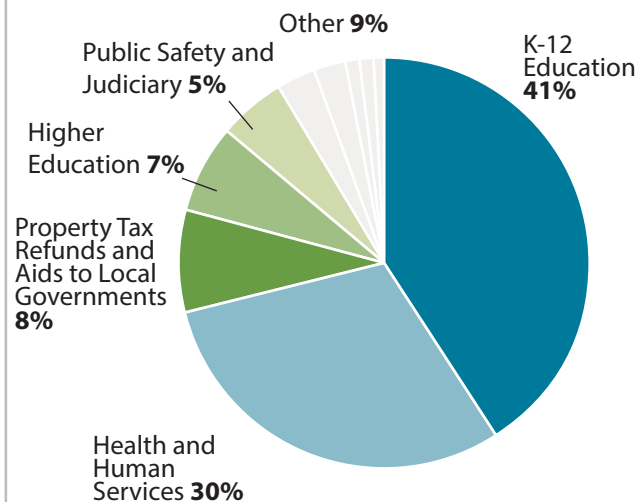
Individual Income Tax **38%**



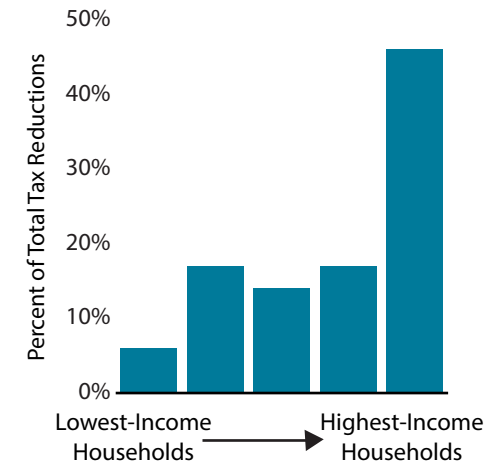
Together, low-income households contribute \$1.8 billion annually in state and local taxes.

Here's broadly where your money goes....

State General Fund Spending



Here's where targeted income tax reductions, including those that promote wealth and savings, go...



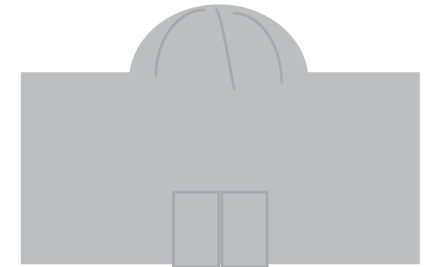
Higher-income households often receive larger tax breaks through things like the Mortgage Interest Deduction, which allows homeowners to reduce their taxes.

Do you have questions about the budget or process? Contact Clark at cgoldenrod@mnbudgetproject.org or 651-757-3071

Do you have ideas about what's important? Contact your legislator to have your voice heard! <https://www.leg.state.mn.us/leg/districtfinder>

Here's an overview of the process for setting the state's budget

In an odd year like 2019, state policymakers pass a two-year budget



Summer to Winter:
Governor develops budget proposal

If you have a policy proposal you want to advance, this is a good time to start talking to folks in the administration about your great idea. Getting your proposal in the governor's budget could be a huge first step for your policy!

Early January:
Legislative Session Starts

If you have an idea, you can talk to your legislator (or another one who's passionate about your issue) about introducing a bill to make your policy happen.

January to May: Legislature hears bills, puts together budget

The Legislature usually puts together several large "omnibus" budget bills, each of which cover a piece of the budget, like K-12 education. These bills usually get put together sometime in April. There are legislative hearings you can go to to learn more. If you have a specific policy you're trying to pass, work with a legislator to get it in the right budget bill!

July 1: New budget goes into effect

This is the beginning of the new fiscal year, which starts July 1 and ends June 30.

Early December: Budget Forecast released

The budget forecast comes out twice a year and looks at how much the state is expected to collect in revenues and spend on its current commitments. The forecast is based on current law and how well the economy is expected to do. The Governor uses this forecast to build their budget.

Mid-January: Governor releases budget proposal

The Governor releases their budget as one big package. After it's released, legislators will hold hearings to better understand the Governor's ideas. Anyone can go to these hearings, so you can listen in too! If the Governor is new, their budget is released in mid-February.

Late-February: Budget Forecast released, informs Governor and Legislature

This is the second budget forecast, and it is what the Legislature uses to build their budget bills. The Governor also provides an updated version of their budget based off this forecast.

Late-May: Budget passed, Legislative Session ends



In even years like 2020, policymakers work on a smaller supplemental budget. In these years, policymakers also often pass a "bonding bill" to fund capital projects (like building libraries or repairing roads). The legislative session is also often shorter in these years, sometimes starting in February or March, but still ending in late May.

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