

St. Paul 1/2 % And 1% Sales Tax Revenue Estimates for 2024 & 2025

Between 2019 & 2022 Minneapolis 1/2% Sales Tax Revenue DECREASED \$15.6m (31%).

Why no recovery, maybe high crime?

Between 2021 & 2022 St. Paul's 1/2% Sales Tax Revenue INCREASED \$4.2m (21%). 2023 Collection was \$26.7m, another \$2.5m increase of 11%

The 1/2 % Sales Tax Revenue Estimates in St. Paul's budget for 2024 is \$22m; & for 2025 is \$23m. These estimates could conservatively be \$26m.

The 1 % Sales Tax Revenue Estimates in St. Paul's budget for 2024 is \$29.2m & for 2025 is \$46m. Conservatively they could be \$34.6m and \$52.0m

Local Cities Sales Tax Collections

Actual Gross Collections Through 2022

Amounts Represent Gross Collections, Before Refunds

Source Mn Department Of Revenue

	MINNEAPOLIS		ST. PAUL	
Tax Rate:	0.50%		0.50%	
Yr Imposed	1987		1993	
		Annual Change		Annual Change
2013	33,548,740	Base	17,502,316	Base
2014	35,091,142	4.6%	18,110,021	3.5%
2015	36,376,863	3.7%	18,558,003	2.5%
2016	37,624,600	3.4%	19,056,604	2.7%
2017	38,296,757	1.8%	19,333,872	1.5%
2018	40,343,766	5.3%	19,525,456	1.0%
2019	50,818,755	26.0%	19,992,107	2.4%
2020	33,761,593	-33.6%	18,399,339	-8.0%
2021	36,700,052	8.7%	19,972,265	8.5%
2022	35,257,508	-3.9%	24,160,934	21.0%
Period Change	5.1%		38.0%	

Big \$10.5m Gain In 2019

Big St.Paul 21% Gain

Mpls Big \$15.5m Drop

Why St.Paul \$4m Gain

High Crime Keeping People Away?

A \$26m 1/2% SalesTax Collection Means: \$2.6m Cultural, \$10.4m RiverCenter & Downtown, and \$13.0m for Neighborhood Projects .

City of St. Paul Sales Tax Rate Of 9.8% Is The Highest In Minnesota

Minnesota State Tax	6.88%
Metro Tax For Housing	0.25%
Metro Area Transportation	0.75%
Ramsey County Transit	0.50%
STAR Program	0.50%
Street Mntc & Parks	1.00%
TOTAL ST.PAUL TAX RATE	9.88%

Use Of 1/2% Sales Tax

For The STAR Program

Planning & Economic Development Budgets

Neighborhood Projects 50%

RiverCenter & Downtown 40%

Cultural Projects 10%

TOTAL STAR 1/2% 100%

PLANNING & ECONOMIC DEVELOPMENT

City Sales Tax Fund for 1/2% Tax

Amounts Identified in City Budget Documents

Adopted	Adopted	Adopted	Proposed
2022 Budget	2023 Budget	2024 Budget	2025 Budget
Actual 2019			
19,557,706	Actual 2020		
	18,093,007	Actual 2021	
		19,665,136	Actual 2022
			23,478,172
	2023 Budget:		21,000,000
	2024 Budget:		22,000,000
	2025 Budget:		23,000,000

1% SALES TAX BUDGET EST.

Adopted 2024 Budget	29,184,000
Mayor Prop. 2025 Budg	46,000,000

GB's Low Revenue Guess

1/2% and 1% Sales Tax

Estimates For: 2024 & 2025

1/2% SalesTax	1% SalesTax
Actual 2023	
\$26,700,000 a	\$0
\$26,000,000 b	\$34,666,667
\$26,000,000	\$52,000,000

a = Actual 2023 Collection: \$24m to City & \$2.7m to RiverCenter b = Est. 8 Payment months (Start Prog.4-1-24) 1st Pay from Mn. to City is July, with Jan & Feb next Yr for 2024 revenue