

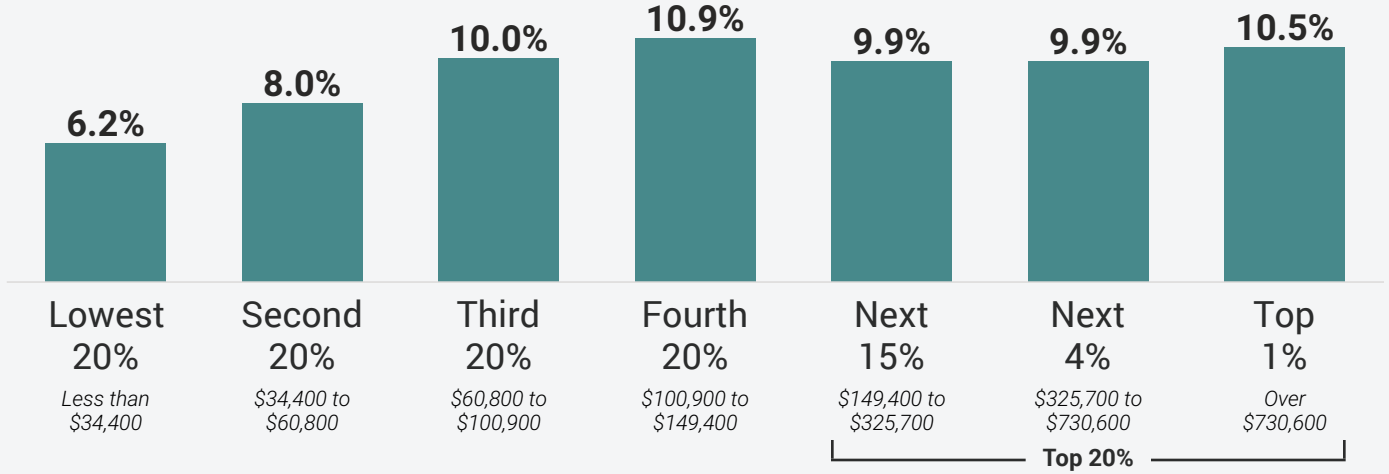


Minnesota

State and local tax shares of family income

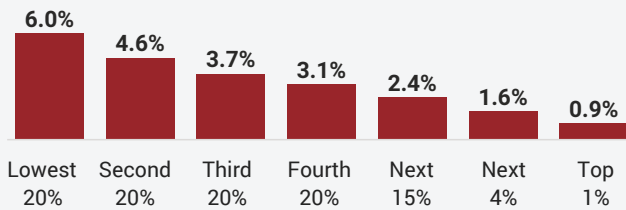
Total Taxes

Share of family income



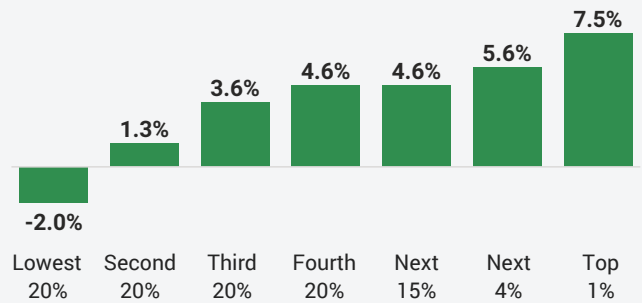
Sales & Excise Taxes

Share of family income



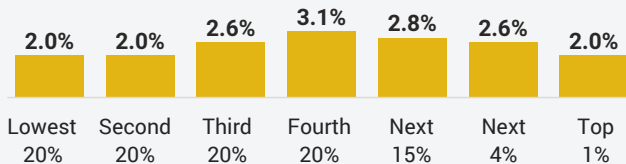
Personal Income Taxes

Share of family income



Property Taxes

Share of family income








Note: All figures and charts show 2024 tax law in Minnesota, presented at 2023 income levels. Senior taxpayers are excluded for reasons detailed in the methodology. Our analysis includes nearly all (99.9 percent) state and local tax revenue collected in Minnesota. As seen in Appendix D, recent tax policy changes have added to the progressivity of Minnesota's tax system. Overall tax rates on the top 1 percent rose by 0.4 percentage points because of these changes while tax rates for the bottom fifth fell by 2.6 percentage points. These changes caused the state to move 3 spots in the ITEP Inequality Index rankings, from 47th to 50th most regressive.

Minnesota

State and local tax (cont.)

Individual figures may not sum to totals due to rounding.

Income Group	Top 20%						
	Lowest 20%	Second 20%	Middle 20%	Fourth 20%	Next 15%	Next 4%	Top 1%
Income Range	Less than \$34,400	\$34,400 to \$60,800	\$60,800 to \$100,900	\$100,900 to \$149,400	\$149,400 to \$325,700	\$325,700 to \$730,600	Over \$730,600
Average Income in Group	\$19,000	\$46,900	\$79,900	\$126,700	\$205,700	\$445,000	\$1,501,300
 Sales & Excise Taxes	6.0%	4.6%	3.7%	3.1%	2.4%	1.6%	0.9%
General Sales—Individuals	2.6%	2.4%	2.0%	1.7%	1.3%	0.8%	0.3%
Other Sales & Excise—Ind.	2.3%	1.2%	0.8%	0.6%	0.4%	0.2%	0.1%
Sales & Excise—Business	1.1%	1.0%	0.9%	0.8%	0.7%	0.6%	0.5%
 Property Taxes	2.0%	2.0%	2.6%	3.1%	2.8%	2.6%	2.0%
Home, Rent, Car—Individuals	1.4%	1.5%	2.1%	2.7%	2.3%	2.0%	0.7%
Other Property Taxes	0.6%	0.5%	0.5%	0.4%	0.5%	0.6%	1.3%
 Income Taxes	-2.0%	1.3%	3.6%	4.6%	4.6%	5.6%	7.6%
Personal Income Taxes	-2.0%	1.3%	3.6%	4.6%	4.6%	5.6%	7.5%
Corporate Income Taxes	0.1%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%
 Other Taxes	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
 TOTAL TAXES	6.2%	8.0%	10.0%	10.9%	9.9%	9.9%	10.5%

ITEP Tax Inequality Index

Minnesota has a hybrid system that is progressive through some parts of the income distribution and regressive through other parts. On balance, the overall system tilts slightly progressive according to ITEP's Tax Inequality Index because lower and moderate income families pay the lowest tax rates. High-earners, however, often pay lower rates than middle-income families. **Minnesota ranks 50th on the Index** and only the District of Columbia has a more progressive system. (See Appendix B for state-by-state rankings and the report methodology for additional detail.)

Tax features driving the data in Minnesota

