

DISABLED VETERAN HOMESTEAD EXCLUSION CAP INCREASE

Estimated Additional Property Tax Value Shift - Central Planning Estimate

<p>Central planning estimate</p> <p>0.12%</p> <p>of total county estimated market value statewide</p>	<p>Theoretical maximum</p> <p>0.24%</p> <p>of total county estimated market value statewide</p>
--	--

Purpose. This estimate provides a reasonable planning projection of the additional property tax value shift from increasing Minnesota's Disabled Veteran Homestead Market Value Exclusion from \$300,000 to \$450,000 for 100% P&T disabled Veterans and from \$150,000 to \$225,000 for Veterans rated 70% to 100% (non-P&T) disabled.

WHAT THE ESTIMATE MEANS

- The estimate measures the added excluded market value as a percentage of total county estimated market value statewide.
- It does not attempt to calculate the exact tax change for any individual homeowner or taxing jurisdiction.
- The percentage approach is more useful for policy discussion because the shift is measured against the full statewide property value base, not viewed as a raw isolated number.

DATA USED

- 2024 county-level data showing total county estimated market value, current disabled Veteran excluded market value, and current excluded share of county market value.
- The model uses the existing county-by-county exclusion pattern as the baseline, then estimates how much additional exclusion would likely be realized under higher caps.

KEY ASSUMPTION

- The caps increase by 50%, but the added exclusion is not expected to increase by 50% in practice.
- Many qualifying homes, especially in lower-value housing markets, are likely below the current caps and therefore would not receive the full additional exclusion.
- A home must have enough market value above the current cap to generate additional excluded value under the proposed higher cap.

METHODOLOGY

- The central estimate uses a county-level cap-saturation model: counties with higher-value housing markets are assumed to have more qualifying properties at or near the current caps; counties with lower-value housing markets are assumed to have fewer.
- The central model applies county factors equal to approximately 14.0% to 32.5% of current disabled Veteran excluded value, depending on the local cap-saturation assumption.
- This produces a statewide central estimate of approximately 0.12% of total county estimated market value, compared with a theoretical maximum of approximately 0.24%.

WHY THIS IS DEFENSIBLE

- It is grounded in actual 2024 county-level exclusion data rather than a statewide flat assumption.
- It accounts for the practical limit created by home values: only properties that can use the higher cap generate additional excluded value.
- It fits the expected pattern: lower additional impact in many rural counties due to lower median home values, and diluted percentage impact in metro counties because of much larger tax bases.
- The broader planning range is approximately 0.06% to 0.18% of total county estimated market value statewide, with the central estimate near the middle of that range.

Important limitation: Final taxpayer-level impact would depend on local levies, tax capacity, class rates, referendum market value effects, parcel-level home values, and the rating category of each qualifying Veteran. Without parcel-level claimant data, this should be treated as a transparent central planning estimate, not a final tax-incidence calculation.

County	County EMV	Current Veterans	Current Exclusion	Central additional	Central added
AITKIN	\$5,371,235,200	\$35,060,068	0.653%	\$7,012,014	0.131%
ANOKA	\$54,382,825,800	\$357,077,950	0.657%	\$116,050,334	0.213%
BECKER	\$8,975,972,450	\$51,741,500	0.576%	\$9,054,763	0.101%
BELTRAMI	\$5,618,929,490	\$62,669,200	1.115%	\$10,967,110	0.195%
BENTON	\$5,285,563,300	\$51,811,500	0.980%	\$9,067,013	0.172%
BIG STONE	\$2,066,572,800	\$8,156,800	0.395%	\$1,141,952	0.055%
BLUE EARTH	\$12,502,144,800	\$66,635,800	0.533%	\$14,993,055	0.120%
BROWN	\$5,954,800,837	\$27,714,600	0.465%	\$4,850,055	0.081%
CARLTON	\$4,742,144,200	\$71,619,425	1.510%	\$10,026,720	0.211%
CARVER	\$21,535,307,500	\$63,464,000	0.295%	\$20,625,800	0.096%
CASS	\$11,871,794,900	\$75,787,181	0.638%	\$17,052,116	0.144%
CHIPPEWA	\$3,810,446,800	\$9,900,450	0.260%	\$1,386,063	0.036%
CHISAGO	\$9,744,039,100	\$81,702,100	0.838%	\$22,468,078	0.231%
CLAY	\$9,424,123,550	\$92,358,500	0.980%	\$20,780,663	0.221%
CLEARWATER	\$2,099,933,000	\$16,343,100	0.778%	\$2,288,034	0.109%
COOK	\$2,576,355,700	\$7,469,500	0.290%	\$1,493,900	0.058%
COTTONWOOD	\$5,819,436,900	\$10,500,100	0.180%	\$1,837,518	0.032%
CROW WING	\$19,129,114,600	\$152,920,300	0.799%	\$34,407,068	0.180%
DAKOTA	\$74,230,087,000	\$388,603,400	0.524%	\$126,296,105	0.170%
DODGE	\$5,090,743,300	\$26,944,700	0.529%	\$4,715,323	0.093%
DOUGLAS	\$8,802,023,300	\$45,145,800	0.513%	\$9,029,160	0.103%
FARIBAUT	\$5,447,318,900	\$11,929,800	0.219%	\$2,087,715	0.038%
FILLMORE	\$5,748,430,100	\$19,008,800	0.331%	\$3,326,540	0.058%
FREEBORN	\$6,105,379,800	\$27,832,100	0.456%	\$4,870,618	0.080%
GOODHUE	\$10,127,549,050	\$49,831,100	0.492%	\$11,211,998	0.111%
GRANT	\$2,444,132,100	\$5,721,100	0.234%	\$800,954	0.033%
HENNEPIN	\$248,988,289,906	\$518,697,300	0.208%	\$168,576,623	0.068%
HOUSTON	\$3,457,010,400	\$22,582,200	0.653%	\$3,161,508	0.091%
HUBBARD	\$5,988,646,014	\$56,790,955	0.948%	\$11,358,191	0.190%
ISANTI	\$6,289,471,200	\$69,447,500	1.104%	\$19,098,063	0.304%
ITASCA	\$8,356,539,264	\$119,642,218	1.432%	\$20,937,388	0.251%
JACKSON	\$5,285,214,800	\$8,213,600	0.155%	\$1,437,380	0.027%
KANABEC	\$2,520,746,300	\$30,125,300	1.195%	\$4,217,542	0.167%
KANDIYOH	\$8,535,283,400	\$42,764,700	0.501%	\$7,483,823	0.088%
KITSON	\$1,802,511,800	\$2,204,300	0.122%	\$308,602	0.017%
KOOCHICHING	\$1,667,320,140	\$16,320,450	0.979%	\$2,284,863	0.137%
LAC QUI PARLE	\$3,173,049,000	\$6,770,150	0.213%	\$947,821	0.030%
LAKE	\$3,068,461,300	\$22,388,230	0.730%	\$4,477,646	0.146%
LAKE OF THE WOODS	\$946,347,400	\$5,928,700	0.626%	\$830,018	0.088%
LE SUEUR	\$6,210,109,900	\$37,534,000	0.604%	\$6,568,450	0.106%
LINCOLN	\$2,730,132,200	\$5,029,300	0.184%	\$704,102	0.026%
LYON	\$6,324,978,000	\$15,934,900	0.252%	\$2,788,608	0.044%
MCLEOD	\$6,311,785,900	\$41,813,900	0.662%	\$7,317,433	0.116%
MAHNOMEN	\$1,231,946,500	\$3,354,800	0.272%	\$469,672	0.038%
MARSHALL	\$3,733,368,900	\$15,557,200	0.417%	\$2,178,008	0.058%
MARTIN	\$6,821,052,749	\$22,196,800	0.325%	\$3,884,440	0.057%
MEEKER	\$5,357,385,700	\$27,966,600	0.522%	\$4,894,155	0.091%

MILLE LACS	\$3,912,593,800	\$47,250,900	1.208%	\$6,615,126	0.169%
MORRISON	\$5,957,650,500	\$69,180,500	1.161%	\$12,106,588	0.203%
MOWER	\$7,809,407,600	\$32,801,200	0.420%	\$5,740,210	0.074%
MURRAY	\$5,227,791,000	\$7,078,200	0.135%	\$1,238,685	0.024%
NICOLLET	\$6,326,484,600	\$33,006,400	0.522%	\$7,426,440	0.117%
NOBLES	\$7,090,099,900	\$12,137,200	0.171%	\$2,124,010	0.030%
NORMAN	\$2,781,728,600	\$6,868,500	0.247%	\$961,590	0.035%
OLMSTED	\$27,445,688,696	\$110,546,150	0.403%	\$30,400,191	0.111%
OTTER TAIL	\$16,308,312,500	\$105,712,050	0.648%	\$23,785,211	0.146%
PENNINGTON	\$2,157,813,000	\$15,218,800	0.705%	\$2,130,632	0.099%
PINE	\$5,324,476,222	\$51,419,018	0.966%	\$8,998,328	0.169%
PIPESTONE	\$3,413,046,200	\$4,227,300	0.124%	\$591,822	0.017%
POLK	\$7,694,782,100	\$48,068,000	0.625%	\$8,411,900	0.109%
POPE	\$3,876,972,000	\$12,198,600	0.315%	\$1,707,804	0.044%
RAMSEY	\$74,663,786,411	\$230,274,150	0.308%	\$74,839,099	0.100%
RED LAKE	\$1,088,653,800	\$4,858,700	0.446%	\$680,218	0.062%
REDWOOD	\$7,262,250,000	\$13,916,900	0.192%	\$2,435,458	0.034%
RENVILLE	\$7,493,285,500	\$15,549,000	0.208%	\$2,721,075	0.036%
RICE	\$10,065,412,900	\$47,908,500	0.476%	\$10,779,413	0.107%
ROCK	\$4,397,557,200	\$8,082,100	0.184%	\$1,131,494	0.026%
ROSEAU	\$2,394,812,300	\$12,184,000	0.509%	\$1,705,760	0.071%
ST LOUIS	\$25,940,472,538	\$263,381,697	1.015%	\$72,429,967	0.279%
SCOTT	\$28,663,639,100	\$127,138,550	0.444%	\$41,320,029	0.144%
SHERBURNE	\$15,352,827,500	\$150,778,528	0.982%	\$41,464,095	0.270%
SIBLEY	\$4,942,235,900	\$15,482,200	0.313%	\$2,167,508	0.044%
STEARNS	\$22,964,188,800	\$207,187,200	0.902%	\$56,976,480	0.248%
STEELE	\$6,636,565,600	\$36,624,200	0.552%	\$6,409,235	0.097%
STEVENS	\$2,647,046,100	\$4,545,100	0.172%	\$636,314	0.024%
SWIFT	\$3,719,187,300	\$8,549,900	0.230%	\$1,196,986	0.032%
TODD	\$4,540,170,600	\$47,167,800	1.039%	\$6,603,492	0.145%
TRAVERSE	\$2,326,136,400	\$2,750,700	0.118%	\$385,098	0.017%
WABASHA	\$4,848,366,000	\$33,457,300	0.690%	\$4,684,022	0.097%
WADENA	\$1,981,100,000	\$20,800,600	1.050%	\$2,912,084	0.147%
WASECA	\$4,348,759,425	\$15,336,600	0.353%	\$2,147,124	0.049%
WASHINGTON	\$53,535,429,850	\$235,078,000	0.439%	\$76,400,350	0.143%
WATONWAN	\$3,478,061,912	\$9,245,600	0.266%	\$1,294,384	0.037%
WILKIN	\$3,118,345,000	\$3,257,000	0.104%	\$455,980	0.015%
WINONA	\$7,082,523,100	\$47,083,900	0.665%	\$8,239,683	0.116%
WRIGHT	\$26,841,846,854	\$151,633,400	0.565%	\$49,280,855	0.184%
YELLOW MEDICINE	\$4,678,973,100	\$9,030,200	0.193%	\$1,264,228	0.027%