

Ag2School

The Ag2School tax credit, enacted in 2017, will increase from 40 percent to 50 percent in 2020 and is scheduled to scale to 70 percent in 2023.

This permanent law, enacted in 2019 by the Minnesota Legislature, affects all existing Fund 7 debt levies, except OPEB bonds. Farmers and timber land owners in the school districts highlighted in red on this map see a total state share of greater than \$247,000 for bonded debt payments in Pay '20.

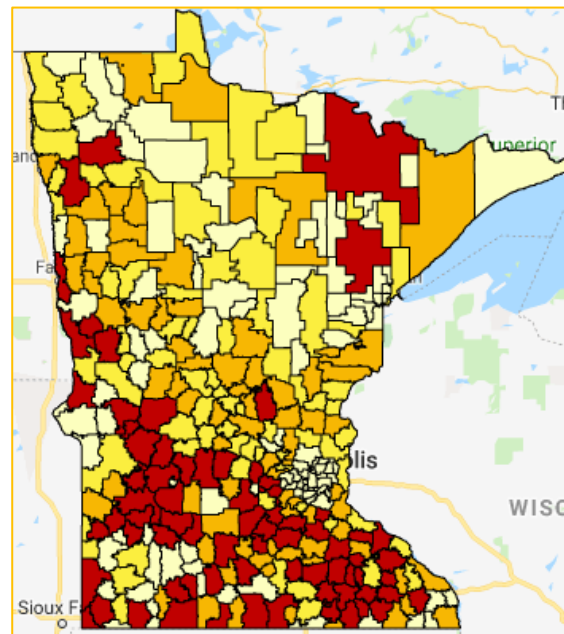
- Reductions for farmers and timber land owners in 296 districts
- Median reduction of \$124,418 per district
- Largest state share of \$987,010 for Morris Area
- Greatest reduction per \$500,000 at \$562 in Farmington

Why It's Needed

More schools seek support for 21st Century learning facilities. Half of the state's school facilities were built before 1976 and one-quarter are between 54 and 125 years old. Greater Minnesota schools are an average of 10 years older than metro schools.

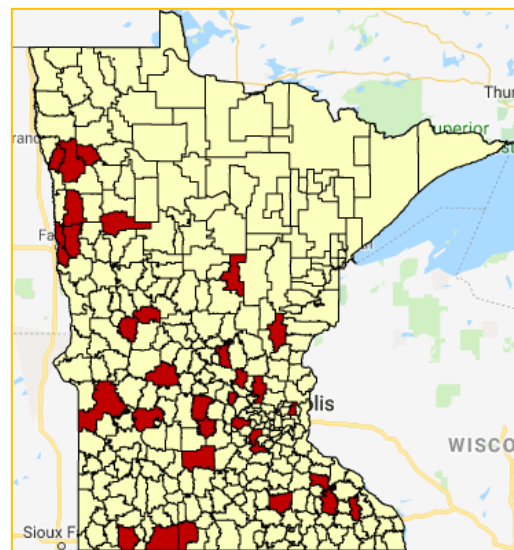
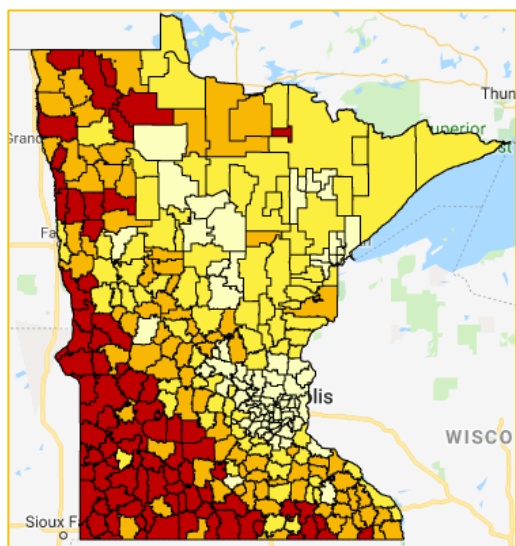
Ag2School Potential Impact

School districts highlighted in red on the map below have the potential to see the greatest impact. Agriculture and timber land accounts for at least 64 percent of their property value.



Upcoming Referendum Votes

On Nov. 5, 2019, 32 school districts in Minnesota will go to voters to seek support for their facilities through bond referendums. Twenty-seven of those districts (84 percent) are in Greater Minnesota.



Historically rural voters have approved fewer bond questions than metro voters. That pattern has continued in 2019, as shown in this chart.

School Facility Bond and Capital Levy Referendums			
	Passed	Failed	Percent Passed
Rural	13	10	56%
Metro	2	0	100%
Statewide	15	10	60%