

Description of Line Items on the 2026 Notice of Proposed Property Taxes

Values	Values for taxes payable in 2026 were sent to you in the spring of 2025. The period to discuss possible changes has passed and changes can no longer be made to your property valuation. Values are included on the notice of proposed property taxes for informational purposes only. Estimated Market Value - This value is what the assessor estimates your property would likely sell for on the open market. Homestead Exclusion – Homestead benefit that applies to residential homesteads and to the house, garage, and one acre of land on agricultural homesteads. The exclusion is a maximum of \$38,000 at \$95,000 of market value, and then decreases by nine percent for value over \$95,000. The exclusion phases out for properties valued at \$517,200 or more. Taxable Market Value - This is the value that your property taxes are actually based on, after all reductions, exclusions, exemptions, and deferrals.
Property Classification ...	Use of the property. Frequently used abbreviations: Dis=Disabled, Hstd=Homestead, Rel=Relative Homestead, Frac=Fractional homestead, NH=NonHomestead
<u>Tax Amounts:</u>	All taxes are the net tax amount after credits (school building bond ag credit, agricultural homestead credit, agricultural preserve credit and powerline credit) and exclude special assessments and any other charges and fees.
State General Tax	The State General tax is a statewide property tax levied by the State of Minnesota starting in 2002 on commercial, industrial and seasonal properties. These taxes are paid to the State of Minnesota and go to the State General Fund with a portion used to fund school related expenditures. No budget meeting is held for the State General Tax. The following link has more information: https://www.revenue.state.mn.us/minnesota-tax-handbooks
County	Tax amount for Washington County and Washington County Regional Rail Authority. The County tax line includes a levy for the Land and Water Legacy Project. Tax for County Library and Library debt is excluded in Stillwater and Bayport. Lake Elmo excludes rate for library debt incurred Pay 2011-2017.
City/Town	City/Town portion of tax.
School	School district tax amount. The school tax amount is broken down between voter approved levies and other local levies. Contact your school district for specific information for your district. Proposed taxes were calculated prior to the November 4th general election. If a school district was scheduled to vote on a levy question at the November 4th general election, a note was printed on the notices: <i>“Your school district was scheduled to hold a referendum at the November general election. If the referendum was approved by the voters, the school district’s voter approved property tax for 2026 may be higher than the proposed amount shown on this notice.”</i> ISD 622 and ISD 832 both held referendums in the November 2025 election. ISD 832 was the only one that passed.
Metro Special Taxing Districts	Includes tax amounts for Metropolitan Council and Metropolitan Mosquito Control on all parcels. Includes Metropolitan Transit District only in town of Baytown and cities of Bayport, Birchwood, Cottage Grove, Dellwood, Forest Lake, Lake Elmo, Landfall, Mahtomedi, Newport, Oak Park Heights, Oakdale, Pine Springs, St Paul Park, Stillwater, White Bear Lake, Willernie, and Woodbury.
Other Special Taxing Districts	Includes tax for Washington County CDA (formerly Washington County HRA) on all parcels. Includes Cottage Grove HRA, Woodbury HRA, Hastings HRA, and Watershed Districts on parcels located in those districts. No budget meeting is held for Other Special Taxing Districts.

Tax Increment Tax.....

Tax Increment Financing (TIF) is a development tool used by tax authorities, usually cities, to finance the costs of certain developments that the city has determined would not have occurred without the use of public assistance.

Tax increment takes a portion of the property tax that would otherwise go to the county/city/school/special districts and instead sends it to the Tax Increment district to fund project development costs. That is the amount that is shown on the Tax Increment Tax line. Districts can last for up to 25 years. When the district terminates, the Tax Increment Tax line will go down to \$0 and the additional taxes that had been diverted to the tax increment district will then go back to the county/city/school/special taxing districts.

Tax Increment is not an additional tax. It does not change the Total Tax. Tax Increment affects what line the tax amount is reported on (Tax Increment line vs. county/city/school/special district). The total tax on a parcel in a Tax Increment District is the same as the total tax on a parcel with the same value and classification that is not in a Tax Increment District.

No budget meeting is held for Tax Increment taxes.

The following links have more information on Tax Increment Financing:

<http://www.house.leg.state.mn.us/hrd/pubs/ss/sstif.pdf>

<http://www.house.leg.state.mn.us/hrd/issinfo/tifmain.aspx?src=21>

Fiscal Disparity Tax.....

Fiscal Disparities is a tax base sharing program within the 7 county metro area. 40% of the increase in commercial/industrial value in each city/town since 1971 is contributed into a metro-wide pool. The pooled values are then redistributed back to each city/town on a formula based on market value per capita.

What does this mean for commercial/industrial/public utility property? A percentage of the value of each commercial/industrial/utility parcel is taxed at the fiscal disparity tax rate, which is an area-wide tax rate that is uniform across the 7 county metro area. The portion of the tax at the area wide rate is reported as "fiscal disparity tax". The remainder of the value of the parcel is taxed at the local tax rate for the city/town the property is located in, and is reported on the county/city/school/special district lines.

The percentage of value that is taxed at the fiscal disparity tax rate varies from city to city, and changes each year. Several areas are experiencing an increase in the percentage of value taxed at the fiscal disparity tax rate, and a reduction in the percentage of value taxed at the local tax rate. The fiscal disparity tax rate is higher than all of the local tax rates in Washington County, so with a reduction in the value taxed at the lower rate, and an increase the value taxed at the higher rate, the net effect of that shift is a tax increase.

No budget meeting is held for Fiscal Disparity taxes.

The following links have more information on the fiscal disparities program:

<http://www.house.leg.state.mn.us/hrd/pubs/ss/ssfdis.pdf>

<http://www.house.leg.state.mn.us/hrd/pubs/fiscaldis.pdf>

**Contamination Tax.....
Message**

The contamination tax amount is not printed on the notice of proposed property taxes in either the 2025 or 2026 columns. If your property is subject to contamination taxes, a note is printed under the total line that indicates contamination tax exists on this parcel.