

HOMESTEAD TAX CALCULATION

Example of a tax calculation for FINAL Taxes Payable in 2010 on a HOMESTEAD PROPERTY in District Code 0151 (St. Paul - 625 (C)) (NOT IN A TAX INCREMENT DISTRICT) That has a taxable market value of \$200,000:

STEP 1: CALCULATE THE NET TAX CAPACITY

1.00% x first \$500,000 of Taxable Market Value	\$2,000
1.25% x Taxable Market Value in excess of \$500,000	<u>0</u>
Total Net Tax Capacity	<u><u>\$2,000</u></u>

STEP 2: CALCULATE THE LOCAL TAX

Local Tax =	120.820% multiplied by	STEP 1	=	
		\$2,000	=	\$2,416.40

STEP 3: CALCULATE THE HOMESTEAD CREDIT

Homestead Credit =	0.40% multiplied by	STEP 1	=	
Less:	0.09% multiplied by	\$76,000	=	\$304.00
Total Homestead Credit =		124,000	=	<u>-111.60</u>
				\$192.40

STEP 4: CALCULATE THE NET LOCAL TAX

Local Tax	\$2,416.40
Less: Homestead Credit =	<u>-\$192.40</u>
Total Net Local Tax	\$2,224.00

STEP 5: CALCULATE THE MARKET TAX

Market Tax	0.13989% multiplied by	\$200,000	=	\$279.78
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STEP 6: ADD NET LOCAL & MARKET TAXES

Net Local Tax	\$2,224.00
Plus: Market Tax	<u>\$279.78</u>
Total HOMESTEAD PROPERTY Tax	\$2,503.78

HOMESTEAD TAX CALCULATION

Example of a tax calculation for FINAL Taxes Payable in 2010 on a HOMESTEAD PROPERTY in District Code 7931 (Roseville - 623 (C)) (NOT IN A TAX INCREMENT DISTRICT) That has a taxable market value of \$200,000:

STEP 1: CALCULATE THE NET TAX CAPACITY

1.00% x first \$500,000 of Taxable Market Value	\$2,000
1.25% x Taxable Market Value in excess of \$500,000	<u>0</u>
Total Net Tax Capacity	<u><u>\$2,000</u></u>

STEP 2: CALCULATE THE LOCAL TAX

Local Tax =	98.647% multiplied by	STEP 1	=	
		\$2,000	=	\$1,972.94

STEP 3: CALCULATE THE HOMESTEAD CREDIT

Homestead Credit =	0.40% multiplied by	STEP 1	=	
Less:	0.09% multiplied by	\$76,000	=	\$304.00
Total Homestead Credit =		124,000	=	<u>-111.60</u>
				\$192.40

STEP 4: CALCULATE THE NET LOCAL TAX

Local Tax	\$1,972.94
Less: Homestead Credit =	<u>-\$192.40</u>
Total Net Local Tax	\$1,780.54

STEP 5: CALCULATE THE MARKET TAX

Market Tax	0.22308% multiplied by	\$200,000	=	\$446.16
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STEP 6: ADD NET LOCAL & MARKET TAXES

Net Local Tax	\$1,780.54
Plus: Market Tax	<u>\$446.16</u>
Total HOMESTEAD PROPERTY Tax	\$2,226.70