

# COMMERCIAL TAX COMPUTATION

Example of tax computation for FINAL taxes payable in 2010 on a COMMERCIAL PROPERTY in District code 0151 (St. Paul - 625(C)) (NOT IN A TAX INCREMENT DISTRICT) that has a Taxable market value of \$1,000,000.

**STEP 1: CALCULATE THE NET TAX CAPACITY**

1.5% x first \$150,000 of Estimated Market Value	\$2,250
2.0% x Estimated Market Value in excess of \$150,000	<u>17,000</u>
Total Net Tax Capacity	<u><u>\$19,250</u></u>

**STEP 2: CALCULATE THE FISCAL DISPARITY NET TAX CAPACITY**

	Total Net Tax Capacity (RESULT FROM STEP 1)		\$19,250
X	St. Paul's Fiscal Disparity Sharing Factor	0.340794	<u>\$6,560</u>
	Total Fiscal Disparity Net Tax Capacity		<u><u>\$6,560</u></u>

**STEP 3: CALCULATE THE LOCAL NET TAX CAPACITY**

Total Net Tax Capacity (RESULT FROM STEP 1)	\$19,250
Less: Total Fiscal Disparity Net Tax Capacity (RESULT FROM STEP 2)	<u>-6,560</u>
Total Local Net Tax Capacity	<u><u>\$12,690</u></u>

**STEP 4: CALCULATE THE LOCAL TAX**

Local Tax Payable =	120.820% multiplied by	<b>STEP 3</b>	=	\$15,332.06
		\$12,690		

**STEP 5: CALCULATE THE FISCAL DISPARITY TAX**

Fiscal Disparity Tax Payable =	121.732% multiplied by	<b>STEP 2</b>	=	<u>\$7,985.62</u>
		\$6,560		

**STEP 6: CALCULATE THE MARKET TAX**

Market Tax Payable =	0.13989% multiplied by	\$1,000,000	=	<u>\$1,398.90</u>
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**STEP 7: CALCULATE THE STATE GENERAL TAX**

State General Tax Payable =	45.881% multiplied by	<b>STEP 1</b>	=	<u>\$8,832.09</u>
		\$19,250		

**STEP 8: ADD LOCAL, FISCAL DISPARITY & STATE TAXES**

Local Tax	\$15,332.06
Plus: Fiscal Dispartiy Tax	\$7,985.62
Plus: Market Tax	\$1,398.90
Plus: State General Tax	<u>\$8,832.09</u>
<b>Total COMMERCIAL PROPERTY Tax Payable</b>	<u><u><b>\$33,548.67</b></u></u>

Note: This tax computation applies to Commercial/Industrial Property except contiguous Commercial/Industrial parcels owned by the same entity.

# COMMERCIAL TAX COMPUTATION

Example of tax computation for FINAL taxes payable in 2010 on a COMMERCIAL PROPERTY in District Code 7931 (Roseville - 623(C)) (NOT IN A TAX INCREMENT DISTRICT) that has a Taxable market value of \$1,000,000.

## STEP 1: CALCULATE THE NET TAX CAPACITY

1.5% x first \$150,000 of Estimated Market Value	\$2,250
2.0% x Estimated Market Value in excess of \$150,000	<u>17,000</u>
Total Net Tax Capacity	<u><u>\$19,250</u></u>

## STEP 2: CALCULATE THE FISCAL DISPARITY NET TAX CAPACITY

Total Net Tax Capacity (RESULT FROM STEP 1)			
X Roseville's Fiscal Disparity Sharing Factor	0.368387		<u>\$7,091</u>
Total Fiscal Disparity Net Tax Capacity			<u><u>\$7,091</u></u>

## STEP 3: CALCULATE THE LOCAL NET TAX CAPACITY

Total Net Tax Capacity (RESULT FROM STEP 1)	\$19,250
Less: Total Fiscal Disparity Net Tax Capacity (RESULT FROM STEP 2)	<u>-7,091</u>
Total Local Net Tax Capacity	<u><u>\$12,159</u></u>

## STEP 4: CALCULATE THE LOCAL TAX

Local Tax Payable =	98.647% multiplied by	<b>STEP 3</b>	=	\$11,994.49
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## STEP 5: CALCULATE THE FISCAL DISPARITY TAX

Fiscal Disparity Tax Payable =	121.732% multiplied by	<b>STEP 2</b>	=	<u>\$8,632.02</u>
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## STEP 6: CALCULATE THE MARKET TAX

Market Tax Payable =	0.22308% multiplied by	<b>Taxable Market Value</b>	=	<u>\$2,230.80</u>
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## STEP 7: CALCULATE THE STATE GENERAL TAX

State General Tax Payable =	45.881% multiplied by	<b>STEP 1</b>	=	<u>\$8,832.09</u>
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## STEP 8: ADD LOCAL, FISCAL DISPARITY & STATE TAXES

Local Tax	\$11,994.49
Plus: Fiscal Disparity Tax	\$8,632.02
Plus: Market Tax	\$2,230.80
Plus: State General Tax	<u>\$8,832.09</u>
Total COMMERCIAL PROPERTY Tax Payable	<u><u>\$31,689.40</u></u>

Note: This tax computation applies to Commercial/Industrial Property except contiguous Commercial/Industrial parcels owned by the same entity.