

HOMESTEAD TAX CALCULATION

Example of a tax calculation for FINAL Taxes Payable in 2011 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 =	133.883% multiplied by	STEP 1	=	\$2,677.66
		\$2,000		

STEP 3: CALCULATE THE HOMESTEAD CREDIT

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

STEP 4: CALCULATE THE NET LOCAL TAX

Local Tax	\$2,677.66
Less: Homestead Credit =	<u>-\$192.40</u>
Total Net Local Tax	\$2,485.26

STEP 5: CALCULATE THE MARKET TAX

Market Tax	0.14581% multiplied by	\$200,000	=	\$291.62
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STEP 6: ADD NET LOCAL & MARKET TAXES

Net Local Tax	\$2,485.26
Plus: Market Tax	<u>\$291.62</u>
Total HOMESTEAD PROPERTY Tax	<u><u>\$2,776.88</u></u>

For Suburbs:

Example of a tax calculation for FINAL Taxes Payable in 2011 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 =	107.644% multiplied by	STEP 1	=	\$2,152.88
		\$2,000		

STEP 3: CALCULATE THE HOMESTEAD CREDIT

Homestead Credit =	0.40% multiplied by	STEP 1	=	\$304.00
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	\$2,152.88
Less: Homestead Credit =	<u>-\$192.40</u>
Total Net Local Tax	\$1,960.48

STEP 5: CALCULATE THE MARKET TAX

Market Tax	0.21734% multiplied by	\$200,000	=	\$434.68
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STEP 6: ADD NET LOCAL & MARKET TAXES

Net Local Tax	\$1,960.48
Plus: Market Tax	<u>\$434.68</u>
Total HOMESTEAD PROPERTY Tax	\$2,395.16