



AG2SCHOOL TAX CREDIT

"... a win-win for farmers
and rural school districts."

– Minnesota Farmers Union

Ag2School Highlights

- This tax credit **reduces burden for agricultural property owners** on existing and future school building bonds.
- Ag2School is a 60% **automatic tax credit** for property taxes payable in 2022 and 70% in 2023 and beyond provided to all ag property.
- The credit applies to all current and future school construction bonds.
- The Ag2School credit **will result in the State of Minnesota paying a significant portion of the total bond project cost.**
- There is **no application necessary** to receive the Ag2School credit.
- The **tax credit is reduced automatically** on the agricultural landowner's property tax bill.
- Non-agricultural landowners **will NOT see an increase in their taxes as a result of this tax credit** as the burden of the credit is paid entirely by the State of Minnesota.

60%

for taxes
payable in
2022



70%

for taxes
payable in
2023 and
thereafter

If the Sauk Centre Public Schools referendum passes in November, agricultural landowners will see a 60% credit on their property tax bill related to the impact of the referendum. This will increase to 70% in 2023 and thereafter.

DID YOU KNOW?

The State of Minnesota will pay a significant portion of the total bond project cost.

By 2023, the State will pay **19% of the district's bond payments**, or approximately **\$5 million** of the \$26,450,000 bond amount through the Ag2School Tax Credit program. This reduces the burden to Sauk Centre tax payers.