

2.1 (b) If any part of the parcel consists of real estate classified as 1a or 1b and used as
 2.2 the primary homestead by the owner of the property, the interest rate on offers made under
 2.3 paragraph (a) shall be set annually by the commissioner of revenue at the greater of five
 2.4 percent or two percent above the prime rate charged by banks during the six-month period
 2.5 ending on September 30 of that year, rounded to the nearest full percent. The rate of
 2.6 interest becomes effective on January 1 of the immediately succeeding year. For purposes
 2.7 of this subdivision, the term "prime rate charged by banks" means the average predominant
 2.8 prime rate quoted by commercial banks to large businesses, as determined by the Board
 2.9 of Governors of the Federal Reserve System. The determination of the commissioner
 2.10 pursuant to this subdivision shall not be considered a "rule" and is not subject to the
 2.11 Administrative Procedure Act contained in chapter 14. In the event of default occurring in
 2.12 the payments to be made under any confessed judgment entered pursuant to this paragraph,
 2.13 the taxes and penalties due are subject to the interest rate specified in section 279.03.

2.14 (c) The interest rate established at the time the judgment is confessed shall remain
 2.15 for the duration of that judgment. By October 15 of each year, the commissioner of
 2.16 revenue must determine the rate of interest as provided under paragraph (b) and, by
 2.17 November 1 of each year, must certify the rate to the county auditor.

2.18 (d) The offer must be substantially as follows:

2.19 "To the court administrator of the district court of county, I,,
 2.20 am the owner of the following described parcel of real estate located in
 2.21 county, Minnesota:

2.22 Upon that real estate there are delinquent taxes for the year, and
 2.23 prior years, as follows: (here insert year of delinquency and the total amount of delinquent
 2.24 taxes, costs, interest, and penalty). By signing this document I offer to confess judgment in
 2.25 the sum of \$..... and waive all irregularities in the tax proceedings affecting these taxes and
 2.26 any defense or objection which I may have to them, and direct judgment to be entered for
 2.27 the amount stated above, minus the sum of \$....., to be paid with this document, which
 2.28 is one-tenth or one-fifth of the amount of the taxes, costs, penalty, and interest stated above.
 2.29 I agree to pay the balance of the judgment in nine or four equal, annual installments, with
 2.30 interest as provided in section 279.03, payable annually, on the installments remaining
 2.31 unpaid. I agree to pay the installments and interest on or before December 31 of each year
 2.32 following the year in which this judgment is confessed and current taxes each year before
 2.33 they become delinquent, or within 30 days after the entry of final judgment in proceedings
 2.34 to contest the taxes under Minnesota Statutes, sections 278.01 to 278.13.

2.35 Dated,"