

This Document can be made available in alternative formats upon request

State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 2286

03/11/2019 Authored by Loeffler
The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to taxation; property tax refunds; establishing an automated system for
1.3 certificates of rent paid; requiring reporting of rent data; providing for retention
1.4 and classification of data; appropriating money; amending Minnesota Statutes
1.5 2018, section 290A.19; proposing coding for new law in Minnesota Statutes,
1.6 chapter 290A.

1.7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.8 Section 1. Minnesota Statutes 2018, section 290A.19, is amended to read:

1.9 290A.19 OWNER OR MANAGING AGENT TO FURNISH RENT CERTIFICATE
1.10 CERTIFICATES.

1.11 Subdivision 1. Owner or managing agent to furnish rent certificate. (a) The owner
1.12 or managing agent of any property for which rent is paid for occupancy as a homestead
1.13 must furnish a certificate of rent paid to a person who is a renter on December 31, in the
1.14 form prescribed by the commissioner. If the renter moves before December 31, the owner
1.15 or managing agent may give the certificate to the renter at the time of moving, or mail the
1.16 certificate to the forwarding address if an address has been provided by the renter. The
1.17 certificate must be made available to the renter before February 1 of the year following the
1.18 year in which the rent was paid. The owner or managing agent must retain a duplicate of
1.19 each certificate or an equivalent record showing the same information for a period of three
1.20 years. The duplicate or other record must be made available to the commissioner upon
1.21 request.

1.22 (b) The commissioner may require the owner or managing agent, through a simple
1.23 process, to furnish to the commissioner on or before March 1 a copy of each certificate of
1.24 rent paid furnished to a renter for rent paid in the prior year; in. The commissioner shall

2.1 prescribe the content, format, and manner prescribed by the commissioner of the form
2.2 pursuant to section 270C.30. Prior to implementation, the commissioner, after consulting
2.3 with representatives of owners or managing agents, shall develop an implementation and
2.4 administration plan for the requirements of this paragraph that attempts to minimize financial
2.5 burdens, administration and compliance costs, and takes into consideration existing systems
2.6 of owners and managing agents.

2.7 (c) For the purposes of this section, "owner" includes a park owner as defined under
2.8 section 327C.01, subdivision 6, and "property" includes a lot as defined under section
2.9 327C.01, subdivision 3.

2.10 (d) Beginning with certificates of rent paid for 2021 rents, the owner or managing agent
2.11 must furnish certificates of rent paid that were created using the automated system on the
2.12 commissioner's website.

2.13 Subd. 2. Automated system for certificates of rent paid. (a) The commissioner must
2.14 develop and implement an electronic system for generating certificates of rent paid. The
2.15 system must allow an owner or managing agent to enter the information necessary to generate
2.16 a certificate of rent paid, and use the information provided to create a completed electronic
2.17 certificate for distribution to renters. An owner or managing agent is responsible for
2.18 furnishing the certificate to a renter in accordance with subdivision 1. The system must be
2.19 available for use for certificates of rent paid for 2020 rents.

2.20 (b) When generating a certificate of rent paid, the owner or managing agent must provide,
2.21 and the system must capture, information on the following items:

2.22 (1) the number of bedrooms in the rental unit;

2.23 (2) whether utilities are included in the rent amount reported; and

2.24 (3) the city, county, and five-digit zip code of the rental unit.

2.25 (c) The commissioner must retain data collected through the system as long as is necessary
2.26 to ensure compliance with chapter 290A and to prepare the annual report required under
2.27 section 290A.29. Data about an owner, managing agent, or renter gathered or maintained
2.28 through the system are return information and are classified under section 270B.02.

2.29 **EFFECTIVE DATE.** (a) The amendment adding and making changes to subdivision
2.30 1 is effective for refunds based on rents paid in 2021 and following years.

2.31 (b) The amendment adding subdivision 2 is effective July 1, 2019.

3.1 Sec. 2. **[290A.29] ANNUAL REPORT ON RENTS PAID IN MINNESOTA.**

3.2 (a) Using data collected from the automated system under section 290A.19, subdivision
3.3 2, the commissioner must annually prepare and publish a report on rents in Minnesota. The
3.4 report must provide aggregated summary data on rents, broken out by number of bedrooms,
3.5 county, and other significant geographical regions. At a minimum, the report must describe:

3.6 (1) average and median rent amounts paid in the most recent year for which data is
3.7 available;

3.8 (2) to the extent data is available, year-to-year changes in the amount of rent paid; and

3.9 (3) differences between the data presented in the report and other existing data sources
3.10 on rents, including data from the United States Census Bureau.

3.11 (b) By March 15, 2022, and March 15 of each following year, the commissioner must
3.12 submit the report to the chairs and ranking members of the house and senate committees
3.13 with jurisdiction over taxes, property taxes, and housing policy.

3.14 **EFFECTIVE DATE.** This section is effective the day following final enactment.

3.15 Sec. 3. **AUTOMATED RENTER'S CREDIT SYSTEM; APPROPRIATION.**

3.16 \$..... in fiscal year 2020 is appropriated from the general fund to the commissioner of
3.17 revenue to develop and implement the automated system required under section 290A.19,
3.18 subdivision 2.