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State of Minnesota
HOUSE OF REPRESENTATIVES
First Division Engrossment

NINETY-SECOND SESSION

H. F. No. **4064**

03/07/2022 Authored by Youakim, Hertaus and Marquart
The bill was read for the first time and referred to the Committee on Taxes

Division Action

03/11/2022 Referred by Chair to the Property Tax Division
03/30/2022 Returned to the Committee on Taxes as Amended

1.1 A bill for an act

1.2 relating to taxation; property; modifying provisions governing property taxes,

1.3 certain state aid programs, certain local taxes, tax increment financing, and various

1.4 other taxes and tax-related provisions; increasing school building bond agricultural

1.5 credit; increasing state aid to schools; establishing the stronger community aid

1.6 program; establishing aid for soil and water conservation districts; modifying

1.7 requirements for the senior citizens' property tax deferral program; modifying the

1.8 property tax refund; converting the renter's property tax refund into a refundable

1.9 individual income tax credit; establishing tourism improvement special taxing

1.10 districts; requiring reports; appropriating money; amending Minnesota Statutes

1.11 2020, sections 123B.595, subdivision 3; 126C.40, subdivision 1; 270B.12,

1.12 subdivision 8; 272.01, subdivision 2; 272.02, subdivision 24, by adding

1.13 subdivisions; 273.124, subdivision 3a; 273.13, subdivision 35; 273.1387,

1.14 subdivision 2; 279.03, subdivision 1a; 282.261, subdivision 2; 289A.38, subdivision

1.15 4; 289A.56, subdivision 6; 289A.60, subdivision 12; 290A.02; 290A.03,

1.16 subdivisions 6, 8; 290A.04, subdivisions 1, 2, 2h, 4; 290A.05; 290A.07, subdivision

1.17 2a; 290A.08; 290A.09; 290A.091; 290A.13; 290A.19; 290A.25; 290B.03,

1.18 subdivision 1; 290B.04, subdivisions 3, 4; 290B.05, subdivision 1; 297A.99,

1.19 subdivisions 1, 3; 462A.05, subdivision 24; 469.174, subdivision 14, by adding a

1.20 subdivision; 469.176, subdivisions 3, 4; 469.1763, subdivision 6; 469.1771,

1.21 subdivisions 2, 2a, 3; 477A.011, subdivision 34, by adding subdivisions;

1.22 477A.0124, subdivision 2; 477A.013, subdivisions 8, 9; 477A.03, subdivision 2a;

1.23 Minnesota Statutes 2021 Supplement, sections 126C.10, subdivision 2e; 273.11,

1.24 subdivision 12; 273.13, subdivisions 23, 25, 34; 290A.03, subdivision 3; 297A.99,

1.25 subdivision 2; 469.1763, subdivisions 2, 3, 4; 477A.03, subdivision 2b; Laws 1998,

1.26 chapter 389, article 8, section 43, as amended; Laws 2003, chapter 127, article 10,

1.27 section 31, subdivision 1, as amended; Laws 2006, chapter 259, article 11, section

1.28 3, as amended; Laws 2008, chapter 366, article 7, section 17; Laws 2011, First

1.29 Special Session chapter 7, article 4, section 14; Laws 2014, chapter 308, article 6,

1.30 section 12, subdivision 2; Laws 2019, First Special Session chapter 6, article 6,

1.31 section 25; Laws 2021, First Special Session chapter 14, article 8, sections 5; 7;

1.32 proposing coding for new law in Minnesota Statutes, chapters 290; 477A; proposing

1.33 coding for new law as Minnesota Statutes, chapter 428B; repealing Minnesota

1.34 Statutes 2020, sections 6.91; 290A.03, subdivisions 9, 11; 290A.04, subdivisions

1.35 2a, 5; 290A.23, subdivision 1; 327C.01, subdivision 13; 327C.16; 477A.011,

1.36 subdivisions 30a, 38, 42, 45; 477A.013, subdivision 13.

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

2.2 **ARTICLE 1**

2.3 **PROPERTY TAXES**

2.4 Section 1. Minnesota Statutes 2020, section 123B.595, subdivision 3, is amended to read:

2.5 Subd. 3. **Intermediate districts and other cooperative units.** (a) Upon approval through
2.6 the adoption of a resolution by each member district school board of an intermediate district
2.7 or other cooperative ~~units~~ unit under section 123A.24, subdivision 2, or a joint powers
2.8 district under section 471.59, and the approval of the commissioner of education, a school
2.9 district may include in its authority under this section a proportionate share of the long-term
2.10 maintenance costs of the intermediate district ~~or~~ cooperative unit, or joint powers district.
2.11 The cooperative unit or joint powers district may issue bonds to finance the project costs
2.12 or levy for the costs; using long-term maintenance revenue transferred from member districts
2.13 to make debt service payments or pay project costs or, for leased facilities, pay the portion
2.14 of lease costs attributable to the amortized cost of long-term facilities maintenance projects
2.15 completed by the landlord. Authority under this subdivision is in addition to the authority
2.16 for individual district projects under subdivision 1.

2.17 (b) The resolution adopted under paragraph (a) may specify which member districts will
2.18 share the project costs under this subdivision, except that debt service payments for bonds
2.19 issued by a cooperative unit or joint powers district to finance long-term maintenance project
2.20 costs must be the responsibility of all member districts.

2.21 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2024 and later.

2.22 Sec. 2. Minnesota Statutes 2021 Supplement, section 126C.10, subdivision 2e, is amended
2.23 to read:

2.24 Subd. 2e. **Local optional revenue.** (a) For fiscal year 2021 and later, local optional
2.25 revenue for a school district equals the sum of the district's first tier local optional revenue
2.26 and second tier local optional revenue. A district's first tier local optional revenue equals
2.27 \$300 times the adjusted pupil units of the district for that school year. A district's second
2.28 tier local optional revenue equals \$424 times the adjusted pupil units of the district for that
2.29 school year.

2.30 (b) For fiscal year 2021 and later, a district's local optional levy equals the sum of the
2.31 first tier local optional levy and the second tier local optional levy.

3.1 (c) For fiscal years 2022 and 2023, a district's first tier local optional levy equals the
3.2 district's first tier local optional revenue times the lesser of one or the ratio of the district's
3.3 referendum market value per resident pupil unit to \$880,000. For fiscal year 2024 and later,
3.4 a district's first tier local optional levy equals the district's first tier local optional revenue
3.5 times the lesser of one or the ratio of the district's referendum market value per resident
3.6 pupil unit to 170 percent of the local optional revenue equalizing factor defined in paragraph
3.7 (d).

3.8 (d) A district's local optional revenue equalizing factor equals the quotient derived by
3.9 dividing the referendum market value of all school districts in the state for the year before
3.10 the year the levy is certified by the total number of resident pupil units in all school districts
3.11 in the state in the year before the year the levy is certified.

3.12 ~~(d)~~ (e) For fiscal year 2022, a district's second tier local optional levy equals the district's
3.13 second tier local optional revenue times the lesser of one or the ratio of the district's
3.14 referendum market value per resident pupil unit to \$510,000. For fiscal year 2023, a district's
3.15 second tier local optional levy equals the district's second tier local optional revenue times
3.16 the lesser of one or the ratio of the district's referendum market value per resident pupil unit
3.17 to \$548,842. For fiscal year 2024 and later, a district's second tier local optional levy equals
3.18 the district's second tier local optional revenue times the lesser of one or the ratio of the
3.19 district's referendum market value per resident pupil unit to \$510,000.

3.20 ~~(e)~~ (f) The local optional levy must be spread on referendum market value. A district
3.21 may levy less than the permitted amount.

3.22 ~~(f)~~ (g) A district's local optional aid equals its local optional revenue minus its local
3.23 optional levy. If a district's actual levy for first or second tier local optional revenue is less
3.24 than its maximum levy limit for that tier, its aid must be proportionately reduced.

3.25 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2024 and later.

3.26 Sec. 3. Minnesota Statutes 2020, section 126C.40, subdivision 1, is amended to read:

3.27 Subdivision 1. **To lease building or land.** (a) When an independent or a special school
3.28 district or a group of independent or special school districts finds it economically
3.29 advantageous to rent or lease a building or land for any instructional purposes or for school
3.30 storage or furniture repair, and it determines that the operating capital revenue authorized
3.31 under section 126C.10, subdivision 13, is insufficient for this purpose, it may apply to the
3.32 commissioner for permission to make an additional capital expenditure levy for this purpose.
3.33 An application for permission to levy under this subdivision must contain financial

4.1 justification for the proposed levy, the terms and conditions of the proposed lease, and a
4.2 description of the space to be leased and its proposed use.

4.3 (b) The criteria for approval of applications to levy under this subdivision must include:
4.4 the reasonableness of the price, the appropriateness of the space to the proposed activity,
4.5 the feasibility of transporting pupils to the leased building or land, conformity of the lease
4.6 to the laws and rules of the state of Minnesota, and the appropriateness of the proposed
4.7 lease to the space needs and the financial condition of the district. The commissioner must
4.8 not authorize a levy under this subdivision in an amount greater than the cost to the district
4.9 of renting or leasing a building or land for approved purposes. The proceeds of this levy
4.10 must not be used for custodial or other maintenance services. A district may not levy under
4.11 this subdivision for the purpose of leasing or renting a district-owned building or site to
4.12 itself.

4.13 (c) For agreements finalized after July 1, 1997, a district may not levy under this
4.14 subdivision for the purpose of leasing: (1) a newly constructed building used primarily for
4.15 regular kindergarten, elementary, or secondary instruction; or (2) a newly constructed
4.16 building addition or additions used primarily for regular kindergarten, elementary, or
4.17 secondary instruction that contains more than 20 percent of the square footage of the
4.18 previously existing building.

4.19 (d) Notwithstanding paragraph (b), a district may levy under this subdivision for the
4.20 purpose of leasing or renting a district-owned building or site to itself only if the amount is
4.21 needed by the district to make payments required by a lease purchase agreement, installment
4.22 purchase agreement, or other deferred payments agreement authorized by law, and the levy
4.23 meets the requirements of paragraph (c). A levy authorized for a district by the commissioner
4.24 under this paragraph may be in the amount needed by the district to make payments required
4.25 by a lease purchase agreement, installment purchase agreement, or other deferred payments
4.26 agreement authorized by law, provided that any agreement include a provision giving the
4.27 school districts the right to terminate the agreement annually without penalty.

4.28 (e) The total levy under this subdivision for a district for any year must not exceed \$212
4.29 times the adjusted pupil units for the fiscal year to which the levy is attributable.

4.30 (f) For agreements for which a review and comment have been submitted to the
4.31 Department of Education after April 1, 1998, the term "instructional purpose" as used in
4.32 this subdivision excludes expenditures on stadiums.

4.33 (g) The commissioner of education may authorize a school district to exceed the limit
4.34 in paragraph (e) if the school district petitions the commissioner for approval. The

5.1 commissioner shall grant approval to a school district to exceed the limit in paragraph (e)
5.2 for not more than five years if the district meets the following criteria:

5.3 (1) the school district has been experiencing pupil enrollment growth in the preceding
5.4 five years;

5.5 (2) the purpose of the increased levy is in the long-term public interest;

5.6 (3) the purpose of the increased levy promotes collocation of government services; and

5.7 (4) the purpose of the increased levy is in the long-term interest of the district by avoiding
5.8 over construction of school facilities.

5.9 (h) A school district that is a member of an intermediate school district or other
5.10 cooperative unit under section 123A.24, subdivision 2, or a joint powers district under
5.11 section 471.59 may include in its authority under this section the costs associated with leases
5.12 of administrative and classroom space for ~~intermediate school district~~ programs of the
5.13 intermediate school district or other cooperative unit under section 123A.24, subdivision
5.14 2, or joint powers district under section 471.59. This authority must not exceed \$65 times
5.15 the adjusted pupil units of the member districts. This authority is in addition to any other
5.16 authority authorized under this section. The intermediate school district, other cooperative
5.17 unit, or joint powers district may specify which member districts will levy for lease costs
5.18 under this paragraph.

5.19 (i) In addition to the allowable capital levies in paragraph (a), for taxes payable in 2012
5.20 to 2023, a district that is a member of the "Technology and Information Education Systems"
5.21 data processing joint board, that finds it economically advantageous to enter into a lease
5.22 agreement to finance improvements to a building and land for a group of school districts
5.23 or special school districts for staff development purposes, may levy for its portion of lease
5.24 costs attributed to the district within the total levy limit in paragraph (e). The total levy
5.25 authority under this paragraph shall not exceed \$632,000.

5.26 (j) Notwithstanding paragraph (a), a district may levy under this subdivision for the
5.27 purpose of leasing administrative space if the district can demonstrate to the satisfaction of
5.28 the commissioner that the lease cost for the administrative space is no greater than the lease
5.29 cost for instructional space that the district would otherwise lease. The commissioner must
5.30 deny this levy authority unless the district passes a resolution stating its intent to lease
5.31 instructional space under this section if the commissioner does not grant authority under
5.32 this paragraph. The resolution must also certify that the lease cost for administrative space
5.33 under this paragraph is no greater than the lease cost for the district's proposed instructional
5.34 lease.

6.1 (k) Notwithstanding paragraph (a), a district may levy under this subdivision for the
6.2 district's proportionate share of deferred maintenance expenditures for a district-owned
6.3 building or site leased to a cooperative unit under section 123A.24, subdivision 2, or a joint
6.4 powers district under section 471.59 for any instructional purposes or for school storage.

6.5 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2024 and later.

6.6 Sec. 4. Minnesota Statutes 2020, section 272.01, subdivision 2, is amended to read:

6.7 Subd. 2. **Exempt property used by private entity for profit.** (a) When any real or
6.8 personal property which is exempt from ad valorem taxes, and taxes in lieu thereof, is leased,
6.9 loaned, or otherwise made available and used by a private individual, association, or
6.10 corporation in connection with a business conducted for profit, there shall be imposed a
6.11 tax, for the privilege of so using or possessing such real or personal property, in the same
6.12 amount and to the same extent as though the lessee or user was the owner of such property.

6.13 (b) The tax imposed by this subdivision shall not apply to:

6.14 (1) property leased or used as a concession in or relative to the use in whole or part of
6.15 a public park, market, fairgrounds, port authority, economic development authority
6.16 established under chapter 469, municipal auditorium, municipal parking facility, municipal
6.17 museum, or municipal stadium;

6.18 (2) except as provided in paragraph (c), property of an airport owned by a city, town,
6.19 county, or group thereof which is:

6.20 (i) leased to or used by any person or entity including a fixed base operator; and

6.21 (ii) used as a hangar for the storage ~~or~~, repair, or manufacture of aircraft or to provide
6.22 aviation goods, services, or facilities to the airport or general public;

6.23 ~~the exception from taxation provided in this clause does not apply to:~~

6.24 ~~(i) property located at an airport owned or operated by the Metropolitan Airports~~
6.25 ~~Commission or by a city of over 50,000 population according to the most recent federal~~
6.26 ~~census or such a city's airport authority; or~~

6.27 ~~(ii) hangars leased by a private individual, association, or corporation in connection with~~
6.28 ~~a business conducted for profit other than an aviation-related business;~~

6.29 (3) property constituting or used as a public pedestrian ramp or concourse in connection
6.30 with a public airport;

7.1 (4) except as provided in paragraph (d), property constituting or used as a passenger
7.2 check-in area or ticket sale counter, boarding area, or luggage claim area in connection with
7.3 a public airport but not the airports owned or operated by the Metropolitan Airports
7.4 Commission or cities of over 50,000 population or an airport authority therein. Real estate
7.5 owned by a municipality in connection with the operation of a public airport and leased or
7.6 used for agricultural purposes is not exempt;

7.7 (5) property leased, loaned, or otherwise made available to a private individual,
7.8 corporation, or association under a cooperative farming agreement made pursuant to section
7.9 97A.135; or

7.10 (6) property leased, loaned, or otherwise made available to a private individual,
7.11 corporation, or association under section 272.68, subdivision 4.

7.12 (c) The exception from taxation provided in paragraph (b), clause (2), does not apply
7.13 to:

7.14 (1) property located at an airport owned or operated by:

7.15 (i) the Metropolitan Airports Commission; or

7.16 (ii) a city of over 50,000 population according to the most recent federal census or such
7.17 a city's airport authority, except that, when calculating the tax imposed by this subdivision
7.18 for property taxes payable in 2023 through 2034, the net tax capacity of such property is
7.19 reduced by 50 percent if it is owned or operated by a city over 50,000 but under 150,000
7.20 in population according to the most recent federal census or such a city's airport authority;
7.21 or

7.22 (2) hangars leased by a private individual, association, or corporation in connection with
7.23 a business conducted for profit other than an aviation-related business.

7.24 (d) The exception from taxation provided in paragraph (b), clause (4), does not apply
7.25 to:

7.26 (1) the property described in paragraph (b), clause (4), at airports that are owned or
7.27 operated by:

7.28 (i) the Metropolitan Airports Commission; or

7.29 (ii) a city of over 50,000 population or an airport authority therein, except that, when
7.30 calculating the tax imposed by this subdivision for property taxes payable in 2023 through
7.31 2034, the net tax capacity of such property is reduced by 50 percent if it is owned or operated

8.1 by a city over 50,000 but under 150,000 in population according to the most recent federal
8.2 census or such a city's airport authority; or

8.3 (2) real estate owned by a municipality in connection with the operation of a public
8.4 airport and leased or used for agricultural purposes.

8.5 ~~(e)~~ (e) Taxes imposed by this subdivision are payable as in the case of personal property
8.6 taxes and shall be assessed to the lessees or users of real or personal property in the same
8.7 manner as taxes assessed to owners of real or personal property, except that such taxes shall
8.8 not become a lien against the property. When due, the taxes shall constitute a debt due from
8.9 the lessee or user to the state, township, city, county, and school district for which the taxes
8.10 were assessed and shall be collected in the same manner as personal property taxes. If
8.11 property subject to the tax imposed by this subdivision is leased or used jointly by two or
8.12 more persons, each lessee or user shall be jointly and severally liable for payment of the
8.13 tax.

8.14 ~~(d)~~ (f) The tax on real property of the federal government, the state or any of its political
8.15 subdivisions that is leased, loaned, or otherwise made available to a private individual,
8.16 association, or corporation and becomes taxable under this subdivision or other provision
8.17 of law must be assessed and collected as a personal property assessment. The taxes do not
8.18 become a lien against the real property.

8.19 **EFFECTIVE DATE.** This section is effective beginning with property taxes payable
8.20 in 2023.

8.21 Sec. 5. Minnesota Statutes 2020, section 272.02, subdivision 24, is amended to read:

8.22 Subd. 24. **Solar energy generating systems.** Personal property consisting of solar energy
8.23 generating systems, as defined in section 272.0295, is exempt. If the real property upon
8.24 which a solar energy generating system is located is used primarily for solar energy
8.25 production subject to the production tax under section 272.0295, the real property shall be
8.26 classified as class 3a. If the real property upon which a solar energy generating system is
8.27 located is not used primarily for solar energy production subject to the production tax under
8.28 section 272.0295, the real property shall be classified without regard to the system. If a
8.29 parcel contains more than one solar energy generating system that cannot be combined with
8.30 the nameplate capacity of another solar energy generating system for the purposes of the
8.31 production tax under section 272.0295 but the capacity of the systems are in aggregate over
8.32 one megawatt, the real property upon which the systems are located shall be classified as
8.33 class 3a.

9.1 **EFFECTIVE DATE.** This section is effective beginning with property taxes payable
9.2 in 2023 and thereafter.

9.3 Sec. 6. Minnesota Statutes 2020, section 272.02, is amended by adding a subdivision to
9.4 read:

9.5 Subd. 105. **Elderly living facility.** An elderly living facility is exempt from taxation if
9.6 it meets all of the following requirements:

9.7 (1) the facility is located in a city of the first class with a population of fewer than
9.8 110,000;

9.9 (2) the facility is owned and operated by a nonprofit organization organized under section
9.10 501(c)(3) of the Internal Revenue Code;

9.11 (3) construction of the facility was completed between January 1, 1963, and January 1,
9.12 1964;

9.13 (4) the facility is an assisted living facility licensed by the state of Minnesota;

9.14 (5) residents of the facility must be (i) at least 55 years of age, or (ii) disabled; and

9.15 (6) at least 30 percent of the units in the facility are occupied by persons whose annual
9.16 income does not exceed 50 percent of the median family income for the area.

9.17 **EFFECTIVE DATE.** This section is effective beginning with assessment year 2023
9.18 and thereafter.

9.19 Sec. 7. Minnesota Statutes 2020, section 272.02, is amended by adding a subdivision to
9.20 read:

9.21 Subd. 106. **Energy storage systems.** Real or personal property consisting of an energy
9.22 storage system is exempt. For the purposes of this subdivision, "energy storage system" has
9.23 the meaning given in section 216B.2422, subdivision 1, paragraph (f). The land on which
9.24 the property is located remains taxable and must be classified as class 3a under section
9.25 273.13, subdivision 24.

9.26 **EFFECTIVE DATE.** This section is effective beginning with assessment year 2022.
9.27 For assessment year 2022, an exemption application under this section must be filed with
9.28 the county assessor by August 1, 2022.

10.1 Sec. 8. Minnesota Statutes 2021 Supplement, section 273.11, subdivision 12, is amended
10.2 to read:

10.3 Subd. 12. **Community land trusts.** (a) A community land trust, as defined under chapter
10.4 462A, is (i) a community-based nonprofit corporation organized under chapter 317A, which
10.5 qualifies for tax exempt status under 501(c)(3), or (ii) a "city" as defined in section 462C.02,
10.6 subdivision 6, which has received funding from the Minnesota housing finance agency for
10.7 purposes of the community land trust program. The Minnesota Housing Finance Agency
10.8 shall set the criteria for community land trusts.

10.9 (b) Before the community land trust can rent or sell a unit to an applicant, the community
10.10 land trust shall verify to the satisfaction of the administering agency or the city that the
10.11 family income of each person or family applying for a unit in the community land trust
10.12 building is within the income criteria provided in section 462A.30, subdivision 9. The
10.13 administering agency or the city shall verify to the satisfaction of the county assessor that
10.14 the occupant meets the income criteria under section 462A.30, subdivision 9. The property
10.15 tax benefits under paragraph (c) shall be granted only to property owned or rented by persons
10.16 or families within the qualifying income limits. The family income criteria and verification
10.17 is only necessary at the time of initial occupancy in the property.

10.18 (c) A unit which is owned by the occupant and used as a homestead by the occupant
10.19 qualifies for homestead treatment as class 1a under section 273.13, subdivision 22 unless
10.20 the unit meets the requirements of section 273.13, subdivision 25, paragraph (e), clause (2),
10.21 in which case the unit shall be classified as 4d(2). A unit which is rented by the occupant
10.22 and used as a homestead by the occupant shall be class 4a or 4b property, under section
10.23 273.13, subdivision 25, whichever is applicable. Any remaining portion of the property not
10.24 used for residential purposes shall be classified by the assessor in the appropriate class based
10.25 upon the use of that portion of the property owned by the community land trust. The land
10.26 upon which the building is located shall be assessed at the same classification rate as the
10.27 units within the building, provided that if the building contains some units assessed as class
10.28 1a or class 4d and some units assessed as class 4a or 4b, the market value of the land will
10.29 be assessed in the same proportions as the value of the building.

10.30 **EFFECTIVE DATE.** This section is effective beginning with property taxes payable
10.31 in 2023 and thereafter.

10.32 Sec. 9. Minnesota Statutes 2020, section 273.124, subdivision 3a, is amended to read:

10.33 Subd. 3a. **Manufactured home park cooperative.** (a) When a manufactured home park
10.34 is owned by a corporation or association organized under chapter 308A or 308B, and each

11.1 person who owns a share or shares in the corporation or association is entitled to occupy a
11.2 lot within the park, the corporation or association may claim homestead treatment for the
11.3 park. Each lot must be designated by legal description or number, and each lot is limited to
11.4 not more than one-half acre of land.

11.5 (b) The manufactured home park shall be entitled to homestead treatment if all of the
11.6 following criteria are met:

11.7 (1) the occupant or the cooperative corporation or association is paying the ad valorem
11.8 property taxes and any special assessments levied against the land and structure either
11.9 directly, or indirectly through dues to the corporation or association; and

11.10 (2) the corporation or association organized under chapter 308A or 308B is wholly
11.11 owned by persons having a right to occupy a lot owned by the corporation or association.

11.12 (c) A charitable corporation, organized under the laws of Minnesota with no outstanding
11.13 stock, and granted a ruling by the Internal Revenue Service for 501(c)(3) tax-exempt status,
11.14 qualifies for homestead treatment with respect to a manufactured home park if its members
11.15 hold residential participation warrants entitling them to occupy a lot in the manufactured
11.16 home park.

11.17 (d) "Homestead treatment" under this subdivision means the classification rate provided
11.18 for class 4c property classified under section 273.13, subdivision 25, paragraph (d), clause
11.19 (5), ~~item (ii)~~, and the homestead market value exclusion under section 273.13, subdivision
11.20 35, does not apply.

11.21 **EFFECTIVE DATE.** This section is effective beginning with property taxes payable
11.22 in 2024 and thereafter.

11.23 Sec. 10. Minnesota Statutes 2021 Supplement, section 273.13, subdivision 23, is amended
11.24 to read:

11.25 Subd. 23. **Class 2.** (a) An agricultural homestead consists of class 2a agricultural land
11.26 that is homesteaded, along with any class 2b rural vacant land that is contiguous to the class
11.27 2a land under the same ownership. The market value of the house and garage and immediately
11.28 surrounding one acre of land has the same classification rates as class 1a or 1b property
11.29 under subdivision 22. The value of the remaining land including improvements up to the
11.30 first tier valuation limit of agricultural homestead property has a classification rate of 0.5
11.31 percent of market value. The remaining property over the first tier has a classification rate
11.32 of one percent of market value. For purposes of this subdivision, the "first tier valuation

12.1 limit of agricultural homestead property" and "first tier" means the limit certified under
12.2 section 273.11, subdivision 23.

12.3 (b) Class 2a agricultural land consists of parcels of property, or portions thereof, that
12.4 are agricultural land and buildings. Class 2a property has a classification rate of one percent
12.5 of market value, unless it is part of an agricultural homestead under paragraph (a). Class 2a
12.6 property must also include any property that would otherwise be classified as 2b, but is
12.7 interspersed with class 2a property, including but not limited to sloughs, wooded wind
12.8 shelters, acreage abutting ditches, ravines, rock piles, land subject to a setback requirement,
12.9 and other similar land that is impractical for the assessor to value separately from the rest
12.10 of the property or that is unlikely to be able to be sold separately from the rest of the property.

12.11 An assessor may classify the part of a parcel described in this subdivision that is used
12.12 for agricultural purposes as class 2a and the remainder in the class appropriate to its use.

12.13 (c) Class 2b rural vacant land consists of parcels of property, or portions thereof, that
12.14 are unplatted real estate, rural in character and not used for agricultural purposes, including
12.15 land used for growing trees for timber, lumber, and wood and wood products, that is not
12.16 improved with a structure. The presence of a minor, ancillary nonresidential structure as
12.17 defined by the commissioner of revenue does not disqualify the property from classification
12.18 under this paragraph. Any parcel of 20 acres or more improved with a structure that is not
12.19 a minor, ancillary nonresidential structure must be split-classified, and ten acres must be
12.20 assigned to the split parcel containing the structure. If a parcel of 20 acres or more is enrolled
12.21 in the sustainable forest management incentive program under chapter 290C, the number
12.22 of acres assigned to the split parcel improved with a structure that is not a minor, ancillary
12.23 nonresidential structure must equal three acres or the number of acres excluded from the
12.24 sustainable forest incentive act covenant due to the structure, whichever is greater. Class
12.25 2b property has a classification rate of one percent of market value unless it is part of an
12.26 agricultural homestead under paragraph (a), or qualifies as class 2c under paragraph (d).

12.27 (d) Class 2c managed forest land consists of no less than 20 and no more than 1,920
12.28 acres statewide per taxpayer that is being managed under a forest management plan that
12.29 meets the requirements of chapter 290C, but is not enrolled in the sustainable forest resource
12.30 management incentive program. It has a classification rate of .65 percent, provided that the
12.31 owner of the property must apply to the assessor in order for the property to initially qualify
12.32 for the reduced rate and provide the information required by the assessor to verify that the
12.33 property qualifies for the reduced rate. If the assessor receives the application and information
12.34 before May 1 in an assessment year, the property qualifies beginning with that assessment
12.35 year. If the assessor receives the application and information after April 30 in an assessment

13.1 year, the property may not qualify until the next assessment year. The commissioner of
13.2 natural resources must concur that the land is qualified. The commissioner of natural
13.3 resources shall annually provide county assessors verification information on a timely basis.
13.4 The presence of a minor, ancillary nonresidential structure as defined by the commissioner
13.5 of revenue does not disqualify the property from classification under this paragraph.

13.6 (e) Agricultural land as used in this section means:

13.7 (1) contiguous acreage of ten acres or more, used during the preceding year for
13.8 agricultural purposes; or

13.9 (2) contiguous acreage used during the preceding year for an intensive livestock or
13.10 poultry confinement operation, provided that land used only for pasturing or grazing does
13.11 not qualify under this clause.

13.12 "Agricultural purposes" as used in this section means the raising, cultivation, drying, or
13.13 storage of agricultural products for sale, or the storage of machinery or equipment used in
13.14 support of agricultural production by the same farm entity. For a property to be classified
13.15 as agricultural based only on the drying or storage of agricultural products, the products
13.16 being dried or stored must have been produced by the same farm entity as the entity operating
13.17 the drying or storage facility. "Agricultural purposes" also includes (i) enrollment in a local
13.18 conservation program or the Reinvest in Minnesota program under sections 103F.501 to
13.19 103F.535 or the federal Conservation Reserve Program as contained in Public Law 99-198
13.20 or a similar state or federal conservation program if the property was classified as agricultural
13.21 (A) under this subdivision for taxes payable in 2003 because of its enrollment in a qualifying
13.22 program and the land remains enrolled or (B) in the year prior to its enrollment, or (ii) use
13.23 of land, not to exceed three acres, to provide environmental benefits such as buffer strips,
13.24 old growth forest restoration or retention, or retention ponds to prevent soil erosion. For
13.25 purposes of this section, a "local conservation program" means a program administered by
13.26 a town, statutory or home rule charter city, or county, including a watershed district, water
13.27 management organization, or soil and water conservation district, in which landowners
13.28 voluntarily enroll land and receive incentive payments equal to at least \$50 per acre in
13.29 exchange for use or other restrictions placed on the land. In order for property to qualify
13.30 under the local conservation program provision, a taxpayer must apply to the assessor by
13.31 February 1 of the assessment year and must submit the information required by the assessor,
13.32 including but not limited to a copy of the program requirements, the specific agreement
13.33 between the land owner and the local agency, if applicable, and a map of the conservation
13.34 area. Agricultural classification shall not be based upon the market value of any residential
13.35 structures on the parcel or contiguous parcels under the same ownership.

14.1 "Contiguous acreage," for purposes of this paragraph, means all of, or a contiguous
14.2 portion of, a tax parcel as described in section 272.193, or all of, or a contiguous portion
14.3 of, a set of contiguous tax parcels under that section that are owned by the same person.

14.4 (f) Agricultural land under this section also includes:

14.5 (1) contiguous acreage that is less than ten acres in size and exclusively used in the
14.6 preceding year for raising or cultivating agricultural products; or

14.7 (2) contiguous acreage that contains a residence and is less than 11 acres in size, if the
14.8 contiguous acreage exclusive of the house, garage, and surrounding one acre of land was
14.9 used in the preceding year for one or more of the following three uses:

14.10 (i) for an intensive grain drying or storage operation, or for intensive machinery or
14.11 equipment storage activities used to support agricultural activities on other parcels of property
14.12 operated by the same farming entity;

14.13 (ii) as a nursery, provided that only those acres used intensively to produce nursery stock
14.14 are considered agricultural land; or

14.15 (iii) for intensive market farming; for purposes of this paragraph, "market farming"
14.16 means the cultivation of one or more fruits or vegetables or production of animal or other
14.17 agricultural products for sale to local markets by the farmer or an organization with which
14.18 the farmer is affiliated.

14.19 "Contiguous acreage," for purposes of this paragraph, means all of a tax parcel as
14.20 described in section 272.193, or all of a set of contiguous tax parcels under that section that
14.21 are owned by the same person.

14.22 (g) Land shall be classified as agricultural even if all or a portion of the agricultural use
14.23 of that property is the leasing to, or use by another person for agricultural purposes.

14.24 Classification under this subdivision is not determinative for qualifying under section
14.25 273.111.

14.26 (h) The property classification under this section supersedes, for property tax purposes
14.27 only, any locally administered agricultural policies or land use restrictions that define
14.28 minimum or maximum farm acreage.

14.29 (i) The term "agricultural products" as used in this subdivision includes production for
14.30 sale of:

15.1 (1) livestock; dairy animals; dairy products; poultry and poultry products; fur-bearing
15.2 animals; horticultural and nursery stock; fruit of all kinds; vegetables; forage; grains;
15.3 hemp; bees; and apiary products by the owner;

15.4 (2) aquacultural products for sale and consumption, as defined under section 17.47, if
15.5 the aquaculture occurs on land zoned for agricultural use;

15.6 (3) the commercial boarding of horses, which may include related horse training and
15.7 riding instruction, if the boarding is done on property that is also used for raising pasture
15.8 to graze horses or raising or cultivating other agricultural products as defined in clause (1);

15.9 (4) property which is owned and operated by nonprofit organizations used for equestrian
15.10 activities, excluding racing;

15.11 (5) game birds and waterfowl bred and raised (i) on a game farm licensed under section
15.12 97A.105, provided that the annual licensing report to the Department of Natural Resources,
15.13 which must be submitted annually by March 30 to the assessor, indicates that at least 500
15.14 birds were raised or used for breeding stock on the property during the preceding year and
15.15 that the owner provides a copy of the owner's most recent schedule F; or (ii) for use on a
15.16 shooting preserve licensed under section 97A.115;

15.17 (6) insects primarily bred to be used as food for animals;

15.18 (7) trees, grown for sale as a crop, including short rotation woody crops, and not sold
15.19 for timber, lumber, wood, or wood products; and

15.20 (8) maple syrup taken from trees grown by a person licensed by the Minnesota
15.21 Department of Agriculture under chapter 28A as a food processor.

15.22 (j) If a parcel used for agricultural purposes is also used for commercial or industrial
15.23 purposes, including but not limited to:

15.24 (1) wholesale and retail sales;

15.25 (2) processing of raw agricultural products or other goods;

15.26 (3) warehousing or storage of processed goods; and

15.27 (4) office facilities for the support of the activities enumerated in clauses (1), (2), and
15.28 (3), the assessor shall classify the part of the parcel used for agricultural purposes as class
15.29 1b, 2a, or 2b, whichever is appropriate, and the remainder in the class appropriate to its use.
15.30 The grading, sorting, and packaging of raw agricultural products for first sale is considered
15.31 an agricultural purpose. A greenhouse or other building where horticultural or nursery
15.32 products are grown that is also used for the conduct of retail sales must be classified as

16.1 agricultural if it is primarily used for the growing of horticultural or nursery products from
16.2 seed, cuttings, or roots and occasionally as a showroom for the retail sale of those products.
16.3 Use of a greenhouse or building only for the display of already grown horticultural or nursery
16.4 products does not qualify as an agricultural purpose.

16.5 (k) The assessor shall determine and list separately on the records the market value of
16.6 the homestead dwelling and the one acre of land on which that dwelling is located. If any
16.7 farm buildings or structures are located on this homesteaded acre of land, their market value
16.8 shall not be included in this separate determination.

16.9 (l) Class 2d airport landing area consists of a landing area or public access area of a
16.10 privately owned public use airport. It has a classification rate of one percent of market value.
16.11 To qualify for classification under this paragraph, a privately owned public use airport must
16.12 be licensed as a public airport under section 360.018. For purposes of this paragraph, "landing
16.13 area" means that part of a privately owned public use airport properly cleared, regularly
16.14 maintained, and made available to the public for use by aircraft and includes runways,
16.15 taxiways, aprons, and sites upon which are situated landing or navigational aids. A landing
16.16 area also includes land underlying both the primary surface and the approach surfaces that
16.17 comply with all of the following:

16.18 (i) the land is properly cleared and regularly maintained for the primary purposes of the
16.19 landing, taking off, and taxiing of aircraft; but that portion of the land that contains facilities
16.20 for servicing, repair, or maintenance of aircraft is not included as a landing area;

16.21 (ii) the land is part of the airport property; and

16.22 (iii) the land is not used for commercial or residential purposes.

16.23 The land contained in a landing area under this paragraph must be described and certified
16.24 by the commissioner of transportation. The certification is effective until it is modified, or
16.25 until the airport or landing area no longer meets the requirements of this paragraph. For
16.26 purposes of this paragraph, "public access area" means property used as an aircraft parking
16.27 ramp, apron, or storage hangar, or an arrival and departure building in connection with the
16.28 airport.

16.29 (m) Class 2e consists of land with a commercial aggregate deposit that is not actively
16.30 being mined and is not otherwise classified as class 2a or 2b, provided that the land is not
16.31 located in a county that has elected to opt-out of the aggregate preservation program as
16.32 provided in section 273.1115, subdivision 6. It has a classification rate of one percent of
16.33 market value. To qualify for classification under this paragraph, the property must be at

17.1 least ten contiguous acres in size and the owner of the property must record with the county
17.2 recorder of the county in which the property is located an affidavit containing:

17.3 (1) a legal description of the property;

17.4 (2) a disclosure that the property contains a commercial aggregate deposit that is not
17.5 actively being mined but is present on the entire parcel enrolled;

17.6 (3) documentation that the conditional use under the county or local zoning ordinance
17.7 of this property is for mining; and

17.8 (4) documentation that a permit has been issued by the local unit of government or the
17.9 mining activity is allowed under local ordinance. The disclosure must include a statement
17.10 from a registered professional geologist, engineer, or soil scientist delineating the deposit
17.11 and certifying that it is a commercial aggregate deposit.

17.12 For purposes of this section and section 273.1115, "commercial aggregate deposit"
17.13 means a deposit that will yield crushed stone or sand and gravel that is suitable for use as
17.14 a construction aggregate; and "actively mined" means the removal of top soil and overburden
17.15 in preparation for excavation or excavation of a commercial deposit.

17.16 (n) When any portion of the property under this subdivision or subdivision 22 begins to
17.17 be actively mined, the owner must file a supplemental affidavit within 60 days from the
17.18 day any aggregate is removed stating the number of acres of the property that is actively
17.19 being mined. The acres actively being mined must be (1) valued and classified under
17.20 subdivision 24 in the next subsequent assessment year, and (2) removed from the aggregate
17.21 resource preservation property tax program under section 273.1115, if the land was enrolled
17.22 in that program. Copies of the original affidavit and all supplemental affidavits must be
17.23 filed with the county assessor, the local zoning administrator, and the Department of Natural
17.24 Resources, Division of Land and Minerals. A supplemental affidavit must be filed each
17.25 time a subsequent portion of the property is actively mined, provided that the minimum
17.26 acreage change is five acres, even if the actual mining activity constitutes less than five
17.27 acres.

17.28 (o) The definitions prescribed by the commissioner under paragraphs (c) and (d) are not
17.29 rules and are exempt from the rulemaking provisions of chapter 14, and the provisions in
17.30 section 14.386 concerning exempt rules do not apply.

17.31 **EFFECTIVE DATE.** This section is effective beginning with assessment year 2023
17.32 and thereafter.

18.1 Sec. 11. Minnesota Statutes 2021 Supplement, section 273.13, subdivision 25, is amended
18.2 to read:

18.3 Subd. 25. **Class 4.** (a) Class 4a is residential real estate containing four or more units
18.4 and used or held for use by the owner or by the tenants or lessees of the owner as a residence
18.5 for rental periods of 30 days or more, excluding property qualifying for class 4d. Class 4a
18.6 also includes hospitals licensed under sections 144.50 to 144.56, other than hospitals exempt
18.7 under section 272.02, and contiguous property used for hospital purposes, without regard
18.8 to whether the property has been platted or subdivided. The market value of class 4a property
18.9 has a classification rate of 1.25 percent.

18.10 (b) Class 4b includes:

18.11 (1) residential real estate containing less than four units, including property rented as a
18.12 short-term rental property for more than 14 days in the preceding year, that does not qualify
18.13 as class 4bb, other than seasonal residential recreational property;

18.14 (2) manufactured homes not classified under any other provision;

18.15 (3) a dwelling, garage, and surrounding one acre of property on a nonhomestead farm
18.16 classified under subdivision 23, paragraph (b) containing two or three units; and

18.17 (4) unimproved property that is classified residential as determined under subdivision
18.18 33.

18.19 For the purposes of this paragraph, "short-term rental property" means nonhomestead
18.20 residential real estate rented for periods of less than 30 consecutive days.

18.21 The market value of class 4b property has a classification rate of 1.25 percent.

18.22 (c) Class 4bb includes:

18.23 (1) nonhomestead residential real estate containing one unit, other than seasonal
18.24 residential recreational property;

18.25 (2) a single family dwelling, garage, and surrounding one acre of property on a
18.26 nonhomestead farm classified under subdivision 23, paragraph (b); and

18.27 (3) a condominium-type storage unit having an individual property identification number
18.28 that is not used for a commercial purpose.

18.29 Class 4bb property has the same classification rates as class 1a property under subdivision
18.30 22.

19.1 Property that has been classified as seasonal residential recreational property at any time
19.2 during which it has been owned by the current owner or spouse of the current owner does
19.3 not qualify for class 4bb.

19.4 (d) Class 4c property includes:

19.5 (1) except as provided in subdivision 22, paragraph (c), real and personal property
19.6 devoted to commercial temporary and seasonal residential occupancy for recreation purposes,
19.7 for not more than 250 days in the year preceding the year of assessment. For purposes of
19.8 this clause, property is devoted to a commercial purpose on a specific day if any portion of
19.9 the property is used for residential occupancy, and a fee is charged for residential occupancy.
19.10 Class 4c property under this clause must contain three or more rental units. A "rental unit"
19.11 is defined as a cabin, condominium, townhouse, sleeping room, or individual camping site
19.12 equipped with water and electrical hookups for recreational vehicles. A camping pad offered
19.13 for rent by a property that otherwise qualifies for class 4c under this clause is also class 4c
19.14 under this clause regardless of the term of the rental agreement, as long as the use of the
19.15 camping pad does not exceed 250 days. In order for a property to be classified under this
19.16 clause, either (i) the business located on the property must provide recreational activities,
19.17 at least 40 percent of the annual gross lodging receipts related to the property must be from
19.18 business conducted during 90 consecutive days, and either (A) at least 60 percent of all paid
19.19 bookings by lodging guests during the year must be for periods of at least two consecutive
19.20 nights; or (B) at least 20 percent of the annual gross receipts must be from charges for
19.21 providing recreational activities, or (ii) the business must contain 20 or fewer rental units,
19.22 and must be located in a township or a city with a population of 2,500 or less located outside
19.23 the metropolitan area, as defined under section 473.121, subdivision 2, that contains a portion
19.24 of a state trail administered by the Department of Natural Resources. For purposes of item
19.25 (i)(A), a paid booking of five or more nights shall be counted as two bookings. Class 4c
19.26 property also includes commercial use real property used exclusively for recreational
19.27 purposes in conjunction with other class 4c property classified under this clause and devoted
19.28 to temporary and seasonal residential occupancy for recreational purposes, up to a total of
19.29 two acres, provided the property is not devoted to commercial recreational use for more
19.30 than 250 days in the year preceding the year of assessment and is located within two miles
19.31 of the class 4c property with which it is used. In order for a property to qualify for
19.32 classification under this clause, the owner must submit a declaration to the assessor
19.33 designating the cabins or units occupied for 250 days or less in the year preceding the year
19.34 of assessment by January 15 of the assessment year. Those cabins or units and a proportionate
19.35 share of the land on which they are located must be designated class 4c under this clause

20.1 as otherwise provided. The remainder of the cabins or units and a proportionate share of
20.2 the land on which they are located will be designated as class 3a. The owner of property
20.3 desiring designation as class 4c property under this clause must provide guest registers or
20.4 other records demonstrating that the units for which class 4c designation is sought were not
20.5 occupied for more than 250 days in the year preceding the assessment if so requested. The
20.6 portion of a property operated as a (1) restaurant, (2) bar, (3) gift shop, (4) conference center
20.7 or meeting room, and (5) other nonresidential facility operated on a commercial basis not
20.8 directly related to temporary and seasonal residential occupancy for recreation purposes
20.9 does not qualify for class 4c. For the purposes of this paragraph, "recreational activities"
20.10 means renting ice fishing houses, boats and motors, snowmobiles, downhill or cross-country
20.11 ski equipment; providing marina services, launch services, or guide services; or selling bait
20.12 and fishing tackle;

20.13 (2) qualified property used as a golf course if:

20.14 (i) it is open to the public on a daily fee basis. It may charge membership fees or dues,
20.15 but a membership fee may not be required in order to use the property for golfing, and its
20.16 green fees for golfing must be comparable to green fees typically charged by municipal
20.17 courses; and

20.18 (ii) it meets the requirements of section 273.112, subdivision 3, paragraph (d).

20.19 A structure used as a clubhouse, restaurant, or place of refreshment in conjunction with
20.20 the golf course is classified as class 3a property;

20.21 (3) real property up to a maximum of three acres of land owned and used by a nonprofit
20.22 community service oriented organization and not used for residential purposes on either a
20.23 temporary or permanent basis, provided that:

20.24 (i) the property is not used for a revenue-producing activity for more than six days in
20.25 the calendar year preceding the year of assessment; or

20.26 (ii) the organization makes annual charitable contributions and donations at least equal
20.27 to the property's previous year's property taxes and the property is allowed to be used for
20.28 public and community meetings or events for no charge, as appropriate to the size of the
20.29 facility.

20.30 For purposes of this clause:

20.31 (A) "charitable contributions and donations" has the same meaning as lawful gambling
20.32 purposes under section 349.12, subdivision 25, excluding those purposes relating to the
20.33 payment of taxes, assessments, fees, auditing costs, and utility payments;

21.1 (B) "property taxes" excludes the state general tax;

21.2 (C) a "nonprofit community service oriented organization" means any corporation,
21.3 society, association, foundation, or institution organized and operated exclusively for
21.4 charitable, religious, fraternal, civic, or educational purposes, and which is exempt from
21.5 federal income taxation pursuant to section 501(c)(3), (8), (10), or (19) of the Internal
21.6 Revenue Code; and

21.7 (D) "revenue-producing activities" shall include but not be limited to property or that
21.8 portion of the property that is used as an on-sale intoxicating liquor or 3.2 percent malt
21.9 liquor establishment licensed under chapter 340A, a restaurant open to the public, bowling
21.10 alley, a retail store, gambling conducted by organizations licensed under chapter 349, an
21.11 insurance business, or office or other space leased or rented to a lessee who conducts a
21.12 for-profit enterprise on the premises.

21.13 Any portion of the property not qualifying under either item (i) or (ii) is class 3a. The
21.14 use of the property for social events open exclusively to members and their guests for periods
21.15 of less than 24 hours, when an admission is not charged nor any revenues are received by
21.16 the organization shall not be considered a revenue-producing activity.

21.17 The organization shall maintain records of its charitable contributions and donations
21.18 and of public meetings and events held on the property and make them available upon
21.19 request any time to the assessor to ensure eligibility. An organization meeting the requirement
21.20 under item (ii) must file an application by May 1 with the assessor for eligibility for the
21.21 current year's assessment. The commissioner shall prescribe a uniform application form
21.22 and instructions;

21.23 (4) postsecondary student housing of not more than one acre of land that is owned by a
21.24 nonprofit corporation organized under chapter 317A and is used exclusively by a student
21.25 cooperative, sorority, or fraternity for on-campus housing or housing located within two
21.26 miles of the border of a college campus;

21.27 (5)(i) manufactured home parks as defined in section 327.14, subdivision 3, ~~excluding~~
21.28 including manufactured home parks ~~described in items (ii) and (iii), (ii) manufactured home~~
21.29 ~~parks as defined in section 327.14, subdivision 3, that are described in section 273.124,~~
21.30 ~~subdivision 3a, and (iii) class I manufactured home parks as defined in section 327C.01,~~
21.31 ~~subdivision 13;~~

21.32 (6) real property that is actively and exclusively devoted to indoor fitness, health, social,
21.33 recreational, and related uses, is owned and operated by a not-for-profit corporation, and is
21.34 located within the metropolitan area as defined in section 473.121, subdivision 2;

22.1 (7) a leased or privately owned noncommercial aircraft storage hangar not exempt under
22.2 section 272.01, subdivision 2, and the land on which it is located, provided that:

22.3 (i) the land is on an airport owned or operated by a city, town, county, Metropolitan
22.4 Airports Commission, or group thereof; and

22.5 (ii) the land lease, or any ordinance or signed agreement restricting the use of the leased
22.6 premise, prohibits commercial activity performed at the hangar.

22.7 If a hangar classified under this clause is sold after June 30, 2000, a bill of sale must be
22.8 filed by the new owner with the assessor of the county where the property is located within
22.9 60 days of the sale;

22.10 (8) a privately owned noncommercial aircraft storage hangar not exempt under section
22.11 272.01, subdivision 2, and the land on which it is located, provided that:

22.12 (i) the land abuts a public airport; and

22.13 (ii) the owner of the aircraft storage hangar provides the assessor with a signed agreement
22.14 restricting the use of the premises, prohibiting commercial use or activity performed at the
22.15 hangar; and

22.16 (9) residential real estate, a portion of which is used by the owner for homestead purposes,
22.17 and that is also a place of lodging, if all of the following criteria are met:

22.18 (i) rooms are provided for rent to transient guests that generally stay for periods of 14
22.19 or fewer days;

22.20 (ii) meals are provided to persons who rent rooms, the cost of which is incorporated in
22.21 the basic room rate;

22.22 (iii) meals are not provided to the general public except for special events on fewer than
22.23 seven days in the calendar year preceding the year of the assessment; and

22.24 (iv) the owner is the operator of the property.

22.25 The market value subject to the 4c classification under this clause is limited to five rental
22.26 units. Any rental units on the property in excess of five, must be valued and assessed as
22.27 class 3a. The portion of the property used for purposes of a homestead by the owner must
22.28 be classified as class 1a property under subdivision 22;

22.29 (10) real property up to a maximum of three acres and operated as a restaurant as defined
22.30 under section 157.15, subdivision 12, provided it: (i) is located on a lake as defined under
22.31 section 103G.005, subdivision 15, paragraph (a), clause (3); and (ii) is either devoted to
22.32 commercial purposes for not more than 250 consecutive days, or receives at least 60 percent

23.1 of its annual gross receipts from business conducted during four consecutive months. Gross
23.2 receipts from the sale of alcoholic beverages must be included in determining the property's
23.3 qualification under item (ii). The property's primary business must be as a restaurant and
23.4 not as a bar. Gross receipts from gift shop sales located on the premises must be excluded.
23.5 Owners of real property desiring 4c classification under this clause must submit an annual
23.6 declaration to the assessor by February 1 of the current assessment year, based on the
23.7 property's relevant information for the preceding assessment year;

23.8 (11) lakeshore and riparian property and adjacent land, not to exceed six acres, used as
23.9 a marina, as defined in section 86A.20, subdivision 5, which is made accessible to the public
23.10 and devoted to recreational use for marina services. The marina owner must annually provide
23.11 evidence to the assessor that it provides services, including lake or river access to the public
23.12 by means of an access ramp or other facility that is either located on the property of the
23.13 marina or at a publicly owned site that abuts the property of the marina. No more than 800
23.14 feet of lakeshore may be included in this classification. Buildings used in conjunction with
23.15 a marina for marina services, including but not limited to buildings used to provide food
23.16 and beverage services, fuel, boat repairs, or the sale of bait or fishing tackle, are classified
23.17 as class 3a property; and

23.18 (12) real and personal property devoted to noncommercial temporary and seasonal
23.19 residential occupancy for recreation purposes.

23.20 Class 4c property has a classification rate of 1.5 percent of market value, except that (i)
23.21 each parcel of noncommercial seasonal residential recreational property under clause (12)
23.22 has the same classification rates as class 4bb property, (ii) manufactured home parks assessed
23.23 under clause (5), ~~item (i), have the same classification rate as class 4b property, the market~~
23.24 ~~value of manufactured home parks assessed under clause (5), item (ii), have a classification~~
23.25 ~~rate of 0.75 percent if more than 50 percent of the lots in the park are occupied by~~
23.26 ~~shareholders in the cooperative corporation or association and a classification rate of one~~
23.27 ~~percent if 50 percent or less of the lots are so occupied, and class I manufactured home~~
23.28 ~~parks as defined in section 327C.01, subdivision 13, have a classification rate of 1.0~~ 0.75
23.29 percent, (iii) commercial-use seasonal residential recreational property and marina
23.30 recreational land as described in clause (11), has a classification rate of one percent for the
23.31 first \$500,000 of market value, and 1.25 percent for the remaining market value, (iv) the
23.32 market value of property described in clause (4) has a classification rate of one percent, (v)
23.33 the market value of property described in clauses (2), (6), and (10) has a classification rate
23.34 of 1.25 percent, (vi) that portion of the market value of property in clause (9) qualifying for
23.35 class 4c property has a classification rate of 1.25 percent, and (vii) property qualifying for

24.1 classification under clause (3) that is owned or operated by a congressionally chartered
24.2 veterans organization has a classification rate of one percent. The commissioner of veterans
24.3 affairs must provide a list of congressionally chartered veterans organizations to the
24.4 commissioner of revenue by June 30, 2017, and by January 1, 2018, and each year thereafter.

24.5 (e) Class 4d property ~~is~~ includes:

24.6 (1) qualifying low-income rental housing certified to the assessor by the Housing Finance
24.7 Agency under section 273.128, subdivision 3. If only a portion of the units in the building
24.8 qualify as low-income rental housing units as certified under section 273.128, subdivision
24.9 3, only the proportion of qualifying units to the total number of units in the building qualify
24.10 for class ~~4d~~ 4d(1). The remaining portion of the building shall be classified by the assessor
24.11 based upon its use. Class ~~4d~~ 4d(1) also includes the same proportion of land as the qualifying
24.12 low-income rental housing units are to the total units in the building. For all properties
24.13 qualifying as class ~~4d~~ 4d(1), the market value determined by the assessor must be based on
24.14 the normal approach to value using normal unrestricted rents; and

24.15 (2) a unit that is owned by the occupant and used as a homestead by the occupant, and
24.16 otherwise meets all the requirements for community land trust property under section 273.11,
24.17 subdivision 12, provided that by December 31 of each assessment year, the community land
24.18 trust certifies to the assessor that (i) the community land trust owns the real property on
24.19 which the unit is located, and (ii) the unit owner is a member in good standing of the
24.20 community land trust. For all units qualifying as class 4d(2), the market value determined
24.21 by the assessor must be based on the normal approach to value without regard to any
24.22 restrictions that apply because the unit is a community land trust property.

24.23 (f) The first tier of market value of class ~~4d~~ 4d(1) property has a classification rate of
24.24 0.75 percent. The remaining value of class ~~4d~~ 4d(1) property has a classification rate of
24.25 0.25 percent. For the purposes of this paragraph, the "first tier of market value of class ~~4d~~
24.26 4d(1) property" means the market value of each housing unit up to the first tier limit. For
24.27 the purposes of this paragraph, all class 4d property value must be assigned to individual
24.28 housing units. The first tier limit is \$100,000 for assessment years 2022 and 2023. For
24.29 subsequent assessment years, the limit is adjusted each year by the average statewide change
24.30 in estimated market value of property classified as class 4a and ~~4d~~ 4d(1) under this section
24.31 for the previous assessment year, excluding valuation change due to new construction,
24.32 rounded to the nearest \$1,000, provided, however, that the limit may never be less than
24.33 \$100,000. Beginning with assessment year 2015, the commissioner of revenue must certify
24.34 the limit for each assessment year by November 1 of the previous year. Class 4d(2) property
24.35 has a classification rate of 0.75 percent.

25.1 **EFFECTIVE DATE.** (a) The amendments to paragraph (d) are effective for property
25.2 taxes payable in 2024 and thereafter.

25.3 (b) The amendments to paragraphs (e) and (f) are effective for property taxes payable
25.4 in 2023 and thereafter.

25.5 Sec. 12. Minnesota Statutes 2021 Supplement, section 273.13, subdivision 34, is amended
25.6 to read:

25.7 Subd. 34. **Homestead of veteran with a disability or family caregiver.** (a) All or a
25.8 portion of the market value of property owned by a veteran and serving as the veteran's
25.9 homestead under this section is excluded in determining the property's taxable market value
25.10 if the veteran has a service-connected disability of 70 percent or more as certified by the
25.11 United States Department of Veterans Affairs. To qualify for exclusion under this subdivision,
25.12 the veteran must have been honorably discharged from the United States armed forces, as
25.13 indicated by United States Government Form DD214 or other official military discharge
25.14 papers.

25.15 (b)(1) For a disability rating of 70 percent or more, \$150,000 of market value is excluded,
25.16 except as provided in clause (2); and

25.17 (2) for a total (100 percent) and permanent disability, \$300,000 of market value is
25.18 excluded.

25.19 (c) If a veteran with a disability qualifying for a valuation exclusion under paragraph
25.20 (b), clause (2), predeceases the veteran's spouse, and if upon the death of the veteran the
25.21 spouse holds the legal or beneficial title to the homestead and permanently resides there,
25.22 the exclusion shall carry over to the benefit of the veteran's spouse until such time as the
25.23 spouse remarries, or sells, transfers, or otherwise disposes of the property, except as otherwise
25.24 provided in paragraph (n). Qualification under this paragraph requires an application under
25.25 paragraph (h), and a spouse must notify the assessor if there is a change in the spouse's
25.26 marital status, ownership of the property, or use of the property as a permanent residence.
25.27 If a spouse had previously qualified under this paragraph and the exclusion expired before
25.28 taxes payable in 2020, the spouse may reapply under paragraph (h) for the exclusion under
25.29 this paragraph.

25.30 (d) If the spouse of a member of any branch or unit of the United States armed forces
25.31 who dies due to a service-connected cause while serving honorably in active service, as
25.32 indicated on United States Government Form DD1300 or DD2064, holds the legal or
25.33 beneficial title to a homestead and permanently resides there, the spouse is entitled to the

26.1 benefit described in paragraph (b), clause (2), until such time as the spouse remarries or
26.2 sells, transfers, or otherwise disposes of the property, except as otherwise provided in
26.3 paragraph (n). If a spouse had previously qualified under this paragraph and the exclusion
26.4 expired before taxes payable in 2020, the spouse may reapply under paragraph (h) for the
26.5 exclusion under this paragraph.

26.6 (e) If a veteran meets the disability criteria of paragraph (a) but does not own property
26.7 classified as homestead in the state of Minnesota, then the homestead of the veteran's primary
26.8 family caregiver, if any, is eligible for the exclusion that the veteran would otherwise qualify
26.9 for under paragraph (b).

26.10 (f) In the case of an agricultural homestead, only the portion of the property consisting
26.11 of the house and garage and immediately surrounding one acre of land qualifies for the
26.12 valuation exclusion under this subdivision.

26.13 (g) A property qualifying for a valuation exclusion under this subdivision is not eligible
26.14 for the market value exclusion under subdivision 35, or classification under subdivision 22,
26.15 paragraph (b).

26.16 (h) To qualify for a valuation exclusion under this subdivision a property owner must
26.17 apply to the assessor by December 31 of the first assessment year for which the exclusion
26.18 is sought. Except as provided in paragraph (c), the owner of a property that has been accepted
26.19 for a valuation exclusion must notify the assessor if there is a change in ownership of the
26.20 property or in the use of the property as a homestead.

26.21 (i) A first-time application by a qualifying spouse for the market value exclusion under
26.22 paragraph (d) must be made any time within two years of the death of the service member,
26.23 within two years of the United States Department of Veterans Affairs Dependency and
26.24 Indemnity Compensation determination, or by December 31, 2023, whichever is later. A
26.25 qualifying spouse whose application was previously denied may reapply, pursuant to this
26.26 paragraph, by December 31, 2023.

26.27 (j) For purposes of this subdivision:

26.28 (1) "active service" has the meaning given in section 190.05;

26.29 (2) "own" means that the person's name is present as an owner on the property deed;

26.30 (3) "primary family caregiver" means a person who is approved by the secretary of the
26.31 United States Department of Veterans Affairs for assistance as the primary provider of
26.32 personal care services for an eligible veteran under the Program of Comprehensive Assistance
26.33 for Family Caregivers, codified as United States Code, title 38, section 1720G; and

27.1 (4) "veteran" has the meaning given the term in section 197.447.

27.2 (k) If a veteran dying after December 31, 2011, did not apply for or receive the exclusion
27.3 under paragraph (b), clause (2), before dying, the veteran's spouse is entitled to the benefit
27.4 under paragraph (b), clause (2), until the spouse remarries or sells, transfers, or otherwise
27.5 disposes of the property, except as otherwise provided in paragraph (n), if:

27.6 (1) the spouse files a first-time application within two years of the death of the service
27.7 member, within two years of the United States Department of Veterans Affairs Dependency
27.8 and Indemnity Compensation determination, if applicable, or by ~~June 1, 2019~~ December
27.9 31, 2023, whichever is later. A spouse whose application was previously denied may reapply,
27.10 pursuant to this paragraph, by December 31, 2023;

27.11 (2) upon the death of the veteran, the spouse holds the legal or beneficial title to the
27.12 homestead and permanently resides there;

27.13 (3) the veteran met the honorable discharge requirements of paragraph (a); and

27.14 (4) the United States Department of Veterans Affairs certifies that:

27.15 (i) the veteran met the total (100 percent) and permanent disability requirement under
27.16 paragraph (b), clause (2); or

27.17 (ii) the spouse has been awarded dependency and indemnity compensation.

27.18 (l) The purpose of this provision of law providing a level of homestead property tax
27.19 relief for veterans with a disability, their primary family caregivers, and their surviving
27.20 spouses is to help ease the burdens of war for those among our state's citizens who bear
27.21 those burdens most heavily.

27.22 (m) By ~~July 1~~ December 31, the county veterans service officer must certify the disability
27.23 rating and permanent address of each veteran receiving the benefit under paragraph (b) to
27.24 the assessor.

27.25 (n) A spouse who received the benefit in paragraph (c), (d), or (k) but no longer holds
27.26 the legal or beneficial title to the property may continue to receive the exclusion for a
27.27 property other than the property for which the exclusion was initially granted until the spouse
27.28 remarries or sells, transfers, or otherwise disposes of the property, provided that:

27.29 (1) the spouse applies under paragraph (h) for the continuation of the exclusion allowed
27.30 under this paragraph;

27.31 (2) the spouse holds the legal or beneficial title to the property for which the continuation
27.32 of the exclusion is sought under this paragraph, and permanently resides there;

28.1 (3) the estimated market value of the property for which the exclusion is sought under
28.2 this paragraph is less than or equal to the estimated market value of the property that first
28.3 received the exclusion, based on the value of each property on the date of the sale of the
28.4 property that first received the exclusion; and

28.5 (4) the spouse has not previously received the benefit under this paragraph for a property
28.6 other than the property for which the exclusion is sought.

28.7 **EFFECTIVE DATE.** This section is effective for assessment year 2022 and thereafter.

28.8 Sec. 13. Minnesota Statutes 2020, section 273.13, subdivision 35, is amended to read:

28.9 Subd. 35. **Homestead market value exclusion.** (a) Prior to determining a property's
28.10 net tax capacity under this section, property classified as class 1a or 1b under subdivision
28.11 22, and the portion of property classified as class 2a under subdivision 23 consisting of the
28.12 house, garage, and surrounding one acre of land, shall be eligible for a market value exclusion
28.13 as determined under paragraph (b).

28.14 (b) For a homestead valued at ~~\$76,000~~ \$80,300 or less, the exclusion is 40 percent of
28.15 market value. For a homestead valued ~~between \$76,000~~ over \$80,300 and ~~\$413,800~~ less
28.16 than \$437,100, the exclusion is ~~\$30,400~~ \$32,120 minus nine percent of the valuation over
28.17 ~~\$76,000~~ \$80,300. For a homestead valued at ~~\$413,800~~ \$437,100 or more, there is no valuation
28.18 exclusion. The valuation exclusion shall be rounded to the nearest whole dollar, and may
28.19 not be less than zero.

28.20 (c) Any valuation exclusions or adjustments under section 273.11 shall be applied prior
28.21 to determining the amount of the valuation exclusion under this subdivision.

28.22 (d) In the case of a property that is classified as part homestead and part nonhomestead,
28.23 (i) the exclusion shall apply only to the homestead portion of the property, but (ii) if a portion
28.24 of a property is classified as nonhomestead solely because not all the owners occupy the
28.25 property, not all the owners have qualifying relatives occupying the property, or solely
28.26 because not all the spouses of owners occupy the property, the exclusion amount shall be
28.27 initially computed as if that nonhomestead portion were also in the homestead class and
28.28 then prorated to the owner-occupant's percentage of ownership. For the purpose of this
28.29 section, when an owner-occupant's spouse does not occupy the property, the percentage of
28.30 ownership for the owner-occupant spouse is one-half of the couple's ownership percentage.

28.31 **EFFECTIVE DATE.** This section is effective for assessment year 2023 and thereafter.

29.1 Sec. 14. Minnesota Statutes 2020, section 273.1387, subdivision 2, is amended to read:

29.2 Subd. 2. **Credit amount.** For each qualifying property, the school building bond
29.3 agricultural credit is equal to the credit percent multiplied by the property's eligible net tax
29.4 capacity multiplied by the school debt tax rate determined under section 275.08, subdivision
29.5 1b. For property taxes payable prior to 2020, the credit percent is equal to 40 percent. For
29.6 property taxes payable in 2020, the credit percent is equal to 50 percent. For property taxes
29.7 payable in 2021, the credit percent is equal to 55 percent. For property taxes payable in
29.8 2022, the credit percent is equal to 60 percent. For property taxes payable in 2023 ~~and~~
29.9 ~~thereafter~~, the credit percent is equal to 70 percent. For property taxes payable in 2024 and
29.10 thereafter, the credit percent is equal to 85 percent.

29.11 **EFFECTIVE DATE.** This section is effective beginning with property taxes payable
29.12 in 2024.

29.13 Sec. 15. Minnesota Statutes 2020, section 279.03, subdivision 1a, is amended to read:

29.14 Subd. 1a. **Rate.** (a) Except as provided in ~~paragraph~~ paragraphs (b) and (c), interest on
29.15 delinquent property taxes, penalties, and costs unpaid on or after January 1 is payable at the
29.16 per annum rate determined in section 270C.40, subdivision 5. ~~If the rate so determined is~~
29.17 ~~less than ten percent, the rate of interest is ten percent.~~ The maximum per annum rate is 14
29.18 percent if the rate specified under section 270C.40, subdivision 5, exceeds 14 percent. The
29.19 rate is subject to change on January 1 of each year.

29.20 (b) If a person is the owner of one or more parcels of property on which taxes are
29.21 delinquent, and the delinquent taxes are more than 25 percent of the prior year's school
29.22 district levy, interest on the delinquent property taxes, penalties, and costs unpaid is payable
29.23 at twice the rate determined under paragraph (a) for the year.

29.24 (c) A county board, by resolution, may establish an interest rate lower than the interest
29.25 rate determined under paragraph (a).

29.26 **EFFECTIVE DATE.** This section is effective for property taxes, penalties, and costs
29.27 determined to be delinquent on or after January 1, 2023.

29.28 Sec. 16. Minnesota Statutes 2020, section 282.261, subdivision 2, is amended to read:

29.29 Subd. 2. **Interest rate.** (a) Except as provided under paragraph (b), the unpaid balance
29.30 on any repurchase contract approved by the county board is subject to interest at the rate
29.31 determined in section 279.03, subdivision 1a. The interest rate is subject to change each

30.1 year on the unpaid balance in the manner provided for rate changes in section 279.03,
30.2 subdivision 1a.

30.3 (b) A county board, by resolution, or a county auditor, if delegated the responsibility to
30.4 administer tax-forfeited land assigned to the county board as provided under section 282.135,
30.5 may establish an interest rate lower than the interest rate determined under paragraph (a).

30.6 **EFFECTIVE DATE.** This section is effective January 1, 2023.

30.7 Sec. 17. Minnesota Statutes 2020, section 290A.03, subdivision 6, is amended to read:

30.8 Subd. 6. **Homestead.** "Homestead" means the dwelling occupied as the claimant's
30.9 principal residence and so much of the land surrounding it, not exceeding ten acres, as is
30.10 reasonably necessary for use of the dwelling as a home and any other property used for
30.11 purposes of a homestead as defined in section 273.13, subdivision 22, ~~except for~~ or 273.13,
30.12 subdivision 25, paragraph (e), clause (2). For agricultural land assessed as part of a homestead
30.13 pursuant to section 273.13, subdivision 23, "homestead" is limited to the house and garage
30.14 and immediately surrounding one acre of land. The homestead may be owned or rented and
30.15 may be a part of a multidwelling or multipurpose building and the land on which it is built.
30.16 A manufactured home, as defined in section 273.125, subdivision 8, or a park trailer taxed
30.17 as a manufactured home under section 168.012, subdivision 9, assessed as personal property
30.18 may be a dwelling for purposes of this subdivision.

30.19 **EFFECTIVE DATE.** This section is effective for refund claims based on taxes payable
30.20 in 2023 and thereafter.

30.21 Sec. 18. Minnesota Statutes 2020, section 290B.03, subdivision 1, is amended to read:

30.22 Subdivision 1. **Program qualifications.** The qualifications for the senior citizens'
30.23 property tax deferral program are as follows:

30.24 (1) the property must be owned and occupied as a homestead by a person 65 years of
30.25 age or older. In the case of a married couple, at least one of the spouses must be at least 65
30.26 years old at the time the first property tax deferral is granted, regardless of whether the
30.27 property is titled in the name of one spouse or both spouses, or titled in another way that
30.28 permits the property to have homestead status, and the other spouse must be at least 62 years
30.29 of age;

30.30 (2) the total household income of the qualifying homeowners, as defined in section
30.31 290A.03, subdivision 5, for the calendar year preceding the year of the initial application
30.32 may not exceed ~~\$60,000~~ \$96,000;

31.1 (3) the homestead must have been owned and occupied as the homestead of at least one
31.2 of the qualifying homeowners for at least ~~15~~ five years prior to the year the initial application
31.3 is filed;

31.4 (4) there are no state or federal tax liens or judgment liens on the homesteaded property;

31.5 (5) there are no mortgages or other liens on the property that secure future advances,
31.6 except for those subject to credit limits that result in compliance with clause (6); and

31.7 (6) the total unpaid balances of debts secured by mortgages and other liens on the
31.8 property, including unpaid and delinquent special assessments and interest and any delinquent
31.9 property taxes, penalties, and interest, but not including property taxes payable during the
31.10 year or debts secured by a residential PACE lien, as defined in section 216C.435, subdivision
31.11 10d, does not exceed 75 percent of the assessor's estimated market value for the year.

31.12 **EFFECTIVE DATE.** This section is effective for applications for deferral of taxes
31.13 payable in 2023 and thereafter.

31.14 Sec. 19. Minnesota Statutes 2020, section 290B.04, subdivision 3, is amended to read:

31.15 Subd. 3. **Excess-income certification by taxpayer.** A taxpayer whose initial application
31.16 has been approved under subdivision 2 shall notify the commissioner of revenue in writing
31.17 by July 1 if the taxpayer's household income for the preceding calendar year exceeded
31.18 ~~\$60,000~~ \$96,000. The certification must state the homeowner's total household income for
31.19 the previous calendar year. No property taxes may be deferred under this chapter in any
31.20 year following the year in which a program participant filed or should have filed an
31.21 excess-income certification under this subdivision, unless the participant has filed a
31.22 resumption of eligibility certification as described in subdivision 4.

31.23 **EFFECTIVE DATE.** This section is effective for applications for deferral of taxes
31.24 payable in 2023 and thereafter.

31.25 Sec. 20. Minnesota Statutes 2020, section 290B.04, subdivision 4, is amended to read:

31.26 Subd. 4. **Resumption of eligibility certification by taxpayer.** A taxpayer who has
31.27 previously filed an excess-income certification under subdivision 3 may resume program
31.28 participation if the taxpayer's household income for a subsequent year is ~~\$60,000~~ \$96,000
31.29 or less. If the taxpayer chooses to resume program participation, the taxpayer must notify
31.30 the commissioner of revenue in writing by July 1 of the year following a calendar year in
31.31 which the taxpayer's household income is ~~\$60,000~~ \$96,000 or less. The certification must
31.32 state the taxpayer's total household income for the previous calendar year. Once a taxpayer

32.1 resumes participation in the program under this subdivision, participation will continue until
32.2 the taxpayer files a subsequent excess-income certification under subdivision 3 or until
32.3 participation is terminated under section 290B.08, subdivision 1.

32.4 **EFFECTIVE DATE.** This section is effective for applications for deferral of taxes
32.5 payable in 2023 and thereafter.

32.6 Sec. 21. Minnesota Statutes 2020, section 290B.05, subdivision 1, is amended to read:

32.7 Subdivision 1. **Determination by commissioner.** The commissioner shall determine
32.8 each qualifying homeowner's "annual maximum property tax amount" following approval
32.9 of the homeowner's initial application and following the receipt of a resumption of eligibility
32.10 certification. The "annual maximum property tax amount" equals three percent of the
32.11 homeowner's total household income for the year preceding either the initial application or
32.12 the resumption of eligibility certification, whichever is applicable. Following approval of
32.13 the initial application, the commissioner shall determine the qualifying homeowner's
32.14 "maximum allowable deferral." No tax may be deferred relative to the appropriate assessment
32.15 year for any homeowner whose total household income for the previous year exceeds
32.16 ~~\$60,000~~ \$96,000. No tax shall be deferred in any year in which the homeowner does not
32.17 meet the program qualifications in section 290B.03. The maximum allowable total deferral
32.18 is equal to 75 percent of the assessor's estimated market value for the year, less the balance
32.19 of any mortgage loans and other amounts secured by liens against the property at the time
32.20 of application, including any unpaid and delinquent special assessments and interest and
32.21 any delinquent property taxes, penalties, and interest, but not including property taxes
32.22 payable during the year.

32.23 **EFFECTIVE DATE.** This section is effective for applications for deferral of taxes
32.24 payable in 2023 and thereafter.

32.25 Sec. 22. **REPEALER.**

32.26 Minnesota Statutes 2020, sections 327C.01, subdivision 13; and 327C.16, are repealed.

32.27 **EFFECTIVE DATE.** This section is effective beginning with property taxes payable
32.28 in 2024 and thereafter.

33.1

ARTICLE 2

33.2

STATE AIDS

33.3 Section 1. Minnesota Statutes 2020, section 477A.011, is amended by adding a subdivision
33.4 to read:

33.5 Subd. 3b. **Population age 65 and over.** "Population age 65 and over" means the
33.6 population age 65 and over established as of July 15 in an aid calculation year by the most
33.7 recent federal census, by a special census conducted under contract with the United States
33.8 Bureau of the Census, by a population estimate made by the Metropolitan Council, or by a
33.9 population estimate of the state demographer made pursuant to section 4A.02, whichever
33.10 is the most recent as to the stated date of the count or estimate for the preceding calendar
33.11 year and which has been certified to the commissioner of revenue on or before July 15 of
33.12 the aid calculation year. A revision to an estimate or count is effective for these purposes
33.13 only if certified to the commissioner on or before July 15 of the aid calculation year. Clerical
33.14 errors in the certification or use of estimates and counts established as of July 15 in the aid
33.15 calculation year are subject to correction within the time periods allowed under section
33.16 477A.014.

33.17 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2023
33.18 and thereafter.

33.19 Sec. 2. Minnesota Statutes 2020, section 477A.011, is amended by adding a subdivision
33.20 to read:

33.21 Subd. 3c. **Transformed population.** "Transformed population" means the logarithm to
33.22 the base 10 of the population.

33.23 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2023
33.24 and thereafter.

33.25 Sec. 3. Minnesota Statutes 2020, section 477A.011, subdivision 34, is amended to read:

33.26 Subd. 34. **City revenue need.** (a) For a city with a population equal to or greater than
33.27 10,000, "city revenue need" is 1.15 times the sum of (1) ~~4.59~~ 8.559 times the pre-1940
33.28 housing percentage; plus (2) ~~0.622~~ times the percent of housing built between 1940 and
33.29 ~~1970~~ 7.629 times the city age index; plus (3) ~~169.415~~ times the jobs per capita 5.461 times
33.30 the commercial industrial utility percentage; plus (4) the sparsity adjustment 8.481 times
33.31 peak population decline; plus (5) ~~307.664~~ 297.789.

34.1 (b) For a city with a population equal to or greater than 2,500 and less than 10,000, "city
34.2 revenue need" is 1.15 times the sum of (1) ~~572.62~~ 502.094; plus (2) ~~5.026~~ 4.285 times the
34.3 pre-1940 housing percentage; ~~minus~~ plus (3) ~~53.768 times household size~~ 6.699 times the
34.4 commercial industrial utility percentage; plus (4) ~~14.022~~ 17.645 times peak population
34.5 decline; ~~plus (5) the sparsity adjustment.~~

34.6 (c) For a city with a population less than 2,500, "city revenue need" is the sum of (1)
34.7 ~~410~~ 79.351; plus (2) ~~0.367~~ 246.428 times the city's transformed population over 100; ~~plus~~
34.8 ~~(3) the sparsity adjustment. The city revenue need for a city under this paragraph shall not~~
34.9 ~~exceed 630 plus the city's sparsity adjustment.~~

34.10 (d) For a city with a population of at least 2,500 but less than 3,000, the "city revenue
34.11 need" equals (1) the transition factor times the city's revenue need calculated in paragraph
34.12 (b); plus (2) ~~630~~ the city's revenue need calculated under the formula in paragraph (c) times
34.13 the difference between one and the transition factor. For a city with a population of at least
34.14 10,000 but less than 11,000, the "city revenue need" equals (1) the transition factor times
34.15 the city's revenue need calculated in paragraph (a); plus (2) the city's revenue need calculated
34.16 under the formula in paragraph (b) times the difference between one and the transition
34.17 factor. For purposes of the first sentence of this paragraph "transition factor" is 0.2 percent
34.18 times the amount that the city's population exceeds the minimum threshold. For purposes
34.19 of the second sentence of this paragraph, "transition factor" is 0.1 percent times the amount
34.20 that the city's population exceeds the minimum threshold.

34.21 (e) The city revenue need cannot be less than zero.

34.22 (f) For calendar year ~~2015~~ 2023 and subsequent years, the city revenue need for a city,
34.23 as determined in paragraphs (a) to (e), is multiplied by the ratio of the annual implicit price
34.24 deflator for government consumption expenditures and gross investment for state and local
34.25 governments as prepared by the United States Department of Commerce, for the most
34.26 recently available year to the ~~2013~~ 2020 implicit price deflator for state and local government
34.27 purchases.

34.28 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2023
34.29 and thereafter.

34.30 Sec. 4. Minnesota Statutes 2020, section 477A.011, is amended by adding a subdivision
34.31 to read:

34.32 **Subd. 46. City age index.** "City age index" means 100 times the ratio of (1) the population
34.33 age 65 and over within the city, to (2) the population of the city.

35.1 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2023
35.2 and thereafter.

35.3 Sec. 5. Minnesota Statutes 2020, section 477A.011, is amended by adding a subdivision
35.4 to read:

35.5 Subd. 47. **Commercial industrial utility percentage.** The "commercial industrial utility
35.6 percentage" for a city is 100 times the ratio of (1) the sum of the estimated market values
35.7 of all real and personal property in the city classified as class 3 under section 273.13,
35.8 subdivision 24, to (2) the total market value of all taxable real and personal property in the
35.9 city. The market values are the amounts computed before any adjustments for fiscal
35.10 disparities under section 276A.06 or 473F.08. The market values used for this subdivision
35.11 are not equalized.

35.12 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2023
35.13 and thereafter.

35.14 Sec. 6. Minnesota Statutes 2020, section 477A.0124, subdivision 2, is amended to read:

35.15 Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the
35.16 meanings given them.

35.17 (b) "County program aid" means the sum of "county need aid," "county tax base
35.18 equalization aid," and "county transition aid."

35.19 (c) "Age-adjusted population" means a county's population multiplied by the county age
35.20 index.

35.21 (d) "County age index" means the percentage of the population age 65 and over within
35.22 the county divided by the percentage of the population age 65 and over within the state,
35.23 except that the age index for any county may not be greater than 1.8 nor less than 0.8.

35.24 (e) ~~"Population age 65 and over" means the population age 65 and over established as~~
35.25 ~~of July 15 in an aid calculation year by the most recent federal census, by a special census~~
35.26 ~~conducted under contract with the United States Bureau of the Census, by a population~~
35.27 ~~estimate made by the Metropolitan Council, or by a population estimate of the state~~
35.28 ~~demographer made pursuant to section 4A.02, whichever is the most recent as to the stated~~
35.29 ~~date of the count or estimate for the preceding calendar year and which has been certified~~
35.30 ~~to the commissioner of revenue on or before July 15 of the aid calculation year. A revision~~
35.31 ~~to an estimate or count is effective for these purposes only if certified to the commissioner~~
35.32 ~~on or before July 15 of the aid calculation year. Clerical errors in the certification or use of~~

36.1 ~~estimates and counts established as of July 15 in the aid calculation year are subject to~~
36.2 ~~correction within the time periods allowed under section 477A.014~~ has the meaning given
36.3 in section 477A.011, subdivision 3b.

36.4 (f) "Part I crimes" means the three-year average annual number of Part I crimes reported
36.5 for each county by the Department of Public Safety for the most recent years available. By
36.6 July 1 of each year, the commissioner of public safety shall certify to the commissioner of
36.7 revenue the number of Part I crimes reported for each county for the three most recent
36.8 calendar years available.

36.9 (g) "Households receiving Supplemental Nutrition Assistance Program (SNAP) benefits"
36.10 means the average monthly number of households receiving SNAP benefits for the three
36.11 most recent years for which data is available. By July 1 of each year, the commissioner of
36.12 human services must certify to the commissioner of revenue the average monthly number
36.13 of households in the state and in each county that receive SNAP benefits, for the three most
36.14 recent calendar years available.

36.15 (h) "County net tax capacity" means the county's adjusted net tax capacity under section
36.16 273.1325.

36.17 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2023
36.18 and thereafter.

36.19 Sec. 7. Minnesota Statutes 2020, section 477A.013, subdivision 8, is amended to read:

36.20 Subd. 8. **City formula aid.** (a) For aids payable in ~~2018~~ 2023 and thereafter, the formula
36.21 aid for a city is equal to the product of (1) the difference between its unmet need and its
36.22 certified aid in the previous year ~~and before any aid adjustment under subdivision 13,~~ and
36.23 (2) the aid gap percentage.

36.24 (b) The applicable aid gap percentage must be calculated by the Department of Revenue
36.25 so that the total of the aid under subdivision 9 equals the total amount available for aid under
36.26 section 477A.03. The aid gap percentage must be the same for all cities subject to paragraph
36.27 (a). Data used in calculating aids to cities under sections 477A.011 to 477A.013 shall be
36.28 the most recently available data as of January 1 in the year in which the aid is calculated.

36.29 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2023
36.30 and thereafter.

37.1 Sec. 8. Minnesota Statutes 2020, section 477A.013, subdivision 9, is amended to read:

37.2 Subd. 9. **City aid distribution.** (a) In calendar year ~~2018~~ 2023 and thereafter, if a city's
37.3 certified aid ~~before any aid adjustment under subdivision 13~~ for the previous year is less
37.4 than its current unmet need, the city shall receive an aid distribution equal to the sum of (1)
37.5 its certified aid in the previous year ~~before any aid adjustment under subdivision 13, and~~
37.6 (2) the city formula aid under subdivision 8, ~~and (3) its aid adjustment under subdivision~~
37.7 ~~13.~~

37.8 (b) ~~For aids payable in 2020 only, no city's aid amount before any adjustment under~~
37.9 ~~subdivision 13 may be less than its pay 2019 certified aid amount, less any aid adjustment~~
37.10 ~~under subdivision 13 for that year.~~ For aids payable in ~~2020~~ 2023 and thereafter, if a city's
37.11 certified aid ~~before any aid adjustment under subdivision 13~~ for the previous year is equal
37.12 to or greater than its current unmet need, the total aid for a city is equal to the greater of (1)
37.13 its unmet need ~~plus any aid adjustment under subdivision 13~~, or (2) the amount it was
37.14 certified to receive in the previous year minus the sum of (i) ~~any adjustment under subdivision~~
37.15 ~~13 that was paid in the previous year but has expired, and (ii) the lesser of (i) \$10 multiplied~~
37.16 by its population, or (ii) five percent of its net levy in the year prior to the aid distribution.
37.17 No city may have a total aid amount less than \$0.

37.18 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2023
37.19 and thereafter.

37.20 Sec. 9. Minnesota Statutes 2020, section 477A.03, subdivision 2a, is amended to read:

37.21 Subd. 2a. **Cities.** ~~For aids payable in 2016 and 2017, the total aid paid under section~~
37.22 ~~477A.013, subdivision 9, is \$519,398,012. For aids payable in 2018 and 2019, the total aid~~
37.23 ~~paid under section 477A.013, subdivision 9, is \$534,398,012. For aids payable in 2020, the~~
37.24 ~~total aid paid under section 477A.013, subdivision 9, is \$560,398,012. For aids payable in~~
37.25 2021 and ~~thereafter~~ 2022, the total aid payable under section 477A.013, subdivision 9, is
37.26 \$564,398,012. For aids payable in 2023 and thereafter, the total aid payable under section
37.27 477A.013, subdivision 9, is \$598,617,913.

37.28 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2023
37.29 and thereafter.

38.1 Sec. 10. Minnesota Statutes 2021 Supplement, section 477A.03, subdivision 2b, is amended
38.2 to read:

38.3 Subd. 2b. **Counties.** (a) ~~For aids payable in 2018 and 2019, the total aid payable under~~
38.4 ~~section 477A.0124, subdivision 3, is \$103,795,000, of which \$3,000,000 shall be allocated~~
38.5 ~~as required under Laws 2014, chapter 150, article 4, section 6. For aids payable in 2020,~~
38.6 ~~the total aid payable under section 477A.0124, subdivision 3, is \$116,795,000, of which~~
38.7 ~~\$3,000,000 shall be allocated as required under Laws 2014, chapter 150, article 4, section~~
38.8 ~~6. For aids payable in 2021 through 2024 and 2022, the total aid payable under section~~
38.9 ~~477A.0124, subdivision 3, is \$118,795,000, of which \$3,000,000 shall be allocated as~~
38.10 ~~required under Laws 2014, chapter 150, article 4, section 6. For aids payable in 2023 and~~
38.11 ~~2024, the total aid payable under section 477A.0124, subdivision 3, is \$124,547,834, of~~
38.12 ~~which \$3,000,000 shall be allocated as required under Laws 2014, chapter 150, article 4,~~
38.13 ~~section 6. For aids payable in 2025 and thereafter, the total aid payable under section~~
38.14 ~~477A.0124, subdivision 3, is \$115,795,000~~ \$121,547,834. On or before the first installment
38.15 date provided in section 477A.015, paragraph (a), \$500,000 of this appropriation shall be
38.16 transferred each year by the commissioner of revenue to the Board of Public Defense for
38.17 the payment of services under section 611.27. Any transferred amounts not expended or
38.18 encumbered in a fiscal year shall be certified by the Board of Public Defense to the
38.19 commissioner of revenue on or before October 1 and shall be included in the next certification
38.20 of county need aid.

38.21 (b) ~~For aids payable in 2018 and 2019, the total aid under section 477A.0124, subdivision~~
38.22 ~~4, is \$130,873,444. For aids payable in 2020, the total aid under section 477A.0124,~~
38.23 ~~subdivision 4, is \$143,873,444. For aids payable in 2021 and thereafter 2022, the total aid~~
38.24 ~~under section 477A.0124, subdivision 4, is \$145,873,444. For aids payable in 2023 and~~
38.25 ~~thereafter, the total aid under section 477A.0124, subdivision 4, is \$153,120,610. The~~
38.26 ~~commissioner of revenue shall transfer to the Legislative Budget Office \$207,000 annually~~
38.27 ~~for the cost of preparation of local impact notes as required by section 3.987, and other local~~
38.28 ~~government activities. The commissioner of revenue shall transfer to the commissioner of~~
38.29 ~~education \$7,000 annually for the cost of preparation of local impact notes for school districts~~
38.30 ~~as required by section 3.987. The commissioner of revenue shall deduct the amounts~~
38.31 ~~transferred under this paragraph from the appropriation under this paragraph. The amounts~~
38.32 ~~transferred are appropriated to the Legislative Coordinating Commission and the~~
38.33 ~~commissioner of education respectively.~~

38.34 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2023
38.35 and thereafter.

39.1 **Sec. 11. [477A.23] SOIL AND WATER CONSERVATION DISTRICT AID.**

39.2 **Subdivision 1. Definitions.** For purposes of this section, the following terms have the
39.3 meanings given:

39.4 (1) "nonpublic land" means tract, lot, parcel, and piece or parcel of land as defined by
39.5 section 272.03, subdivision 6, that is not owned by the federal government, the state, or a
39.6 local government unit; and

39.7 (2) "soil and water conservation district" means a district under chapter 103C that is
39.8 implementing the duties under that chapter as determined by the Board of Water and Soil
39.9 Resources as of the date the board provides the certification to the commissioner of revenue
39.10 required by subdivision 4.

39.11 **Subd. 2. Purpose.** The purpose of this section is to provide ongoing financial support
39.12 to soil and water conservation districts to aid in the execution of chapter 103C and other
39.13 duties and services prescribed by statute.

39.14 **Subd. 3. Distribution.** The Board of Water and Soil Resources must calculate the amount
39.15 of aid to be distributed to the certified soil and water conservation districts from the
39.16 appropriation in subdivision 7 as follows:

39.17 (1) 70 percent of the appropriation must be distributed equally among the districts; and

39.18 (2) 30 percent of the appropriation must be distributed proportionally among the districts
39.19 according to the amount of nonpublic land located in a district as compared to the amount
39.20 of nonpublic land in the state.

39.21 **Subd. 4. Certification to commissioner.** On or before June 1 each year, the Board of
39.22 Water and Soil Resources must certify to the commissioner of revenue the soil and water
39.23 conservation districts that will receive a payment under this section and the amount of each
39.24 payment.

39.25 **Subd. 5. Use of proceeds.** (a) Notwithstanding section 103C.401, subdivision 2, a soil
39.26 and water conservation district that receives a distribution under this section must use the
39.27 proceeds to implement chapter 103C and other duties and services prescribed by statute.

39.28 (b) The board of each soil and water conservation district must establish, by resolution,
39.29 annual guidelines for using payments received under this section. Current year guidelines
39.30 and guidelines from the year immediately prior must be posted on the district website.

39.31 (c) A soil and water conservation district that receives a payment under this section may
39.32 appropriate any portion of the payment to a governmental unit with which the district has

40.1 a cooperative agreement under section 103C.231. Any payment received under this section
40.2 and appropriated by the district must be used as required by this section.

40.3 Subd. 6. **Payments.** The commissioner of revenue must distribute soil and water
40.4 conservation district aid in the same manner and at the same times as aid payments provided
40.5 under section 477A.015.

40.6 Subd. 7. **Appropriation.** \$22,000,000 is annually appropriated from the general fund
40.7 to the commissioner of revenue to make the payments required under his section.

40.8 Subd. 8. **Aid amount corrections.** If, due to a clerical error, the amount certified by the
40.9 Board of Soil and Water Resources to a soil and water conservation district is less than the
40.10 amount to which the district is entitled under this section, the Board of Water and Soil
40.11 Resources shall recertify the correct amount to the commissioner of revenue and communicate
40.12 the error and the corrected amount to the affected soil and water conservation district as
40.13 soon as practical after the error is discovered. The commissioner of revenue shall then
40.14 distribute additional aid payments in the same manner as additional aid payments are made
40.15 under section 477A.014. The additional aid payments shall be made from the general fund
40.16 and shall not diminish the distributions made to other soil and water conservation districts
40.17 under this section.

40.18 **EFFECTIVE DATE.** This section is effective beginning with aids payable in 2022 and
40.19 thereafter.

40.20 Sec. 12. **[477A.31] MAHNOMEN PROPERTY TAX REIMBURSEMENT AID.**

40.21 Subdivision 1. **Aid appropriation.** (a) The commissioner of revenue shall make
40.22 reimbursement aid payments to compensate for the loss of property tax revenue related to
40.23 the trust conversion application of the Shooting Star Casino. The commissioner shall pay
40.24 the county of Mahnomen, \$900,000; the city of Mahnomen, \$320,000; and Independent
40.25 School District No. 432, Mahnomen, \$140,000.

40.26 (b) The payments shall be made annually on July 20.

40.27 Subd. 2. **Appropriation.** An amount sufficient to pay reimbursement aid under this
40.28 section is annually appropriated from the general fund to the commissioner of revenue.

40.29 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2023
40.30 and thereafter.

41.1 Sec. 13. **[477A.40] STRONGER COMMUNITY AID.**

41.2 Subdivision 1. **Purpose.** The purpose of this section is to enhance the local performance
41.3 measurement program administered by the Office of the State Auditor by implementing a
41.4 permanent aid program set to compensate participating local units of government for
41.5 implementing a performance measurement program. Participation in this program is
41.6 voluntary. For purposes of this section, "local units of government" means all counties and
41.7 all statutory and home rule charter cities.

41.8 Subd. 2. **Duties of the Office of the State Auditor.** (a) To assist participating local units
41.9 of government, the Office of the State Auditor must provide on its website guidance for
41.10 compliance with the requirements of this section, including but not limited to:

41.11 (1) performance measures for counties;

41.12 (2) performance measures for cities;

41.13 (3) a sample resolution for counties and cities; and

41.14 (4) reporting requirements.

41.15 (b) Under subdivision 7, the state auditor must prescribe the form on which participating
41.16 local units of government certify their compliance with the requirements of this section.

41.17 (c) Under subdivision 9, the state auditor must certify to the commissioner of revenue
41.18 by April 1 of each year the list of participating local units of government that are eligible
41.19 to receive aid under this section.

41.20 Subd. 3. **Program performance measures.** (a) Each year, a local unit of government
41.21 that elects to participate in this section must adopt and implement a set of ten performance
41.22 measures prescribed by the Office of the State Auditor.

41.23 (b) A local unit of government that elects to participate in this section must adopt its
41.24 performance measures by June 1 each year.

41.25 Subd. 4. **Citizen performance measure and budget workshop meetings.** (a) A local
41.26 unit of government that elects to participate in this section must hold an annual citizen
41.27 performance measure and budget workshop meeting. This meeting must be used to: (i)
41.28 discuss performance measures selected for the upcoming year; (ii) review and report the
41.29 performance measure results for the current year and compare these results to previous
41.30 years, if applicable; (iii) discuss the budget process and budget priorities; and (iv) receive
41.31 public input.

42.1 (b) The meeting described in this subdivision must be held between June 15 and August
42.2 15 of each year, not before 6:00 p.m., with notice to the public provided at least 15 days
42.3 before the meeting is held by posting on the local unit of government's official website or
42.4 by direct mail.

42.5 Subd. 5. **Preliminary budget meeting.** At the meeting at which a local unit of
42.6 government participating in this section sets its preliminary budget and levy pursuant to
42.7 section 275.065, subdivision 1, the participating local unit of government must identify at
42.8 least two performance measures needing improvement and determine a strategy and plan
42.9 for improving these measures.

42.10 Subd. 6. **Final budget meeting; resolution.** At the meeting at which a local unit of
42.11 government participating in this section sets its final budget and levy pursuant to section
42.12 275.07, the participating local unit of government must approve a resolution declaring that:

42.13 (1) the participating local unit of government adopted and implemented the appropriate
42.14 number of performance measures prescribed by the Office of the State Auditor;

42.15 (2) the participating local unit of government held a citizen performance measure and
42.16 budget workshop meeting before the preliminary budget meeting in subdivision 5, during
42.17 which the local unit of government discussed the budget process, reported the results of the
42.18 performance measures from the previous year to the public, and allowed for public input;

42.19 (3) performance measure results from the previous year, if applicable, were made public
42.20 through the local unit of government's official website or by direct mail; and

42.21 (4) the participating local unit of government identified at least two performance measures
42.22 for improvement and developed a plan for improving these measures and a strategy for
42.23 evaluating the improvements in the next year.

42.24 Subd. 7. **Certification to the Office of the State Auditor.** A participating local unit of
42.25 government must certify to the Office of the State Auditor, on a form prescribed by the
42.26 auditor, that it has met the requirements of subdivisions 3 to 6 by February 1 of the aid
42.27 distribution year.

42.28 Subd. 8. **Aid calculation.** (a) Beginning in calendar year 2023 and thereafter, each local
42.29 jurisdiction that has satisfied the requirements under this section is eligible for an aid payment
42.30 of \$0.14 per capita, but not exceed \$25,000 for any jurisdiction.

42.31 (b) For purposes of this section, the population data used in calculating the aid to each
42.32 participating local unit of government must be the most recently available data as of January
42.33 1 of the year in which the aid is distributed.

43.1 Subd. 9. Aid certification and payment. (a) By April 1 of the aid distribution year, the
43.2 Office of the State Auditor must certify to the commissioner of revenue a list of the local
43.3 units of government that have certified, pursuant to subdivision 7, that they have met the
43.4 requirements of this section and are eligible to receive aid.

43.5 (b) The commissioner of revenue must annually make all necessary calculations and
43.6 make payments directly to the local units of government that are eligible to receive aid. In
43.7 addition, the commissioner must notify the local units of government of the aid amounts
43.8 and statewide total figures before August 1 of the aid distribution year.

43.9 (c) The commissioner of revenue must make the payments to qualifying local units of
43.10 government on December 26 annually.

43.11 Subd. 10. Appropriation. An amount sufficient to make the payments required by the
43.12 commissioner of revenue under subdivision 9 is annually appropriated from the general
43.13 fund to the commissioner of revenue.

43.14 **EFFECTIVE DATE.** This section is effective for aids payable in 2023 and thereafter.

43.15 Sec. 14. Laws 2006, chapter 259, article 11, section 3, as amended by Laws 2008, chapter
43.16 154, article 1, section 4, and Laws 2013, chapter 143, article 2, section 33, is amended to
43.17 read:

43.18 Sec. 3. **MAHNOMEN COUNTY; COUNTY, CITY, SCHOOL DISTRICT,**
43.19 **PROPERTY TAX REIMBURSEMENT.**

43.20 Subdivision 1. **Aid appropriation. (a)** \$1,200,000 is appropriated annually from the
43.21 general fund to the commissioner of revenue to be used to make payments to compensate
43.22 for the loss of property tax revenue related to the trust conversion application of the Shooting
43.23 Star Casino. The commissioner shall pay the county of Mahnomen, \$900,000; the city of
43.24 Mahnomen, \$160,000; and Independent School District No. 432, Mahnomen, \$140,000.
43.25 The payments shall be made on July 20, of 2013 and each subsequent year.

43.26 (b) This section expires after aids payable year 2022.

43.27 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2023
43.28 and thereafter.

43.29 Sec. 15. **2021 AID PENALTY FORGIVENESS; CITY OF ECHO.**

43.30 Notwithstanding Minnesota Statutes, section 477A.017, subdivision 3, the city of Echo
43.31 must receive its aid payment for calendar year 2021 under Minnesota Statutes, section

44.1 477A.013, that was withheld under Minnesota Statutes, section 477A.017, subdivision 3,
44.2 and its small city assistance payment for calendar year 2021 under Minnesota Statutes,
44.3 section 162.145, that was withheld under Minnesota Statutes, section 162.145, subdivision
44.4 3, paragraph (c), provided that the state auditor certifies to the commissioner of revenue
44.5 that it received the annual financial reporting form for 2020 from the city by June 1, 2022.
44.6 The commissioner of revenue must make a payment of \$46,060 to the city by June 30, 2022.

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

44.8 **Sec. 16. 2021 AID PENALTY FORGIVENESS; CITY OF MORTON.**

44.9 Notwithstanding Minnesota Statutes, section 477A.017, subdivision 3, the city of Morton
44.10 must receive its aid payment for calendar year 2021 under Minnesota Statutes, section
44.11 477A.013, that was withheld under Minnesota Statutes, section 477A.017, subdivision 3,
44.12 and its small city assistance payment for calendar year 2021 under Minnesota Statutes,
44.13 section 162.145, that was withheld under Minnesota Statutes, section 162.145, subdivision
44.14 3, paragraph (c), provided that the state auditor certifies to the commissioner of revenue
44.15 that it received the annual financial reporting form for 2020 from the city by June 1, 2022.
44.16 The commissioner of revenue must make a payment of \$79,476 to the city by June 30, 2022.

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

44.18 **Sec. 17. REPEALER.**

44.19 Minnesota Statutes 2020, sections 477A.011, subdivisions 30a, 38, 42, and 45; and
44.20 477A.013, subdivision 13, are repealed.

44.21 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2023
44.22 and thereafter.

44.23 **Sec. 18. REPEALER.**

44.24 Minnesota Statutes 2020, section 6.91, is repealed.

44.25 **EFFECTIVE DATE.** This section is effective January 1, 2023.

ARTICLE 3

TAX INCREMENT FINANCING

Section 1. Minnesota Statutes 2020, section 469.174, subdivision 14, is amended to read:

Subd. 14. **Administrative expenses.** (a) "Administrative expenses" or "administrative costs" means all documented expenditures of an authority other than or municipality, including but not limited to:

(1) amounts paid for services provided by bond counsel, fiscal consultants, and economic development consultants;

(2) allocated expenses and staff time of the authority or municipality for administering a project, including but not limited to preparing the tax increment financing plan, negotiating and preparing agreements, accounting for segregated funds of the district, preparing and submitting required reporting for the district, and reviewing and monitoring compliance with sections 469.174 to 469.1794;

(3) amounts paid to publish annual disclosures and provide notices under section 469.175;

(4) amounts to provide for the usual and customary maintenance and operation of properties purchased with tax increments, including necessary reserves for repairs and the cost of any insurance;

(5) amounts allocated or paid to prepare a development action response plan for a soils condition district or hazardous substance subdistrict; and

(6) amounts used to pay bonds, interfund loans, or other financial obligations to the extent those obligations were used to finance costs described in clauses (1) to (5).

(b) Administrative expenses and administrative costs do not include:

(1) amounts paid for the purchase of land and buildings;

(2) amounts paid to contractors or others providing materials and services, including architectural and engineering services, directly connected with the physical development of the real property in the project, including architectural and engineering services and materials and services for demolition, soil correction, and the construction or installation of public improvements;

(3) relocation benefits paid to or services provided for persons residing or businesses located in the project;

~~(4) amounts used to pay principal or interest on, fund a reserve for, or sell at a discount bonds issued pursuant to section 469.178; or~~

46.1 ~~(5)~~ (4) amounts paid for property taxes or payments in lieu of taxes; and

46.2 (5) amounts used to pay principal or interest on, fund a reserve for, or sell at a discount
46.3 bonds issued pursuant to section 469.178 or other financial obligations to the extent those
46.4 obligations were used to finance costs described in clauses (1) to ~~(3)~~ (4).

46.5 ~~For districts for which the requests for certifications were made before August 1, 1979,~~
46.6 ~~or after June 30, 1982, "administrative expenses" includes amounts paid for services provided~~
46.7 ~~by bond counsel, fiscal consultants, and planning or economic development consultants.~~

46.8 This definition does not apply to administrative expenses or administrative costs referenced
46.9 under section 469.176, subdivision 4h.

46.10 **EFFECTIVE DATE.** This section is effective the day following final enactment and
46.11 applies to all districts, regardless of when the request for certification was made.

46.12 Sec. 2. Minnesota Statutes 2020, section 469.174, is amended by adding a subdivision to
46.13 read:

46.14 Subd. 30. **Pay-as-you-go contract and note.** "Pay-as-you-go contract and note" means
46.15 a written note or contractual obligation under which all of the following apply:

46.16 (1) the note or contractual obligation evidences an authority's commitment to reimburse
46.17 a developer, property owner, or note holder for the payment of costs of activities, including
46.18 any interest on unreimbursed costs;

46.19 (2) the reimbursement is made from tax increment revenues identified in the note or
46.20 contractual obligation as received by a municipality or authority as taxes are paid; and

46.21 (3) the risk that available tax increments may be insufficient to fully reimburse the costs
46.22 is borne by the developer, property owner, or note holder.

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

46.24 Sec. 3. Minnesota Statutes 2020, section 469.176, subdivision 3, is amended to read:

46.25 Subd. 3. **Limitation on administrative expenses.** (a) For districts for which certification
46.26 was requested before August 1, 2001, no tax increment shall be used to pay any
46.27 administrative expenses for a project which exceed ten percent of the total estimated tax
46.28 increment expenditures authorized by the tax increment financing plan or ten percent of the
46.29 total tax increment expenditures for the project net of any amounts returned to the county
46.30 auditor as excess increment, as returned increment under section 469.1763, subdivision 4,
46.31 paragraph (g), or as remedies under section 469.1771, subdivision 2, whichever is less.

47.1 (b) For districts for which certification was requested after July 31, 2001, no tax increment
47.2 may be used to pay any administrative expenses for a project which exceed ten percent of
47.3 total estimated tax increment expenditures authorized by the tax increment financing plan
47.4 or ten percent of the total tax increments, as defined in section 469.174, subdivision 25,
47.5 clause (1), from received for the district net of any amounts returned to the county auditor
47.6 as excess increment or as remedies under section 469.1771, subdivision 2, whichever is
47.7 less.

47.8 (c) Increments used to pay the county's administrative expenses under subdivision 4h
47.9 are not subject to the percentage limits in this subdivision.

47.10 (d) Increments defined under section 469.174, subdivision 25, clause (2), used for
47.11 administrative expenses described under section 469.174, subdivision 14, paragraph (a),
47.12 clause (4), are not subject to the percentage limits in this subdivision.

47.13 EFFECTIVE DATE. This section is effective the day following final enactment and
47.14 applies to all districts, regardless of when the request for certification was made.

47.15 Sec. 4. Minnesota Statutes 2020, section 469.176, subdivision 4, is amended to read:

47.16 Subd. 4. **Limitation on use of tax increment; general rule.** All revenues derived from
47.17 tax increment shall be used in accordance with the tax increment financing plan. The revenues
47.18 shall be used solely for the following purposes: (1) to pay the principal of and interest on
47.19 bonds issued to finance a project; (2) by a rural development financing authority for the
47.20 purposes stated in section 469.142₂; by a port authority or municipality exercising the powers
47.21 of a port authority to finance or otherwise pay the cost of redevelopment pursuant to sections
47.22 469.048 to 469.068₂; by an economic development authority to finance or otherwise pay
47.23 the cost of redevelopment pursuant to sections 469.090 to 469.108₂; by a housing and
47.24 redevelopment authority or economic development authority to finance or otherwise pay
47.25 public redevelopment costs pursuant to sections 469.001 to 469.047₂; by a municipality or
47.26 economic development authority to finance or otherwise pay the capital and administration
47.27 costs of a development district pursuant to sections 469.124 to 469.133₂; by a municipality
47.28 or authority to finance or otherwise pay the costs of developing and implementing a
47.29 development action response plan₂; by a municipality or redevelopment agency to finance
47.30 or otherwise pay premiums for insurance or other security guaranteeing the payment when
47.31 due of principal of and interest on the bonds pursuant to chapter 462C, sections 469.152 to
47.32 469.165, or both, or to accumulate and maintain a reserve securing the payment when due
47.33 of the principal of and interest on the bonds pursuant to chapter 462C, sections 469.152 to
47.34 469.165, or both, which revenues in the reserve shall not exceed, subsequent to the fifth

48.1 anniversary of the date of issue of the first bond issue secured by the reserve, an amount
48.2 equal to 20 percent of the aggregate principal amount of the outstanding and nondefeased
48.3 bonds secured by the reserve; and (3) to pay administrative expenses.

48.4 **EFFECTIVE DATE.** This section is effective the day following final enactment and
48.5 applies to all districts, regardless of when the request for certification was made.

48.6 Sec. 5. Minnesota Statutes 2021 Supplement, section 469.1763, subdivision 2, is amended
48.7 to read:

48.8 Subd. 2. **Expenditures outside district.** (a) For each tax increment financing district,
48.9 an amount equal to at least 75 percent of the total revenue derived from tax increments paid
48.10 by properties in the district must be expended on activities in the district or to pay bonds,
48.11 to the extent that the proceeds of the bonds were used to finance activities in the district or
48.12 to pay, or secure payment of, debt service on credit enhanced bonds. For districts, other
48.13 than redevelopment districts for which the request for certification was made after June 30,
48.14 1995, the in-district percentage for purposes of the preceding sentence is 80 percent. Not
48.15 more than 25 percent of the total revenue derived from tax increments paid by properties
48.16 in the district may be expended, through a development fund or otherwise, on activities
48.17 outside of the district but within the defined geographic area of the project except to pay,
48.18 or secure payment of, debt service on credit enhanced bonds. For districts, other than
48.19 redevelopment districts for which the request for certification was made after June 30, 1995,
48.20 the pooling percentage for purposes of the preceding sentence is 20 percent. The revenues
48.21 derived from tax increments paid by properties in the district that are expended on costs
48.22 under section 469.176, subdivision 4h, paragraph (b), may be deducted first before calculating
48.23 the percentages that must be expended within and without the district.

48.24 (b) In the case of a housing district, a housing project, as defined in section 469.174,
48.25 subdivision 11, is an activity in the district.

48.26 (c) All administrative expenses are considered to be expenditures for activities outside
48.27 of the district, except that if the only expenses for activities outside of the district under this
48.28 subdivision are for the purposes described in paragraph (d), administrative expenses will
48.29 be considered as expenditures for activities in the district.

48.30 (d) The authority may elect, in the tax increment financing plan for the district, to increase
48.31 by up to ten percentage points the permitted amount of expenditures for activities located
48.32 outside the geographic area of the district under paragraph (a). As permitted by section
48.33 469.176, subdivision 4k, the expenditures, including the permitted expenditures under
48.34 paragraph (a), need not be made within the geographic area of the project. Expenditures

49.1 that meet the requirements of this paragraph are legally permitted expenditures of the district,
49.2 notwithstanding section 469.176, subdivisions 4b, 4c, and 4j. To qualify for the increase
49.3 under this paragraph, the expenditures must:

49.4 (1) be used exclusively to assist housing that meets the requirement for a qualified
49.5 low-income building, as that term is used in section 42 of the Internal Revenue Code; and

49.6 (2) not exceed the qualified basis of the housing, as defined under section 42(c) of the
49.7 Internal Revenue Code, less the amount of any credit allowed under section 42 of the Internal
49.8 Revenue Code; and

49.9 (3) be used to:

49.10 (i) acquire and prepare the site of the housing;

49.11 (ii) acquire, construct, or rehabilitate the housing; or

49.12 (iii) make public improvements directly related to the housing; or

49.13 (4) be used to develop housing:

49.14 (i) if the market value of the housing does not exceed the lesser of:

49.15 (A) 150 percent of the average market value of single-family homes in that municipality;
49.16 or

49.17 (B) \$200,000 for municipalities located in the metropolitan area, as defined in section
49.18 473.121, or \$125,000 for all other municipalities; and

49.19 (ii) if the expenditures are used to pay the cost of site acquisition, relocation, demolition
49.20 of existing structures, site preparation, and pollution abatement on one or more parcels, if
49.21 the parcel contains a residence containing one to four family dwelling units that has been
49.22 vacant for six or more months and is in foreclosure as defined in section 325N.10, subdivision
49.23 7, but without regard to whether the residence is the owner's principal residence, and only
49.24 after the redemption period has expired; or

49.25 (5) to assist owner-occupied housing that meets the requirements of section 469.1761,
49.26 subdivision 2.

49.27 (e) The authority under paragraph (d), clause (4), expires on December 31, 2016.

49.28 Increments may continue to be expended under this authority after that date, if they are used
49.29 to pay bonds or binding contracts that would qualify under subdivision 3, paragraph (a), if
49.30 December 31, 2016, is considered to be the last date of the five-year period after certification
49.31 under that provision.

50.1 (f) For purposes of determining whether the minimum percentage of expenditures for
50.2 activities in the district and maximum percentages of expenditures allowed on activities
50.3 outside the district have been met under this subdivision, any amounts returned to the county
50.4 auditor as excess increment, as returned increment under subdivision 4, paragraph (g), or
50.5 as remedies under section 469.1771, subdivision 2, shall first be subtracted from the total
50.6 revenues derived from tax increments paid by properties in the district. Any other amounts
50.7 returned to the county auditor for purposes other than a remedy under section 469.1771,
50.8 subdivision 3, are considered to be expenditures for activities in the district.

50.9 **EFFECTIVE DATE.** This section is effective the day following final enactment and
50.10 applies to all districts with a request for certification date after April 30, 1990, except that
50.11 paragraph (f) shall apply to districts decertifying after December 31, 2022.

50.12 Sec. 6. Minnesota Statutes 2021 Supplement, section 469.1763, subdivision 3, is amended
50.13 to read:

50.14 Subd. 3. **Five-year rule.** (a) Revenues derived from tax increments paid by properties
50.15 in the district ~~that are considered to have been~~ expended on an activity within the district
50.16 ~~under~~ will instead be considered to have been expended on an activity outside the district
50.17 for purposes of subdivision 2 only if one of the following occurs unless:

50.18 (1) before or within five years after certification of the district, the revenues are actually
50.19 paid to a third party with respect to the activity;

50.20 (2) bonds, the proceeds of which must be used to finance the activity, are issued and
50.21 sold to a third party before or within five years after certification of the district, the revenues
50.22 are spent to repay the bonds, and the proceeds of the bonds either are, on the date of issuance,
50.23 reasonably expected to be spent before the end of the later of (i) the five-year period, or (ii)
50.24 a reasonable temporary period within the meaning of the use of that term under section
50.25 148(c)(1) of the Internal Revenue Code, or are deposited in a reasonably required reserve
50.26 or replacement fund;

50.27 (3) binding contracts with a third party are entered into for performance of the activity
50.28 before or within five years after certification of the district and the revenues are spent under
50.29 the contractual obligation;

50.30 (4) costs with respect to the activity are paid before or within five years after certification
50.31 of the district and the revenues are spent to reimburse a party for payment of the costs,
50.32 including interest on unreimbursed costs; or

51.1 (5) ~~expenditures are made~~ revenues are spent for housing purposes as permitted described
51.2 by subdivision 2, paragraphs paragraph (b) and (d), or for public infrastructure purposes
51.3 within a zone as permitted by subdivision 2, paragraph (e).

51.4 (b) For purposes of this subdivision, bonds include subsequent refunding bonds if the
51.5 original refunded bonds meet the requirements of paragraph (a), clause (2).

51.6 (c) For a redevelopment district or a renewal and renovation district certified after June
51.7 30, 2003, and before April 20, 2009, the five-year periods described in paragraph (a) are
51.8 extended to ten years after certification of the district. For a redevelopment district certified
51.9 after April 20, 2009, and before June 30, 2012, the five-year periods described in paragraph
51.10 (a) are extended to eight years after certification of the district. This extension is provided
51.11 primarily to accommodate delays in development activities due to unanticipated economic
51.12 circumstances.

51.13 (d) For a redevelopment district that was certified after December 31, 2017, and before
51.14 June 30, 2020, the five-year periods described in paragraph (a) are extended to eight years
51.15 after certification of the district.

51.16 **EFFECTIVE DATE.** This section is effective the day following final enactment and
51.17 applies to all districts with a request for certification date after April 30, 1990.

51.18 Sec. 7. Minnesota Statutes 2021 Supplement, section 469.1763, subdivision 4, is amended
51.19 to read:

51.20 **Subd. 4. Use of revenues for decertification.** ~~(a) In each year beginning with the sixth~~
51.21 ~~year following certification of the district, or beginning with the ninth year following~~
51.22 ~~certification of the district for districts whose five-year rule is extended to eight years under~~
51.23 ~~subdivision 3, paragraph (d), if the applicable in-district percent of the revenues derived~~
51.24 ~~from tax increments paid by properties in the district exceeds the amount of expenditures~~
51.25 ~~that have been made for costs permitted under subdivision 3, an amount equal to the~~
51.26 ~~difference between the in-district percent of the revenues derived from tax increments paid~~
51.27 ~~by properties in the district and the amount of expenditures that have been made for costs~~
51.28 ~~permitted under subdivision 3 must be used and only used to pay or defease the following~~
51.29 ~~or be set aside to pay the following:~~

51.30 (1) ~~outstanding bonds, as defined in subdivision 3, paragraphs (a), clause (2), and (b);~~

51.31 (2) ~~contracts, as defined in subdivision 3, paragraph (a), clauses (3) and (4);~~

51.32 (3) ~~credit enhanced bonds to which the revenues derived from tax increments are pledged,~~
51.33 ~~but only to the extent that revenues of the district for which the credit enhanced bonds were~~

52.1 issued are insufficient to pay the bonds and to the extent that the increments from the
52.2 applicable pooling percent share for the district are insufficient; or

52.3 ~~(4) the amount provided by the tax increment financing plan to be paid under subdivision~~
52.4 ~~2, paragraphs (b), (d), and (e).~~

52.5 ~~(b) The~~ (a) Beginning with the sixth year following certification of the district, or
52.6 beginning with the year following the extended period for districts whose five-year period
52.7 is extended under subdivision 3, paragraphs (c) and (d), a district must be decertified and
52.8 the pledge of tax increment discharged when the outstanding bonds have been defeased and
52.9 when sufficient money has been set aside to pay, based on the product of the applicable
52.10 in-district percentage multiplied by the increment to be cumulative revenues derived from
52.11 tax increments paid by properties in the district that have been collected through the end of
52.12 the calendar year, equals or exceeds an amount sufficient to pay the following amounts:

52.13 ~~(1) contractual~~ any costs and obligations as defined described in subdivision 3, paragraph
52.14 paragraphs (a), clauses (3) and (4); and (b), excluding those under a qualifying pay-as-you-go
52.15 contract and note;

52.16 ~~(2) the amount specified in the tax increment financing plan for activities qualifying~~
52.17 ~~under subdivision 2, paragraph (b), that have not been funded with the proceeds of bonds~~
52.18 ~~qualifying under paragraph (a), clause (1); and~~

52.19 ~~(3) the additional expenditures permitted by the tax increment financing plan for housing~~
52.20 ~~activities under an election under subdivision 2, paragraph (d), that have not been funded~~
52.21 ~~with the proceeds of bonds qualifying under paragraph (a), clause (1).~~

52.22 (2) any accrued interest on the costs and obligations in clause (1), payable in accordance
52.23 with the terms thereof; and

52.24 (3) any administrative expenses falling within the exception in subdivision 2, paragraph
52.25 (c).

52.26 (b) For districts with an outstanding qualifying pay-as-you-go contract and note, the
52.27 required decertification under paragraph (a) is deferred until the end of the remaining term
52.28 of the last outstanding qualifying pay-as-you-go contract and note, and the applicable
52.29 in-district percentage of cumulative revenues derived from tax increments paid by properties
52.30 in the district are sufficient to pay the obligations identified in subdivision 3, paragraphs
52.31 (a) and (b), provided that the deferral shall not exceed the district's duration limit under
52.32 section 469.176. During the deferral, beginning at the time paragraph (a) would otherwise
52.33 require decertification, the authority must annually either:

53.1 (1) remove from the district, by the end of the year, all parcels that will no longer have
53.2 their tax increment revenue pledged or subject to a qualifying pay-as-you-go contract and
53.3 note or other costs and obligations described in subdivision 3, paragraphs (a) and (b), after
53.4 the end of the year; or

53.5 (2) use the applicable in-district percentage of revenues derived from tax increments
53.6 paid by those parcels to prepay an outstanding qualifying pay-as-you-go contract and note
53.7 of the district or other costs and obligations described in subdivision 3, paragraphs (a) and
53.8 (b), or to accumulate and use revenues derived from tax increments paid by those parcels
53.9 as permitted under paragraph (i).

53.10 The authority must remove any parcels as required by this paragraph by modification
53.11 of the tax increment financing plan and notify the county auditor of the removed parcels by
53.12 the end of the same calendar year. Notwithstanding section 469.175, subdivision 4,
53.13 paragraphs (b), clause (1), and (e), the notice, discussion, public hearing, and findings
53.14 required for approval of the original plan are not required for such a modification.

53.15 (c) Notwithstanding paragraph (a) or (b), if tax increment was pledged prior to August
53.16 1, 2022, to a bond other than a pay-as-you-go contract and note or interfund loan, and the
53.17 proceeds of the bond were used solely or in part to pay authorized costs for activities outside
53.18 the district, the requirement to decertify under paragraph (a) or remove parcels under
53.19 paragraph (b) shall not apply prior to the bond being fully paid or defeased.

53.20 (d) For purposes of this subdivision, "applicable in-district percentage" means the
53.21 percentage of tax increment revenue that is restricted for expenditures within the district,
53.22 as determined under subdivision 2, paragraphs (a) and (d), for the district.

53.23 (e) For purposes of this subdivision, "qualifying pay-as-you-go contract and note" means
53.24 a pay-as-you-go contract and note that is considered to be for activities within the district
53.25 under subdivision 3, paragraph (a).

53.26 (f) For purposes of this subdivision, the reference in paragraph (a) to cumulative revenues
53.27 derived from tax increments paid by properties in the district through the end of the calendar
53.28 year shall include any final settlement distributions made in the following January. For
53.29 purposes of the calculation in paragraph (a), any amounts returned to the county auditor as
53.30 excess increment or as remedies under section 469.1771, subdivision 2, shall first be
53.31 subtracted from the cumulative revenues derived from tax increments paid by properties in
53.32 the district.

53.33 (g) The timing and implementation of a decertification pursuant to paragraphs (a) and
53.34 (b) shall be subject to the following:

54.1 (1) when a decertification is required under paragraph (a) and not deferred under
54.2 paragraph (b), the authority must, as soon as practical and no later than the final settlement
54.3 distribution date of January 25 as identified in section 276.111 for the property taxes payable
54.4 in the calendar year identified in paragraph (a), make the decertification by resolution
54.5 effective for the end of the calendar year identified in paragraph (a), and communicate the
54.6 decertification to the county auditor;

54.7 (2) when a decertification is deferred under paragraph (b), the authority must, by
54.8 December 31 of the year in which the last qualifying pay-as-you-go contract and note reaches
54.9 termination, make the decertification by resolution effective for the end of that calendar
54.10 year and communicate the decertification to the county auditor;

54.11 (3) if the county auditor is unable to prevent tax increments from being calculated for
54.12 taxes payable in the year following the year for which the decertification is made effective,
54.13 the county auditor may redistribute the tax increments in the same manner as excess
54.14 increments under section 469.176, subdivision 2, paragraph (c), clause (4), without first
54.15 distributing them to the authority; and

54.16 (4) if tax increments are distributed to an authority for a taxes payable year after the year
54.17 for which the decertification was required to be effective, the authority must return the
54.18 amount of the distributions to the county auditor for redistribution in the same manner as
54.19 excess increments under section 469.176, subdivision 2, paragraph (c), clause (4).

54.20 (h) The provisions of this subdivision do not apply to a housing district.

54.21 (i) Notwithstanding anything to the contrary in paragraph (a) or (b), if an authority has
54.22 made the election in the tax increment financing plan for the district under subdivision 2,
54.23 paragraph (d), then the requirement to decertify under paragraph (a) or remove parcels under
54.24 paragraph (b) shall not apply prior to such time that the accumulated revenues derived from
54.25 tax increments paid by properties in the district that are eligible to be expended for housing
54.26 purposes described under subdivision 2, paragraph (d), equals the lesser of the amount the
54.27 authority is permitted to expend for housing purposes described under subdivision 2,
54.28 paragraph (d), or the amount authorized for such purposes in the tax increment financing
54.29 plan. Increment revenues collected after the district would have decertified under paragraph
54.30 (a) or from parcels which otherwise would be subject to removal under paragraph (b), absent
54.31 the exception of this paragraph, shall be used solely for housing purposes as described in
54.32 subdivision 2, paragraph (d).

54.33 **EFFECTIVE DATE.** This section is effective the day following final enactment and
54.34 applies to all districts with a request for certification after April 30, 1990, except that the

55.1 requirements under paragraph (b) to remove parcels or use revenues from such parcels as
55.2 prescribed in paragraph (b) apply only to districts for which the request for certification
55.3 was made after the day following final enactment.

55.4 Sec. 8. Minnesota Statutes 2020, section 469.1763, subdivision 6, is amended to read:

55.5 Subd. 6. **Pooling permitted for deficits.** (a) This subdivision applies only to districts
55.6 for which the request for certification was made before August 1, 2001, and without regard
55.7 to whether the request for certification was made prior to August 1, 1979.

55.8 (b) The municipality for the district may transfer available increments from another tax
55.9 increment financing district located in the municipality, if the transfer is necessary to
55.10 eliminate a deficit in the district to which the increments are transferred. The municipality
55.11 may transfer increments as provided by this subdivision without regard to whether the
55.12 transfer or expenditure is authorized by the tax increment financing plan for the district
55.13 from which the transfer is made. A deficit in the district for purposes of this subdivision
55.14 means the lesser of the following two amounts:

55.15 (1)~~(i)~~ the amount due during the calendar year to pay preexisting obligations of the
55.16 district; minus the sum of

55.17 ~~(ii)~~ (i) the total increments collected or to be collected from properties located within
55.18 the district that are available for the calendar year including amounts collected in prior years
55.19 that are currently available; plus

55.20 ~~(iii)~~ (ii) total increments from properties located in other districts in the municipality
55.21 including amounts collected in prior years that are available to be used to meet the district's
55.22 obligations under this section, excluding this subdivision, or other provisions of law; or

55.23 (2) the reduction in increments collected from properties located in the district for the
55.24 calendar year as a result of the changes in classification rates in Laws 1997, chapter 231,
55.25 article 1; Laws 1998, chapter 389, article 2; and Laws 1999, chapter 243, and Laws 2001,
55.26 First Special Session chapter 5, or the elimination of the general education tax levy under
55.27 Laws 2001, First Special Session chapter 5.

55.28 The authority may compute the deficit amount under clause (1) only (without regard to
55.29 the limit under clause (2)) if the authority makes an irrevocable commitment, by resolution,
55.30 to use increments from the district to which increments are to be transferred and any
55.31 transferred increments are only used to pay preexisting obligations and administrative
55.32 expenses for the district that are required to be paid under section 469.176, subdivision 4h,
55.33 paragraph (a).

56.1 (c) A preexisting obligation means:

56.2 (1) bonds issued and sold before August 1, 2001, or bonds issued pursuant to a binding
56.3 contract requiring the issuance of bonds entered into before July 1, 2001, and bonds issued
56.4 to refund such bonds or to reimburse expenditures made in conjunction with a signed
56.5 contractual agreement entered into before August 1, 2001, to the extent that the bonds are
56.6 secured by a pledge of increments from the tax increment financing district; and

56.7 (2) binding contracts entered into before August 1, 2001, to the extent that the contracts
56.8 require payments secured by a pledge of increments from the tax increment financing district.

56.9 (d) The municipality may require a development authority, other than a seaway port
56.10 authority, to transfer available increments including amounts collected in prior years that
56.11 are currently available for any of its tax increment financing districts in the municipality to
56.12 make up an insufficiency in another district in the municipality, regardless of whether the
56.13 district was established by the development authority or another development authority.
56.14 This authority applies notwithstanding any law to the contrary, but applies only to a
56.15 development authority that:

56.16 (1) was established by the municipality; or

56.17 (2) the governing body of which is appointed, in whole or part, by the municipality or
56.18 an officer of the municipality or which consists, in whole or part, of members of the
56.19 governing body of the municipality. The municipality may use this authority only after it
56.20 has first used all available increments of the receiving development authority to eliminate
56.21 the insufficiency and exercised any permitted action under section 469.1792, subdivision
56.22 3, for preexisting districts of the receiving development authority to eliminate the
56.23 insufficiency.

56.24 (e) The authority under this subdivision to spend tax increments outside of the area of
56.25 the district from which the tax increments were collected:

56.26 (1) is an exception to the restrictions under section 469.176, subdivisions 4b, 4c, 4d, 4e,
56.27 4i, and 4j; the expenditure limits under section 469.176, subdivision 1c; and the other
56.28 provisions of this section; and the percentage restrictions under subdivision 2 must be
56.29 calculated after deducting increments spent under this subdivision from the total increments
56.30 for the district; and

56.31 (2) applies notwithstanding the provisions of the Tax Increment Financing Act in effect
56.32 for districts for which the request for certification was made before June 30, 1982, or any
56.33 other law to the contrary.

57.1 (f) If a preexisting obligation requires the development authority to pay an amount that
57.2 is limited to the increment from the district or a specific development within the district and
57.3 if the obligation requires paying a higher amount to the extent that increments are available,
57.4 the municipality may determine that the amount due under the preexisting obligation equals
57.5 the higher amount and may authorize the transfer of increments under this subdivision to
57.6 pay up to the higher amount. The existence of a guarantee of obligations by the individual
57.7 or entity that would receive the payment under this paragraph is disregarded in the
57.8 determination of eligibility to pool under this subdivision. The authority to transfer increments
57.9 under this paragraph may only be used to the extent that the payment of all other preexisting
57.10 obligations in the municipality due during the calendar year have been satisfied.

57.11 (g) For transfers of increments made in calendar year 2005 and later, the reduction in
57.12 increments as a result of the elimination of the general education tax levy for purposes of
57.13 paragraph (b), clause (2), for a taxes payable year equals the general education tax rate for
57.14 the school district under Minnesota Statutes 2000, section 273.1382, subdivision 1, for taxes
57.15 payable in 2001, multiplied by the captured tax capacity of the district for the current taxes
57.16 payable year.

57.17 **EFFECTIVE DATE.** This section is effective the day following final enactment and
57.18 applies only to districts for which the request for certification was made before August 1,
57.19 2001, and without regard to whether the request for certification was made prior to August
57.20 1, 1979.

57.21 Sec. 9. Minnesota Statutes 2020, section 469.1771, subdivision 2, is amended to read:

57.22 Subd. 2. **Collection of increment.** If an authority includes or retains a parcel of property
57.23 in a tax increment financing district that does not qualify for inclusion or retention within
57.24 the district, the authority must pay to the county auditor an amount of money equal to the
57.25 increment collected from the property for the year or years. The property must be eliminated
57.26 from the original and captured tax capacity of the district effective for the current property
57.27 tax assessment year. ~~This subdivision does not apply to a failure to decertify a district at~~
57.28 ~~the end of the duration limit specified in the tax increment financing plan.~~

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

57.30 Sec. 10. Minnesota Statutes 2020, section 469.1771, subdivision 2a, is amended to read:

57.31 Subd. 2a. **Suspension of distribution of tax increment.** (a) If an authority fails to make
57.32 a disclosure or to submit a report containing the information required by section 469.175,
57.33 subdivisions 5 and 6, regarding a tax increment financing district within the time provided

58.1 in section 469.175, subdivisions 5 and 6, the state auditor shall mail to the authority a written
58.2 notice that it or the municipality has failed to make the required disclosure or to submit a
58.3 required report with respect to a particular district. The state auditor shall mail the notice
58.4 on or before the third Tuesday of August of the year in which the disclosure or report was
58.5 required to be made or submitted. The notice must describe the consequences of failing to
58.6 disclose or submit a report as provided in paragraph (b). If the state auditor has not received
58.7 a copy of a disclosure or a report described in this paragraph on or before the first day of
58.8 October of the year in which the disclosure or report was required to be made or submitted,
58.9 the state auditor shall mail a written notice to the county auditor to hold the distribution of
58.10 tax increment from a particular district.

58.11 (b) Upon receiving written notice from the state auditor to hold the distribution of tax
58.12 increment, the county auditor shall hold: all tax increment that otherwise would be distributed
58.13 after receipt of the notice, until further notified under paragraph (c).

58.14 ~~(1) 100 percent of the amount of tax increment that otherwise would be distributed, if~~
58.15 ~~the distribution is made after the first day of October but during the year in which the~~
58.16 ~~disclosure or report was required to be made or submitted; or~~

58.17 ~~(2) 100 percent of the amount of tax increment that otherwise would be distributed, if~~
58.18 ~~the distribution is made after December 31 of the year in which the disclosure or report was~~
58.19 ~~required to be made or submitted.~~

58.20 (c) Upon receiving the copy of the disclosure and all of the reports described in paragraph
58.21 (a) with respect to a district regarding which the state auditor has mailed to the county
58.22 auditor a written notice to hold distribution of tax increment, the state auditor shall mail to
58.23 the county auditor a written notice lifting the hold and authorizing the county auditor to
58.24 distribute to the authority or municipality any tax increment that the county auditor had held
58.25 pursuant to paragraph (b). The state auditor shall mail the written notice required by this
58.26 paragraph within five working days after receiving the last outstanding item. The county
58.27 auditor shall distribute the tax increment to the authority or municipality within 15 working
58.28 days after receiving the written notice required by this paragraph.

58.29 (d) Notwithstanding any law to the contrary, any interest that accrues on tax increment
58.30 while it is being held by the county auditor pursuant to paragraph (b) is not tax increment
58.31 and may be retained by the county.

58.32 (e) For purposes of sections 469.176, subdivisions 1a to 1g, and 469.177, subdivision
58.33 11, tax increment being held by the county auditor pursuant to paragraph (b) is considered

59.1 distributed to or received by the authority or municipality as of the time that it would have
59.2 been distributed or received but for paragraph (b).

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

59.4 Sec. 11. Minnesota Statutes 2020, section 469.1771, subdivision 3, is amended to read:

59.5 Subd. 3. **Expenditure of increment.** If an authority expends revenues derived from tax
59.6 increments, including the proceeds of tax increment bonds, (1) for a purpose that is not a
59.7 permitted project under ~~section 469.176~~ sections 469.174 to 469.1794, (2) for a purpose
59.8 that is not permitted under ~~section 469.176~~ sections 469.174 to 469.1794 for the district
59.9 from which the increment was received, or (3) on activities outside of the geographic area
59.10 in which the revenues may be expended under this chapter, the authority must pay to the
59.11 county auditor an amount equal to the expenditures made in violation of the law.

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

59.13 Sec. 12. Laws 2003, chapter 127, article 10, section 31, subdivision 1, as amended by
59.14 Laws 2008, chapter 366, article 5, section 21, and Laws 2019, First Special Session chapter
59.15 6, article 7, section 1, is amended to read:

59.16 Subdivision 1. **District extension.** (a) The governing body of the city of Hopkins may
59.17 elect to extend the duration of its redevelopment tax increment financing district 2-11 by
59.18 up to four additional years.

59.19 (b) Notwithstanding Minnesota Statutes, section 469.1763, subdivision 2, effective upon
59.20 approval of this subdivision, no increments may be spent on activities located outside of
59.21 the area of the district, other than:

59.22 (1) to pay administrative expenses, not to exceed ten percent of the total tax increments
59.23 from the district; or

59.24 (2) to pay the costs of housing or redevelopment activities that are consistent with
59.25 Minnesota Statutes, section 469.176, subdivision 4j, ~~provided that expenditures under this~~
59.26 ~~clause may not exceed 20 percent of the total tax increments from the district.~~

59.27 The total amount of increment that may be spent on activities located outside the area of
59.28 the district under this section shall be limited to ~~25~~ 30 percent.

59.29 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
59.30 city of Hopkins and its chief clerical officer comply with Minnesota Statutes, section 645.021,
59.31 subdivisions 2 and 3.

60.1 Sec. 13. Laws 2014, chapter 308, article 6, section 12, subdivision 2, is amended to read:

60.2 Subd. 2. **Special rules.** (a) If the city elects, upon the adoption of the tax increment
60.3 financing plan for a district, the rules under this section apply to a redevelopment district,
60.4 renewal and renovation district, soil condition district, or soil deficiency district established
60.5 by the city or a development authority of the city in the project area.

60.6 (b) Prior to or upon the adoption of the first tax increment plan subject to the special
60.7 rules under this subdivision, the city must find by resolution that parcels consisting of at
60.8 least 80 percent of the acreage of the project area, excluding street and railroad rights-of-way,
60.9 are characterized by one or more of the following conditions:

60.10 (1) peat or other soils with geotechnical deficiencies that impair development of
60.11 commercial buildings or infrastructure;

60.12 (2) soils or terrain that require substantial filling in order to permit the development of
60.13 commercial buildings or infrastructure;

60.14 (3) landfills, dumps, or similar deposits of municipal or private waste;

60.15 (4) quarries or similar resource extraction sites;

60.16 (5) floodway; and

60.17 (6) substandard buildings, within the meaning of Minnesota Statutes, section 469.174,
60.18 subdivision 10.

60.19 (c) For the purposes of paragraph (b), clauses (1) to (5), a parcel is characterized by the
60.20 relevant condition if at least 70 percent of the area of the parcel contains the relevant
60.21 condition. For the purposes of paragraph (b), clause (6), a parcel is characterized by
60.22 substandard buildings if substandard buildings occupy at least 30 percent of the area of the
60.23 parcel.

60.24 (d) The five-year rule under Minnesota Statutes, section 469.1763, subdivision 3, is
60.25 extended to ~~eight~~ 11 years for any district; the five-year rule under Minnesota Statutes,
60.26 section 469.175, subdivision 4, paragraph (f), is extended to eight years for any district; and
60.27 Minnesota Statutes, section 469.1763, subdivision 4, does not apply to any district.

60.28 (e) Notwithstanding any provision to the contrary in Minnesota Statutes, section 469.1763,
60.29 subdivision 2, paragraph (a), not more than 40 percent of the total revenue derived from tax
60.30 increments paid by properties in any district, measured over the life of the district, may be
60.31 expended on activities outside the district but within the project area.

60.32 (f) For a soil deficiency district:

61.1 (1) increments may be collected through 20 years after the receipt by the authority of
61.2 the first increment from the district;

61.3 (2) increments may be used only to:

61.4 (i) acquire parcels on which the improvements described in item (ii) will occur;

61.5 (ii) pay for the cost of correcting the unusual terrain or soil deficiencies and the additional
61.6 cost of installing public improvements directly caused by the deficiencies; and

61.7 (iii) pay for the administrative expenses of the authority allocable to the district; and

61.8 (3) any parcel acquired with increments from the district must be sold at no less than
61.9 their fair market value.

61.10 (g) Increments spent for any infrastructure costs, whether inside a district or outside a
61.11 district but within the project area, are deemed to satisfy the requirements of Minnesota
61.12 Statutes, section 469.176, subdivision 4j.

61.13 (h) The authority to approve tax increment financing plans to establish tax increment
61.14 financing districts under this section expires June 30, 2020.

61.15 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
61.16 city of Savage and its chief clerical officer comply with Minnesota Statutes, section 645.021,
61.17 subdivisions 2 and 3.

61.18 **Sec. 14. CITY OF FRIDLEY; TAX INCREMENT FINANCING DISTRICT;**
61.19 **SPECIAL RULES.**

61.20 **Subdivision 1. Transfer of increment.** Notwithstanding Minnesota Statutes, section
61.21 469.176, subdivision 4j, the city of Fridley, or its economic development authority, may
61.22 transfer tax increment accumulated from Fridley Tax Increment Financing District No. 20
61.23 to the Fridley Housing and Redevelopment Authority for the purposes authorized in
61.24 subdivision 2. Only increment allowed to be expended outside of the district pursuant to
61.25 Minnesota Statutes, section 469.1763, subdivision 2, may be transferred under this section.

61.26 **Subd. 2. Allowable use.** Increment transferred under subdivision 1 may only be expended
61.27 on housing programs adopted by the Fridley Housing and Redevelopment Authority on or
61.28 prior to December 31, 2021.

61.29 **Subd. 3. Annual financial reporting.** Tax increment transferred under this section is
61.30 subject to the annual reporting requirements under Minnesota Statutes, section 469.175,
61.31 subdivision 6.

62.1 Subd. 4. **Legislative reports.** By February 1, 2024, and February 1, 2026, the city of
62.2 Fridley must issue a report to the chairs and ranking minority members of the legislative
62.3 committees with jurisdiction over taxes and property taxes. Each report must include detailed
62.4 information relating to each program financed with increment transferred under this section.

62.5 Subd. 5. **Expiration.** The authority to make transfers under subdivision 1 expires
62.6 December 31, 2026.

62.7 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
62.8 city of Fridley and its chief clerical officer comply with the requirements of Minnesota
62.9 Statutes, section 645.021, subdivisions 2 and 3.

62.10 **Sec. 15. CITY OF PLYMOUTH; TIF AUTHORITY.**

62.11 Subdivision 1. **Establishment.** Under the special rules established in subdivision 2 of
62.12 this section, the city of Plymouth may establish a redevelopment district located wholly
62.13 within the city of Plymouth, Hennepin County, Minnesota, limited to the following parcels,
62.14 identified by tax identification numbers, together with adjacent roads and rights-of-way:
62.15 34-119-22-44-0002, 03-118-22-12-0002, 03-118-22-11-0007, 02-118-22-22-0005, and
62.16 03-118-22-14-0032.

62.17 Subd. 2. **Special rules.** If the city establishes a tax increment financing district under
62.18 this section, the following special rules apply:

62.19 (1) the district meets all the requirements of Minnesota Statutes, section 469.174,
62.20 subdivision 10;

62.21 (2) the five-year rule period under Minnesota Statutes, section 469.1763, subdivision 3,
62.22 is extended to ten years;

62.23 (3) Minnesota Statutes, section 469.176, subdivision 4j, does not apply to the district;
62.24 and

62.25 (4) increments generated from the district may be expended on improvements to Hennepin
62.26 County Road 47 outside the project area, and all such expenditures are deemed expended
62.27 on activities within the district for the purposes of Minnesota Statutes, section 469.1763.

62.28 Subd. 3. **Expiration.** The authority to approve a tax increment financing plan to establish
62.29 a tax increment financing district under this section expires December 31, 2029.

62.30 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
62.31 city of Plymouth and its chief clerical officer comply with the requirements of Minnesota
62.32 Statutes, section 645.021, subdivisions 2 and 3.

63.1 **Sec. 16. CITY OF WOODBURY; TIF DISTRICT NO. 13; EXPENDITURES**

63.2 **ALLOWED; DURATION EXTENSION.**

63.3 (a) Notwithstanding Minnesota Statutes, section 469.1763, subdivision 2, or any other
63.4 law to the contrary, the city of Woodbury may expend increments generated from Tax
63.5 Increment Financing District No. 13 for the maintenance and facility and infrastructure
63.6 upgrades to Central Park. All such expenditures are deemed expended on activities within
63.7 the district.

63.8 (b) Notwithstanding Minnesota Statutes, section 469.176, subdivision 1b, the city of
63.9 Woodbury may elect to extend the duration of Tax Increment Financing District No. 13 by
63.10 five years.

63.11 **EFFECTIVE DATE.** Paragraph (a) is effective the day after the governing body of the
63.12 city of Woodbury and its chief clerical officer comply with the requirements of Minnesota
63.13 Statutes, section 645.021, subdivisions 2 and 3. Paragraph (b) is effective upon compliance
63.14 by the city of Woodbury, Washington County, and Independent School District No. 833
63.15 with the requirements of Minnesota Statutes, sections 469.1782, subdivision 2, and 645.021,
63.16 subdivisions 2 and 3.

63.17 **ARTICLE 4**

63.18 **LOCAL TAXES**

63.19 Section 1. Minnesota Statutes 2020, section 297A.99, subdivision 1, is amended to read:

63.20 Subdivision 1. **Authorization; scope.** (a) A political subdivision of this state may impose
63.21 a general sales tax (1) under section 297A.992, (2) under section 297A.993, (3) if permitted
63.22 by special law, or (4) if the political subdivision enacted and imposed the tax before January
63.23 1, 1982, and its predecessor provision.

63.24 (b) This section governs the imposition of a general sales tax by the political subdivision.
63.25 The provisions of this section preempt the provisions of any special law:

63.26 (1) enacted before June 2, 1997, or

63.27 (2) enacted on or after June 2, 1997, that does not explicitly exempt the special law
63.28 provision from this section's rules by reference.

63.29 (c) This section does not apply to or preempt a sales tax on motor vehicles. Beginning
63.30 July 1, 2019, no political subdivision may impose a special excise tax on motor vehicles
63.31 unless it is imposed under section 297A.993.

64.1 (d) A political subdivision may not advertise or expend funds for the promotion of a
64.2 referendum to support imposing a local sales tax ~~and may only spend funds related to~~
64.3 ~~imposing a local sales tax to:~~

64.4 (e) Notwithstanding paragraph (d), a political subdivision may only spend funds related
64.5 to imposing a local sales tax to:

64.6 (1) conduct the referendum;

64.7 (2) disseminate information included in the resolution adopted and submitted under
64.8 subdivision 2, but only if the disseminated information includes a list of specific projects
64.9 and the cost of each individual project;

64.10 (3) provide notice of, and conduct public forums at which proponents and opponents on
64.11 the merits of the referendum are given equal time to express their opinions on the merits of
64.12 the referendum;

64.13 (4) provide facts and data on the impact of the proposed local sales tax on consumer
64.14 purchases; and

64.15 (5) provide facts and data related to the individual programs and projects to be funded
64.16 with the local sales tax.

64.17 **EFFECTIVE DATE.** This section is effective for local sales tax proposals submitted
64.18 for approval after the day of final enactment.

64.19 Sec. 2. Minnesota Statutes 2021 Supplement, section 297A.99, subdivision 2, is amended
64.20 to read:

64.21 Subd. 2. **Local resolution before application for authority.** ~~(a) Before the governing~~
64.22 ~~body of a political subdivision requests legislative approval to impose a local sales tax~~
64.23 ~~authorized by a special law, it shall adopt a resolution indicating its approval of the tax. The~~
64.24 ~~resolution must include the following information:~~ The governing body of a political
64.25 subdivision seeking legislative approval to either impose a new local sales tax authorized
64.26 by special law or modify an existing local sales tax authorized by special law must adopt a
64.27 resolution indicating its approval of the tax each year it requests legislative approval. The
64.28 resolution must include the following information:

64.29 (1) the proposed tax rate;

64.30 (2) a detailed description of no more than five capital projects that will be funded with
64.31 revenue from the tax;

65.1 (3) documentation of the regional significance of each project, including the share of
65.2 the economic benefit to or use of each project by persons residing, or businesses located,
65.3 outside of the jurisdiction;

65.4 (4) the amount of local sales tax revenue that would be used for each project and the
65.5 estimated time needed to raise that amount of revenue; ~~and~~

65.6 (5) the total revenue that will be raised for all projects before the tax expires, and the
65.7 estimated length of time that the tax will be in effect if all proposed projects are funded;
65.8 and

65.9 (6) a description of the nexus between the nonresident users of a project and the payment
65.10 of the tax, as required in paragraph (e).

65.11 (b) ~~The jurisdiction seeking authority to impose a local sales tax by special law~~ must
65.12 submit the resolution in paragraph (a) along with underlying documentation indicating how
65.13 the benefits under paragraph (a), clause (3), were determined, to the chairs and ranking
65.14 minority members of the ~~legislative~~ committees of the house of representatives and senate
65.15 with jurisdiction over taxes no later than January 31 of ~~the~~ each year in which the jurisdiction
65.16 is seeking a special law authorizing or modifying the tax. The jurisdiction must submit an
65.17 amended resolution if, after meeting the requirements of this paragraph, the jurisdiction
65.18 seeks to:

65.19 (1) add a project that will be funded with the revenue from the tax;

65.20 (2) increase the amount that will be used for any project;

65.21 (3) increase the total revenue raised for all projects before the tax expires; or

65.22 (4) increase the estimated length of time that the tax will be in effect if all proposed
65.23 projects are funded.

65.24 (c) The special legislation granting or modifying local sales tax authority is not required
65.25 to allow funding for all projects listed in the resolution with the revenue from the local sales
65.26 tax, but must not include any projects not contained in the resolution.

65.27 (d) For purposes of this section, a "capital project" or "project" means:

65.28 (1) a single building or structure including associated infrastructure needed to safely
65.29 access or use the building or structure;

65.30 (2) improvements within a single park or named recreation area; or

65.31 (3) a contiguous trail.

66.1 (e) The resolution required in paragraph (a) must also include a description of the nexus
66.2 between the nonresident users of a project and the payment of tax. Nexus requires that two
66.3 of the following requirements are met:

66.4 (1) a significant number of the users of the project will be nonresidents of the political
66.5 subdivision imposing the tax;

66.6 (2) the project includes a unique or uncommon characteristic;

66.7 (3) the project is part of a regional or statewide network or system for providing facilities
66.8 or services;

66.9 (4) the project promotes an activity having a duration long enough to encourage retail
66.10 activity incident to the project, in the political subdivision imposing the tax; and

66.11 (5) the project includes improvements or amenities to facilities that increase the project's
66.12 capacity to serve visitors at a volume that exceeds the capacity for facilities that serve a
66.13 local population, including but not limited to heating, ventilation, and air conditioning
66.14 systems, parking facilities, including accessibility upgrades, and other improvements
66.15 necessary for compliance with state building codes for the improved facilities.

66.16 **EFFECTIVE DATE.** This section is effective for local sales tax proposals submitted
66.17 for approval after the day of final enactment.

66.18 Sec. 3. Minnesota Statutes 2020, section 297A.99, subdivision 3, is amended to read:

66.19 Subd. 3. **Legislative authority required before voter approval; requirements for**
66.20 **adoption, use, termination.** (a) A political subdivision must receive legislative authority
66.21 to impose or modify a local sales tax before submitting the tax for approval by voters of the
66.22 political subdivision. Imposition or modification of a local sales tax is subject to approval
66.23 by voters of the political subdivision at a general election. The election must be conducted
66.24 ~~at a general election~~ on the first Tuesday after the first Monday in November within the
66.25 two-year period after the governing body of the political subdivision has received authority
66.26 to impose or modify the tax. If the authorizing legislation ~~allows~~ authorizes or modifies the
66.27 tax ~~to be imposed~~ for more than one project, there must be a separate question approving
66.28 the use of the tax revenue for each project. Notwithstanding the authorizing legislation or
66.29 special law modifying the tax, a project that is not approved by the voters may not be funded
66.30 with the local sales tax revenue and the termination date of the tax set in the authorizing
66.31 legislation or special law modifying the tax must be reduced proportionately based on the
66.32 share of that project's cost to the total costs of all projects included in the authorizing
66.33 legislation or special law modifying the tax.

67.1 (b) The proceeds of the tax must be dedicated exclusively to payment of the construction
67.2 and rehabilitation costs and associated bonding costs related to the specific capital
67.3 improvement projects that were approved by the voters under paragraph (a).

67.4 (c) The tax must terminate after the revenues raised are sufficient to fund the projects
67.5 approved by the voters under paragraph (a).

67.6 (d) After a sales tax imposed by a political subdivision has expired or been terminated,
67.7 the political subdivision is prohibited from imposing a local sales tax for a period of one
67.8 year.

67.9 (e) Notwithstanding paragraph (a), if a political subdivision received voter approval to
67.10 seek authority for a local sales tax at the November 6, 2018, general election and is granted
67.11 authority to impose a local sales tax before January 1, 2021, the tax may be imposed without
67.12 an additional referendum provided that it meets the requirements of subdivision 2 and the
67.13 list of specific projects contained in the resolution does not conflict with the projects listed
67.14 in the approving referendum.

67.15 (f) If a tax is terminated because sufficient revenues have been raised, any amount of
67.16 tax collected under subdivision 9, after sufficient revenues have been raised and before the
67.17 quarterly termination required under subdivision 12, paragraph (a), that is greater than the
67.18 average quarterly revenues collected over the immediately preceding 12 calendar months
67.19 must be retained by the commissioner for deposit in the general fund.

67.20 **EFFECTIVE DATE.** This section is effective for local sales tax proposals submitted
67.21 for approval after the day of final enactment.

67.22 Sec. 4. Laws 1998, chapter 389, article 8, section 43, as amended by Laws 2005, First
67.23 Special Session chapter 3, article 5, sections 28, 29, and 30, Laws 2011, First Special Session
67.24 chapter 7, article 4, sections 5, 6, and 7, and Laws 2013, chapter 143, article 10, sections
67.25 11, 12, and 13, is amended by adding a subdivision to read:

67.26 **Subd. 1a. Authorization; extension.** Notwithstanding Minnesota Statutes, section
67.27 477A.016, or any other law, ordinance, or city charter, and if approved by the voters at a
67.28 general election as required under Minnesota Statutes, section 297A.99, subdivision 3, the
67.29 city of Rochester may extend the sales and use tax of one-half of one percent authorized
67.30 under subdivision 1, paragraph (a), for the purposes specified in subdivision 3a. Except as
67.31 otherwise provided in this section, the provisions of Minnesota Statutes, section 297A.99,
67.32 govern the imposition, administration, collection, and enforcement of the tax authorized

68.1 under this subdivision. The tax imposed under this subdivision is in addition to any local
68.2 sales and use tax imposed under any other special law.

68.3 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
68.4 city of Rochester and its chief clerical officer comply with Minnesota Statutes, section
68.5 645.021, subdivisions 2 and 3.

68.6 Sec. 5. Laws 1998, chapter 389, article 8, section 43, as amended by Laws 2005, First
68.7 Special Session chapter 3, article 5, sections 28, 29, and 30, Laws 2011, First Special Session
68.8 chapter 7, article 4, sections 5, 6, and 7, and Laws 2013, chapter 143, article 10, sections
68.9 11, 12, and 13, is amended by adding a subdivision to read:

68.10 Subd. 3a. **Use of sales and use tax revenues; additional projects.** The revenues derived
68.11 from the extension of the tax authorized under subdivision 1a must be used by the city of
68.12 Rochester to pay the costs of collecting and administering the tax and paying for the following
68.13 projects in the city, including securing and paying debt service on bonds issued to finance
68.14 all or part of the following projects:

68.15 (1) notwithstanding Minnesota Statutes, section 297A.99, subdivision 2, paragraph (d),
68.16 \$50,000,000, plus associated bonding costs for street reconstruction;

68.17 (2) notwithstanding Minnesota Statutes, section 297A.99, subdivision 2, paragraph (d),
68.18 \$40,000,000, plus associated bonding costs for flood control and water quality;

68.19 (3) \$65,000,000, plus associated bonding costs for a Regional Community and Recreation
68.20 Complex; and

68.21 (4) additional project costs for the projects described in clauses (1) to (3), provided that
68.22 sufficient revenue from the tax has been received to pay for the project costs in clauses (1)
68.23 to (3) and to pay the costs related to issuance of any bonds under subdivision 4a, paragraph
68.24 (b).

68.25 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
68.26 city of Rochester and its chief clerical officer comply with Minnesota Statutes, section
68.27 645.021, subdivisions 2 and 3.

68.28 Sec. 6. Laws 1998, chapter 389, article 8, section 43, as amended by Laws 2005, First
68.29 Special Session chapter 3, article 5, sections 28, 29, and 30, Laws 2011, First Special Session

69.1 chapter 7, article 4, sections 5, 6, and 7, and Laws 2013, chapter 143, article 10, sections
69.2 11, 12, and 13, is amended by adding a subdivision to read:

69.3 Subd. 4a. **Bonding authority; additional projects and extension of tax.** (a) The city
69.4 of Rochester may issue bonds under Minnesota Statutes, chapter 475, to finance all or a
69.5 portion of the costs of the projects authorized in subdivision 3a and approved by the voters
69.6 as required under Minnesota Statutes, section 297A.99, subdivision 3, paragraph (a). The
69.7 bonds may be paid from or secured by any funds available to the city of Rochester, including
69.8 the tax authorized under subdivision 1a and the full faith and credit of the city. The issuance
69.9 of bonds under this subdivision is not subject to Minnesota Statutes, sections 275.60 and
69.10 275.61.

69.11 (b) The aggregate principal amount of bonds issued under this subdivision for the projects
69.12 described in subdivision 3a, clauses (1) to (3), may not exceed \$155,000,000, plus an amount
69.13 to be applied to the payment of the costs of issuing the bonds.

69.14 (c) The bonds are not included in computing any debt limitation applicable to the city
69.15 of Rochester, and any levy of taxes under Minnesota Statutes, section 475.61, to pay principal
69.16 and interest on the bonds is not subject to any levy limitation. A separate election to approve
69.17 the bonds under Minnesota Statutes, section 475.58, is not required.

69.18 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
69.19 city of Rochester and its chief clerical officer comply with Minnesota Statutes, section
69.20 645.021, subdivisions 2 and 3.

69.21 Sec. 7. Laws 1998, chapter 389, article 8, section 43, subdivision 5, as amended by Laws
69.22 2005, First Special Session chapter 3, article 5, section 30, Laws 2011, First Special Session
69.23 chapter 7, article 4, section 7, and Laws 2013, chapter 143, article 10, section 13, is amended
69.24 to read:

69.25 Subd. 5. **Termination of taxes.** (a) The taxes imposed under subdivisions 1 and 2 expire
69.26 at the later of (1) December 31, 2009, or (2) when the city council determines that sufficient
69.27 funds have been received from the taxes to finance the first \$71,500,000 of capital
69.28 expenditures and bonds for the projects authorized in subdivision 3, including the amount
69.29 to prepay or retire at maturity the principal, interest, and premium due on any bonds issued
69.30 for the projects under subdivision 4, unless the taxes are extended as allowed in paragraph
69.31 (b). Any funds remaining after completion of the project and retirement or redemption of
69.32 the bonds shall also be used to fund the projects under subdivision 3. The taxes imposed
69.33 under subdivisions 1 and 2 may expire at an earlier time if the city so determines by
69.34 ordinance.

70.1 (b) Notwithstanding Minnesota Statutes, sections 297A.99 and 477A.016, or any other
70.2 contrary provision of law, ordinance, or city charter, the city of Rochester may, by ordinance,
70.3 extend the taxes authorized in subdivisions 1 and 2 beyond December 31, 2009, if approved
70.4 by the voters of the city at a special election in 2005 or the general election in 2006. The
70.5 question put to the voters must indicate that an affirmative vote would allow up to an
70.6 additional \$40,000,000 of sales tax revenues be raised and up to \$40,000,000 of bonds to
70.7 be issued above the amount authorized in the June 23, 1998, referendum for the projects
70.8 specified in subdivision 3. If the taxes authorized in subdivisions 1 and 2 are extended under
70.9 this paragraph, the taxes expire when the city council determines that sufficient funds have
70.10 been received from the taxes to finance the projects and to prepay or retire at maturity the
70.11 principal, interest, and premium due on any bonds issued for the projects under subdivision
70.12 4. Any funds remaining after completion of the project and retirement or redemption of the
70.13 bonds may be placed in the general fund of the city.

70.14 (c) Notwithstanding Minnesota Statutes, sections 297A.99 and 477A.016, or any other
70.15 contrary provision of law, ordinance, or city charter, the city of Rochester may, by ordinance,
70.16 extend the taxes authorized in subdivisions 1, paragraph (a), and 2, up to December 31,
70.17 2049, provided that all additional revenues above those necessary to fund the projects and
70.18 associated financing costs listed in subdivision 3, paragraphs (a) to (e), are committed to
70.19 fund public infrastructure projects contained in the development plan adopted under
70.20 Minnesota Statutes, section 469.43, including all financing costs; otherwise the taxes
70.21 terminate when the city council determines that sufficient funds have been received from
70.22 the taxes to finance expenditures and bonds for the projects authorized in subdivision 3,
70.23 paragraphs (a) to (e), plus an amount equal to the costs of issuance of the bonds and including
70.24 the amount to prepay or retire at maturity the principal, interest, and premiums due on any
70.25 bonds issued for the projects under subdivision 4.

70.26 (d) The tax imposed under subdivision 1, paragraph (b), expires at the earlier of December
70.27 31, 2049, or when the city council determines that sufficient funds have been raised from
70.28 the tax plus all other city funding sources authorized in this article to meet the city obligation
70.29 for financing the public infrastructure projects contained in the development plan adopted
70.30 under Minnesota Statutes, section 469.43, including all financing costs.

70.31 (e) The tax imposed under subdivision 1a expires at the earlier of (1) 16-1/2 years after
70.32 first imposed, or (2) when the city council determines that the amount of revenues received
70.33 from the tax is sufficient to pay for the project costs authorized under subdivision 3a for
70.34 projects approved by the voters as required under Minnesota Statutes, section 297A.99,
70.35 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance

71.1 of the bonds under subdivision 4a, including interest on the bonds. Except as otherwise
 71.2 provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f), any funds
 71.3 remaining after payment of the allowed costs due to the timing of the termination of the tax
 71.4 under Minnesota Statutes, section 297A.99, subdivision 12, shall be placed in the general
 71.5 fund of the city. The tax imposed under subdivision 1a may expire at an earlier time if the
 71.6 city so determines by ordinance.

71.7 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
 71.8 city of Rochester and its chief clerical officer comply with Minnesota Statutes, section
 71.9 645.021, subdivisions 2 and 3.

71.10 Sec. 8. Laws 2008, chapter 366, article 7, section 17, is amended to read:

71.11 Sec. 17. **COOK COUNTY; LODGING AND ADMISSIONS TAXES TAX.**

71.12 Subdivision 1. **Lodging tax.** Notwithstanding Minnesota Statutes, section 477A.016,
 71.13 or any other provision of law, ordinance, or city charter, the Board of Commissioners of
 71.14 Cook County may impose, by ordinance, a tax of up to one percent on the gross receipts
 71.15 subject to the lodging tax under Minnesota Statutes, section 469.190. This tax is in addition
 71.16 to any tax imposed under Minnesota Statutes, section 469.190, and the total tax imposed
 71.17 under that section and this provision must not exceed four percent.

71.18 ~~Subd. 2. **Admissions and recreation tax.** Notwithstanding Minnesota Statutes, section~~
 71.19 ~~477A.016, or any other provision of law, ordinance, or city charter, the Board of~~
 71.20 ~~Commissioners of Cook County may impose, by ordinance, a tax of up to three percent on~~
 71.21 ~~admissions to entertainment and recreational facilities and rental of recreation equipment.~~

71.22 Subd. 3. **Use of taxes.** The ~~taxes tax~~ tax imposed in ~~subdivisions~~ subdivision ~~1 and 2~~ must
 71.23 be used to fund a new Cook County Event and Visitors Bureau as established by the Board
 71.24 of Commissioners of Cook County. The Board of Commissioners of Cook County must
 71.25 annually review the budget of the Cook County Event and Visitors Bureau. The event and
 71.26 visitors bureau may not receive revenues raised from the ~~taxes tax~~ tax imposed in ~~subdivisions~~
 71.27 subdivision ~~1 and 2~~ until the board of commissioners approves the annual budget.

71.28 Subd. 4. **Termination.** The ~~taxes tax~~ tax imposed in ~~subdivisions~~ subdivision ~~1 and 2~~
 71.29 ~~terminate~~ terminates ~~15~~ 30 years after ~~they are~~ it is first imposed.

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

72.1 Sec. 9. Laws 2011, First Special Session chapter 7, article 4, section 14, is amended to
72.2 read:

72.3 Sec. 14. **CITY OF MARSHALL; SALES AND USE TAX.**

72.4 Subdivision 1. **Authorization.** Notwithstanding Minnesota Statutes, section 297A.99,
72.5 subdivisions 1 and 2, or 477A.016, or any other law, ordinance, or city charter, the city of
72.6 Marshall, if approved by the voters at a general election held within two years of the date
72.7 of final enactment of this section, may impose the tax authorized under subdivision 2. Two
72.8 separate ballot questions must be presented to the voters, one for each of the two facility
72.9 projects named in subdivision 3.

72.10 Subd. 2. **Sales and use tax authorized.** The city of Marshall may impose by ordinance
72.11 a sales and use tax of up to one-half of one percent for the purposes specified in subdivision
72.12 3. The provisions of Minnesota Statutes, section 297A.99, except subdivisions 1 and 2,
72.13 govern the imposition, administration, collection, and enforcement of the tax authorized
72.14 under this subdivision.

72.15 Subd. 2a. **Authorization; extension.** Notwithstanding Minnesota Statutes, section
72.16 297A.99, subdivision 3, paragraph (d), or 477A.016, or any other law, ordinance, or city
72.17 charter, after payment of the bonds authorized under subdivision 4, and if approved by the
72.18 voters at a general election as required under Minnesota Statutes, section 297A.99,
72.19 subdivision 3, the city of Marshall may extend the sales and use tax of one-half of one
72.20 percent authorized under subdivision 2 for the purposes specified in subdivision 3a. Except
72.21 as otherwise provided in this section, the provisions of Minnesota Statutes, section 297A.99,
72.22 govern the imposition, administration, collection, and enforcement of the tax authorized
72.23 under this subdivision. The tax imposed under this subdivision is in addition to any local
72.24 sales and use tax imposed under any other special law.

72.25 Subd. 3. **Use of sales and use tax revenues.** The revenues derived from the tax authorized
72.26 under subdivision 2 must be used by the city of Marshall to pay the costs of collecting and
72.27 administering the sales and use tax and to pay all or part of the costs of the new and existing
72.28 facilities of the Minnesota Emergency Response and Industry Training Center and all or
72.29 part of the costs of the new facilities of the Southwest Minnesota Regional Amateur Sports
72.30 Center. Authorized expenses include, but are not limited to, acquiring property, predesign,
72.31 design, and paying construction, furnishing, and equipment costs related to these facilities
72.32 and paying debt service on bonds or other obligations issued by the city of Marshall under
72.33 subdivision 4 to finance the capital costs of these facilities.

73.1 Subd. 3a. Use of sales and use tax revenues; aquatic center. The revenues derived
73.2 from the extension of the tax authorized under subdivision 2a must be used by the city of
73.3 Marshall to pay the costs of collecting and administering the tax and paying for \$16,000,000
73.4 plus associated bonding costs for the construction of a new municipal aquatic center in the
73.5 city, including securing and paying debt service on bonds issued to finance the project.

73.6 Subd. 4. **Bonds.** (a) If the imposition of a sales and use tax is approved by the voters,
73.7 the city of Marshall may issue bonds under Minnesota Statutes, chapter 475, to finance all
73.8 or a portion of the costs of the facilities authorized in subdivision 3, and may issue bonds
73.9 to refund bonds previously issued. The aggregate principal amount of bonds issued under
73.10 this subdivision may not exceed \$17,290,000, plus an amount to be applied to the payment
73.11 of the costs of issuing the bonds. The bonds may be paid from or secured by any funds
73.12 available to the city of Marshall, including the tax authorized under subdivision 2.

73.13 (b) The bonds are not included in computing any debt limitation applicable to the city
73.14 of Marshall, and any levy of taxes under Minnesota Statutes, section 475.61, to pay principal
73.15 and interest on the bonds, is not subject to any levy limitation. A separate election to approve
73.16 the bonds under Minnesota Statutes, section 475.58, is not required.

73.17 Subd. 4a. Bonds; additional use and extension of tax. (a) After payment of the bonds
73.18 authorized under subdivision 4, the city of Marshall may issue bonds under Minnesota
73.19 Statutes, chapter 475, to finance all or a portion of the costs of the project authorized in
73.20 subdivision 2a and approved by the voters as required under Minnesota Statutes, section
73.21 297A.99, subdivision 3, paragraph (a). The aggregate principal amount of bonds issued
73.22 under this subdivision may not exceed \$16,000,000, plus an amount to be applied to the
73.23 payment of the costs of issuing the bonds. The bonds may be paid from or secured by any
73.24 funds available to the city of Marshall, including the tax authorized under subdivision 2a.
73.25 The issuance of bonds under this subdivision is not subject to Minnesota Statutes, sections
73.26 275.60 and 275.61.

73.27 (b) The bonds are not included in computing any debt limitation applicable to the city
73.28 of Marshall, and any levy of taxes under Minnesota Statutes, section 475.61, to pay principal
73.29 and interest on the bonds is not subject to any levy limitation. A separate election to approve
73.30 the bonds under Minnesota Statutes, section 475.58, is not required.

73.31 Subd. 5. **Termination of taxes.** (a) The tax imposed under subdivision 2 expires at the
73.32 earlier of (1) 15 years after the tax is first imposed, or (2) when the city council determines
73.33 that the amount of revenues received from the tax to pay for the capital and administrative
73.34 costs of the facilities under subdivision 3 first equals or exceeds the amount authorized to

74.1 be spent for the facilities plus the additional amount needed to pay the costs related to
74.2 issuance of the bonds under subdivision 4, including interest on the bonds. Any funds
74.3 remaining after payment of all such costs and retirement or redemption of the bonds shall
74.4 be placed in the general fund of the city. The tax imposed under subdivision 2 may expire
74.5 at an earlier time if the city so determines by ordinance.

74.6 (b) The tax imposed under subdivision 2a expires at the earlier of (1) 30 years after the
74.7 tax under subdivision 2 is first imposed, or (2) when the city council determines that the
74.8 amount of revenues received from the tax is sufficient to pay for the project costs authorized
74.9 under subdivision 3a for the project approved by the voters as required under Minnesota
74.10 Statutes, section 297A.99, subdivision 3, paragraph (a), plus an amount sufficient to pay
74.11 the costs related to issuance of the bonds under subdivision 4a, including interest on the
74.12 bonds. Except as otherwise provided in Minnesota Statutes, section 297A.99, subdivision
74.13 3, paragraph (f), any funds remaining after payment of the allowed costs due to the timing
74.14 of the termination of the tax under Minnesota Statutes, section 297A.99, subdivision 12,
74.15 shall be placed in the general fund of the city. The tax imposed under subdivision 2a may
74.16 expire at an earlier time if the city so determines by ordinance.

74.17 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
74.18 city of Marshall and its chief clerical officer comply with Minnesota Statutes, section
74.19 645.021, subdivisions 2 and 3.

74.20 Sec. 10. Laws 2019, First Special Session chapter 6, article 6, section 25, is amended to
74.21 read:

74.22 **Sec. 25. CITY OF PLYMOUTH; LOCAL LODGING TAX AUTHORIZED.**

74.23 (a) Notwithstanding Minnesota Statutes, section 477A.016, or any other provision of
74.24 law, ordinance, or city charter, the city council for the city of Plymouth may impose by
74.25 ordinance a tax of up to three percent on the gross receipts subject to the lodging tax under
74.26 Minnesota Statutes, section 469.190. This tax is in addition to any tax imposed under
74.27 Minnesota Statutes, section 469.190, and the total tax imposed under that section and this
74.28 provision must not exceed six percent.

74.29 (b) Two-thirds of the revenue from the tax imposed under this section must be dedicated
74.30 and used for capital improvements to public recreational facilities and marketing and
74.31 promotion of the community, and the remaining one-third of the revenue must be used for
74.32 the same purposes as a tax imposed under Minnesota Statutes, section 469.190.

75.1 ~~(e) The tax imposed under this authority terminates at the earlier of: (1) ten years after~~
75.2 ~~the tax is first imposed; or (2) December 31, 2030.~~

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

75.4 Sec. 11. Laws 2021, First Special Session chapter 14, article 8, section 5, is amended to
75.5 read:

75.6 **Sec. 5. CITY OF EDINA; TAXES AUTHORIZED.**

75.7 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,
75.8 section 297A.99, subdivision 1, or 477A.016, or any other law, ordinance, or city charter,
75.9 and if approved by the voters at a general election as required under Minnesota Statutes,
75.10 section 297A.99, subdivision 3, the city of Edina may impose by ordinance a sales and use
75.11 tax of one-half of one percent for the purposes specified in subdivision 2. Except as otherwise
75.12 provided in this section, the provisions of Minnesota Statutes, section 297A.99, govern the
75.13 imposition, administration, collection, and enforcement of the tax authorized under this
75.14 subdivision. The tax imposed under this subdivision is in addition to any local sales and
75.15 use tax imposed under any other special law.

75.16 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized
75.17 under subdivision 1 must be used by the city of Edina to pay the costs of collecting and
75.18 administering the tax and paying for the following projects in the city, including securing
75.19 and paying debt service on bonds issued to finance all or part of the following projects:

75.20 (1) \$17,700,000 plus associated bonding costs for development of Fred Richards Park
75.21 as identified in the Fred Richards Park Master Plan; ~~and~~

75.22 (2) ~~\$21,600,000~~ \$46,900,000 plus associated bonding costs for improvements to Braemar
75.23 Park as identified in the Braemar Park Master Plan.; and

75.24 (3) capital improvement projects to the city's park and recreation system, plus associated
75.25 bonding costs, provided that sufficient revenue from the tax has been received to pay for
75.26 the project costs in clauses (1) and (2) and to pay the costs related to issuance of any bonds
75.27 under subdivision 3, paragraph (b).

75.28 Subd. 3. **Bonding authority.** ~~(a) The city of Edina may issue bonds under Minnesota~~
75.29 ~~Statutes, chapter 475, to finance all or a portion of the costs of the projects authorized in~~
75.30 ~~subdivision 2 and approved by the voters as required under Minnesota Statutes, section~~
75.31 ~~297A.99, subdivision 3, paragraph (a). The aggregate principal amount of bonds issued~~
75.32 ~~under this subdivision may not exceed: (1) \$17,700,000 for the project listed in subdivision~~

76.1 ~~2, clause (1), plus an amount to be applied to the payment of the costs of issuing the bonds;~~
76.2 ~~and (2) \$21,600,000 for the project listed in subdivision 2, clause (2), plus an amount to be~~
76.3 ~~applied to the payment of the costs of issuing the bonds. The bonds may be paid from or~~
76.4 ~~secured by any funds available to the city of Edina, including the tax authorized under~~
76.5 ~~subdivision 1. The issuance of bonds under this subdivision is not subject to Minnesota~~
76.6 ~~Statutes, sections 275.60 and 275.61.~~

76.7 (a) The city of Edina may issue bonds under Minnesota Statutes, chapter 475, to finance
76.8 all or a portion of the costs of the projects authorized in subdivision 2 and approved by the
76.9 voters as required under Minnesota Statutes, section 297A.99, subdivision 3, paragraph (a).
76.10 The bonds may be paid from or secured by any funds available to the city of Edina, including
76.11 the tax authorized under subdivision 1. The issuance of bonds under this subdivision is not
76.12 subject to Minnesota Statutes, sections 275.60 and 275.61.

76.13 (b) For the projects described in subdivision 2, clauses (1) and (2), the aggregate principal
76.14 amount of bonds issued under this subdivision may not exceed:

76.15 (1) \$17,700,000 for the project listed in subdivision 2, clause (1), plus an amount to be
76.16 applied to the payment of the costs of issuing the bonds; and

76.17 (2) \$46,900,000 for the project listed in subdivision 2, clause (2), plus an amount to be
76.18 applied to the payment of the costs of issuing the bonds.

76.19 ~~(b)~~ (c) The bonds are not included in computing any debt limitation applicable to the
76.20 city of Edina, and any levy of taxes under Minnesota Statutes, section 475.61, to pay principal
76.21 and interest on the bonds is not subject to any levy limitation. A separate election to approve
76.22 the bonds under Minnesota Statutes, section 475.58, is not required.

76.23 **Subd. 4. Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,
76.24 subdivision 12, the tax imposed under subdivision 1 expires at the earlier of (1) ~~19~~ 17 years
76.25 after the tax is first imposed, or (2) when the city council determines that the amount received
76.26 from the tax is sufficient to pay for the project costs authorized under subdivision 2 for
76.27 projects approved by voters as required under Minnesota Statutes, section 297A.99,
76.28 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance
76.29 of any bonds authorized under subdivision 3, including interest on the bonds. Except as
76.30 otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f),
76.31 any funds remaining after payment of the allowed costs due to the timing of the termination
76.32 of the tax under Minnesota Statutes, section 297A.99, subdivision 12, must be placed in the
76.33 general fund of the city. The tax imposed under subdivision 1 may expire at an earlier time
76.34 if the city so determines by ordinance.

77.1 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
77.2 city of Edina and its chief clerical officer comply with Minnesota Statutes, section 645.021,
77.3 subdivisions 2 and 3.

77.4 Sec. 12. Laws 2021, First Special Session chapter 14, article 8, section 7, is amended to
77.5 read:

77.6 Sec. 7. **CITY OF GRAND RAPIDS; TAXES AUTHORIZED.**

77.7 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,
77.8 section 297A.99, subdivision 1, or 477A.016, or any other law, ordinance, or city charter,
77.9 and if approved by the voters at a general election as required under Minnesota Statutes,
77.10 section 297A.99, subdivision 3, the city of Grand Rapids may impose by ordinance a sales
77.11 and use tax of one-half of one percent for the purposes specified in subdivision 2. Except
77.12 as otherwise provided in this section, the provisions of Minnesota Statutes, section 297A.99,
77.13 govern the imposition, administration, collection, and enforcement of the tax authorized
77.14 under this subdivision. The tax imposed under this subdivision is in addition to any local
77.15 sales and use tax imposed under any other special law.

77.16 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized
77.17 under subdivision 1 must be used by the city of Grand Rapids to pay the costs of collecting
77.18 and administering the tax including securing and paying debt service on bonds issued and
77.19 to finance up to ~~\$5,980,000~~ \$10,600,000 for reconstruction, remodeling, and upgrades to
77.20 the Grand Rapids IRA Civic Center. Authorized costs include design, construction,
77.21 reconstruction, mechanical upgrades, and engineering costs, as well as the associated bond
77.22 costs for any bonds issued under subdivision 3.

77.23 Subd. 3. **Bonding authority.** (a) The city of Grand Rapids may issue bonds under
77.24 Minnesota Statutes, chapter 475, to finance all or a portion of the costs of the facilities
77.25 authorized in subdivision 2. The aggregate principal amount of bonds issued under this
77.26 subdivision may not exceed ~~\$5,980,000~~ \$10,600,000, plus an amount to be applied to the
77.27 payment of the costs of issuing the bonds. The bonds may be paid from or secured by any
77.28 funds available to the city of Grand Rapids, including the tax authorized under subdivision
77.29 1. The issuance of bonds under this subdivision is not subject to Minnesota Statutes, sections
77.30 275.60 and 275.61.

77.31 (b) The bonds are not included in computing any debt limitation applicable to the city
77.32 of Grand Rapids, and any levy of taxes under Minnesota Statutes, section 475.61, to pay

78.1 principal and interest on the bonds is not subject to any levy limitation. A separate election
78.2 to approve the bonds under Minnesota Statutes, section 475.58, is not required.

78.3 Subd. 4. **Termination of taxes.** The tax imposed under subdivision 1 expires at the
78.4 earlier of: (1) ~~seven~~ 12 years after the tax is first imposed; or (2) when the city council
78.5 determines that it has received from this tax ~~\$5,980,000~~ \$10,600,000 to fund the project
78.6 listed in subdivision 2 for projects approved by the voters as required under Minnesota
78.7 Statutes, section 297A.99, subdivision 3, paragraph (a), plus an amount sufficient to pay
78.8 the costs related to issuance of any bonds authorized under subdivision 3, including interest
78.9 on the bonds. Any funds remaining after payment of all such costs and retirement or
78.10 redemption of the bonds shall be placed in the general fund of the city, except for funds
78.11 required to be retained in the state general fund under Minnesota Statutes, section 297A.99,
78.12 subdivision 3. The tax imposed under subdivision 1 may expire at an earlier time if the city
78.13 so determines by ordinance.

78.14 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
78.15 city of Grand Rapids and its chief clerical officer comply with Minnesota Statutes, section
78.16 645.021, subdivisions 2 and 3.

78.17 Sec. 13. **CITY OF AITKIN; TAXES AUTHORIZED.**

78.18 **Subdivision 1. Sales and use tax authorization.** Notwithstanding Minnesota Statutes,
78.19 section 477A.016, or any other law, ordinance, or city charter, and if approved by the voters
78.20 at a general election as required under Minnesota Statutes, section 297A.99, subdivision 3,
78.21 the city of Aitkin may impose by ordinance a sales and use tax of one percent for the purposes
78.22 specified in subdivision 2. Except as otherwise provided in this section, the provisions of
78.23 Minnesota Statutes, section 297A.99, govern the imposition, administration, collection, and
78.24 enforcement of the tax authorized under this subdivision. The tax imposed under this
78.25 subdivision is in addition to any local sales and use tax imposed under any other special
78.26 law.

78.27 **Subd. 2. Use of sales and use tax revenues.** The revenues derived from the tax authorized
78.28 under subdivision 1 must be used by the city of Aitkin to pay the costs of collecting and
78.29 administering the tax and paying for the following projects in the city, including securing
78.30 and paying debt service on bonds issued to finance all or part of the following projects:

78.31 (1) \$8,300,000 plus associated bonding costs for construction of a new municipal
78.32 building; and

78.33 (2) \$1,000,000 plus associated bonding costs for improvements to parks and trails.

79.1 Subd. 3. **Bonding authority.** (a) The city of Aitkin may issue bonds under Minnesota
79.2 Statutes, chapter 475, to finance all or a portion of the costs of the facilities authorized in
79.3 subdivision 2 and approved by the voters as required under Minnesota Statutes, section
79.4 297A.99, subdivision 3, paragraph (a). The aggregate principal amount of bonds issued
79.5 under this subdivision may not exceed:

79.6 (1) \$8,300,000 for the project listed in subdivision 2, clause (1), plus an amount to be
79.7 applied to the payment of the costs of issuing the bonds; and

79.8 (2) \$1,000,000 for the project listed in subdivision 2, clause (2), plus an amount to be
79.9 applied to the payment of the costs of issuing the bonds.

79.10 The bonds may be paid from or secured by any funds available to the city of Aitkin, including
79.11 the tax authorized under subdivision 1. The issuance of bonds under this subdivision is not
79.12 subject to Minnesota Statutes, sections 275.60 and 275.61.

79.13 (b) The bonds are not included in computing any debt limitation applicable to the city
79.14 of Aitkin, and any levy of taxes under Minnesota Statutes, section 475.61, to pay principal
79.15 and interest on the bonds is not subject to any levy limitation. A separate election to approve
79.16 the bonds under Minnesota Statutes, section 475.58, is not required.

79.17 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,
79.18 subdivision 12, the tax imposed under subdivision 1 expires at the earlier of (1) 19 years
79.19 after being first imposed, or (2) when the city council determines that the amount received
79.20 from the tax is sufficient to pay for the project costs authorized under subdivision 2 for
79.21 projects approved by voters as required under Minnesota Statutes, section 297A.99,
79.22 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance
79.23 of any bonds authorized under subdivision 3, including interest on the bonds. Except as
79.24 otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f),
79.25 any funds remaining after payment of the allowed costs due to the timing of the termination
79.26 of the tax under Minnesota Statutes, section 297A.99, subdivision 12, shall be placed in the
79.27 general fund of the city. The tax imposed under subdivision 1 may expire at an earlier time
79.28 if the city so determines by ordinance.

79.29 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
79.30 city of Aitkin and its chief clerical officer comply with Minnesota Statutes, section 645.021,
79.31 subdivisions 2 and 3.

80.1 **Sec. 14. CITY OF BLACKDUCK; TAXES AUTHORIZED.**

80.2 **Subdivision 1. Sales and use tax authorization.** Notwithstanding Minnesota Statutes,
80.3 section 477A.016, or any other law, ordinance, or city charter, and if approved by the voters
80.4 at a general election as required under Minnesota Statutes, section 297A.99, subdivision 3,
80.5 the city of Blackduck may impose by ordinance a sales and use tax of one-half of one percent
80.6 for the purposes specified in subdivision 2. Except as otherwise provided in this section,
80.7 the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration,
80.8 collection, and enforcement of the tax authorized under this subdivision. The tax imposed
80.9 under this subdivision is in addition to any local sales and use tax imposed under any other
80.10 special law.

80.11 **Subd. 2. Use of sales and use tax revenues.** The revenues derived from the tax authorized
80.12 under subdivision 1 must be used by the city of Blackduck to pay the costs of collecting
80.13 and administering the tax and paying for the following projects in the city, including securing
80.14 and paying debt service on bonds issued to finance all or part of the following projects:

- 80.15 (1) \$200,000 plus associated bonding costs for improvements to a city campground;
80.16 (2) \$300,000 plus associated bonding costs for improvements to a walking trail;
80.17 (3) \$250,000 plus associated bonding costs for improvements to a wayside rest;
80.18 (4) \$150,000 plus associated bonding costs for golf course irrigation improvements; and
80.19 (5) \$100,000 plus associated bonding costs for reconstruction of a library.

80.20 **Subd. 3. Bonding authority.** (a) The city of Blackduck may issue bonds under Minnesota
80.21 Statutes, chapter 475, to finance all or a portion of the costs of the facilities authorized in
80.22 subdivision 2 and approved by the voters as required under Minnesota Statutes, section
80.23 297A.99, subdivision 3, paragraph (a). The aggregate principal amount of bonds issued
80.24 under this subdivision may not exceed:

80.25 (1) \$200,000 for the project listed in subdivision 2, clause (1), plus an amount to be
80.26 applied to the payment of the costs of issuing the bonds;

80.27 (2) \$300,000 for the project listed in subdivision 2, clause (2), plus an amount to be
80.28 applied to the payment of the costs of issuing the bonds;

80.29 (3) \$250,000 for the project listed in subdivision 2, clause (3), plus an amount to be
80.30 applied to the payment of the costs of issuing the bonds;

80.31 (4) \$150,000 for the project listed in subdivision 2, clause (4), plus an amount to be
80.32 applied to the payment of the costs of issuing the bonds; and

81.1 (5) \$100,000 for the project listed in subdivision 2, clause (5), plus an amount to be
81.2 applied to the payment of the costs of issuing the bonds.

81.3 The bonds may be paid from or secured by any funds available to the city of Blackduck,
81.4 including the tax authorized under subdivision 1. The issuance of bonds under this
81.5 subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

81.6 (b) The bonds are not included in computing any debt limitation applicable to the city
81.7 of Blackduck, and any levy of taxes under Minnesota Statutes, section 475.61, to pay
81.8 principal and interest on the bonds is not subject to any levy limitation. A separate election
81.9 to approve the bonds under Minnesota Statutes, section 475.58, is not required.

81.10 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,
81.11 subdivision 12, the tax imposed under subdivision 1 expires at the earlier of (1) 20 years
81.12 after being first imposed, or (2) when the city council determines that the amount received
81.13 from the tax is sufficient to pay for the project costs authorized under subdivision 2 for
81.14 projects approved by voters as required under Minnesota Statutes, section 297A.99,
81.15 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance
81.16 of any bonds authorized under subdivision 3, including interest on the bonds. Except as
81.17 otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f),
81.18 any funds remaining after payment of the allowed costs due to the timing of the termination
81.19 of the tax under Minnesota Statutes, section 297A.99, subdivision 12, shall be placed in the
81.20 general fund of the city. The tax imposed under subdivision 1 may expire at an earlier time
81.21 if the city so determines by ordinance.

81.22 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
81.23 city of Blackduck and its chief clerical officer comply with Minnesota Statutes, section
81.24 645.021, subdivisions 2 and 3.

81.25 Sec. 15. **CITY OF BLOOMINGTON; TAXES AUTHORIZED.**

81.26 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,
81.27 section 477A.016, or any other law, ordinance, or city charter, and if approved by the voters
81.28 at a general election as required under Minnesota Statutes, section 297A.99, subdivision 3,
81.29 the city of Bloomington may impose by ordinance a sales and use tax of one-half of one
81.30 percent for the purposes specified in subdivision 2. Except as otherwise provided in this
81.31 section, the provisions of Minnesota Statutes, section 297A.99, govern the imposition,
81.32 administration, collection, and enforcement of the tax authorized under this subdivision.
81.33 The tax imposed under this subdivision is in addition to any local sales and use tax imposed
81.34 under any other special law.

82.1 Subd. 2. Use of sales and use tax revenues. (a) The revenues derived from the tax
82.2 authorized under subdivision 1 must be used by the city of Bloomington to pay the costs of
82.3 collecting and administering the tax and paying for the following projects in the city,
82.4 including securing and paying debt service on bonds issued to finance all or part of the
82.5 following projects:

82.6 (1) \$32,000,000 plus associated bonding costs for construction of improvements and
82.7 rehabilitation of the Bloomington Ice Garden and associated infrastructure;

82.8 (2) \$70,000,000 plus associated bonding costs for construction of a new Community
82.9 Health and Wellness Center and associated infrastructure; and

82.10 (3) \$33,000,000 plus associated bonding costs for construction of an expansion to the
82.11 Bloomington Center for the Arts Concert Hall and associated infrastructure.

82.12 (b)(1) For purposes of this subdivision, "associated infrastructure" includes any or all
82.13 of the following activities: demolition, reconstruction, expansion, improvement, construction,
82.14 or rehabilitation, related to the existing facility or the new project, or both.

82.15 (2) Associated infrastructure activities described in clause (1) include but are not limited
82.16 to the following activities associated with the capital project or projects that are needed for
82.17 safe access or use: facilities, roads, lighting, sidewalks, parking, landscaping, or utilities.

82.18 (3) Costs include all the costs associated with delivering the projects.

82.19 Subd. 3. Bonding authority. (a) The city of Bloomington may issue bonds under
82.20 Minnesota Statutes, chapter 475, to finance all or a portion of the costs of the facilities
82.21 authorized in subdivision 2 and approved by the voters as required under Minnesota Statutes,
82.22 section 297A.99, subdivision 3, paragraph (a). The aggregate principal amount of bonds
82.23 issued under this subdivision may not exceed:

82.24 (1) \$32,000,000 for the project listed in subdivision 2, clause (1), plus an amount to be
82.25 applied to the payment of the costs of issuing the bonds;

82.26 (2) \$70,000,000 for the project listed in subdivision 2, clause (2), plus an amount to be
82.27 applied to the payment of the costs of issuing the bonds; and

82.28 (3) \$33,000,000 for the project listed in subdivision 2, clause (3), plus an amount to be
82.29 applied to the payment of the costs of issuing the bonds.

82.30 The bonds may be paid from or secured by any funds available to the city of Bloomington,
82.31 including the tax authorized under subdivision 1. The issuance of bonds under this
82.32 subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

83.1 (b) The bonds are not included in computing any debt limitation applicable to the city
83.2 of Bloomington, and any levy of taxes under Minnesota Statutes, section 475.61, to pay
83.3 principal and interest on the bonds is not subject to any levy limitation. A separate election
83.4 to approve the bonds under Minnesota Statutes, section 475.58, is not required.

83.5 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,
83.6 subdivision 12, the tax imposed under subdivision 1 expires at the earlier of (1) 20 years
83.7 after being first imposed, or (2) when the city council determines that the amount received
83.8 from the tax is sufficient to pay for the project costs authorized under subdivision 2 for
83.9 projects approved by voters as required under Minnesota Statutes, section 297A.99,
83.10 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance
83.11 of any bonds authorized under subdivision 3, including interest on the bonds. Except as
83.12 otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f),
83.13 any funds remaining after payment of the allowed costs due to the timing of the termination
83.14 of the tax under Minnesota Statutes, section 297A.99, subdivision 12, shall be placed in the
83.15 general fund of the city. The tax imposed under subdivision 1 may expire at an earlier time
83.16 if the city so determines by ordinance.

83.17 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
83.18 city of Bloomington and its chief clerical officer comply with Minnesota Statutes, section
83.19 645.021, subdivisions 2 and 3.

83.20 **Sec. 16. CITY OF BROOKLYN CENTER; TAXES AUTHORIZED.**

83.21 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,
83.22 section 477A.016, or any other law, ordinance, or city charter, and if approved by the voters
83.23 at a general election as required under Minnesota Statutes, section 297A.99, subdivision 3,
83.24 the city of Brooklyn Center may impose by ordinance a sales and use tax of one-half of one
83.25 percent for the purposes specified in subdivision 2. Except as otherwise provided in this
83.26 section, the provisions of Minnesota Statutes, section 297A.99, govern the imposition,
83.27 administration, collection, and enforcement of the tax authorized under this subdivision.
83.28 The tax imposed under this subdivision is in addition to any local sales and use tax imposed
83.29 under any other special law.

83.30 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized
83.31 under subdivision 1 must be used by the city of Brooklyn Center to pay the costs of collecting
83.32 and administering the tax and to finance up to \$55,000,000, plus associated bonding costs,
83.33 for the renovation and expansion of the Brooklyn Center Community Center.

84.1 Subd. 3. **Bonding authority.** (a) The city of Brooklyn Center may issue bonds under
84.2 Minnesota Statutes, chapter 475, to finance all or a portion of the costs of the facilities
84.3 authorized in subdivision 2. The aggregate principal amount of bonds issued under this
84.4 subdivision may not exceed \$55,000,000 plus an amount to be applied to the payment of
84.5 the costs of issuing the bonds. The bonds may be paid from or secured by any funds available
84.6 to the city of Brooklyn Center, including the tax authorized under subdivision 1 and the full
84.7 faith and credit of the city. The issuance of bonds under this subdivision is not subject to
84.8 Minnesota Statutes, sections 275.60 and 275.61.

84.9 (b) The bonds are not included in computing any debt limitation applicable to the city
84.10 of Brooklyn Center and any levy of taxes under Minnesota Statutes, section 475.61, to pay
84.11 principal and interest on the bonds is not subject to any levy limitation. A separate election
84.12 to approve the bonds under Minnesota Statutes, section 475.58, is not required.

84.13 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,
84.14 subdivision 12, the tax imposed under subdivision 1 expires at the earlier of (1) 20 years
84.15 after being first imposed, or (2) when the city council determines that the amount received
84.16 from the tax is sufficient to pay for the project costs authorized under subdivision 2 for
84.17 projects approved by voters as required under Minnesota Statutes, section 297A.99,
84.18 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance
84.19 of any bonds authorized under subdivision 3, including interest on the bonds. Except as
84.20 otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f),
84.21 any funds remaining after payment of the allowed costs due to the timing of the termination
84.22 of the tax under Minnesota Statutes, section 297A.99, subdivision 12, shall be placed in the
84.23 general fund of the city. The tax imposed under subdivision 1 may expire at an earlier time
84.24 if the city so determines by ordinance.

84.25 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
84.26 city of Brooklyn Center and its chief clerical officer comply with Minnesota Statutes, section
84.27 645.021, subdivisions 2 and 3.

84.28 Sec. 17. **CITY OF EAST GRAND FORKS; TAXES AUTHORIZED.**

84.29 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,
84.30 section 477A.016, or any other law, ordinance, or city charter, and if approved by the voters
84.31 at a general election as required under Minnesota Statutes, section 297A.99, subdivision 3,
84.32 the city of East Grand Forks may impose by ordinance a sales and use tax of 1.25 percent
84.33 for the purposes specified in subdivision 2. Except as otherwise provided in this section,
84.34 the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration,

85.1 collection, and enforcement of the tax authorized under this subdivision. The tax imposed
85.2 under this subdivision is in addition to any local sales and use tax imposed under any other
85.3 special law.

85.4 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized
85.5 under subdivision 1 must be used by the city of East Grand Forks to pay the costs of
85.6 collecting and administering the tax and paying for the following projects in the city,
85.7 including securing and paying debt service on bonds issued to finance all or part of the
85.8 following projects:

85.9 (1) \$15,500,000 plus associated bonding costs for reconstruction and remodeling of,
85.10 and upgrades and additions to, the Civic Center Sports Complex; and

85.11 (2) \$6,000,000 plus associated bonding costs for reconstruction and remodeling of, and
85.12 upgrades and additions to, the VFW Memorial and Blue Line Arena.

85.13 Subd. 3. **Bonding authority.** (a) The city of East Grand Forks may issue bonds under
85.14 Minnesota Statutes, chapter 475, to finance all or a portion of the costs of the facilities
85.15 authorized in subdivision 2 and approved by the voters as required under Minnesota Statutes,
85.16 section 297A.99, subdivision 3, paragraph (a). The aggregate principal amount of bonds
85.17 issued under this subdivision may not exceed:

85.18 (1) \$15,500,000 for the projects listed in subdivision 2, clause (1), plus an amount to be
85.19 applied to the payment of the costs of issuing the bonds; and

85.20 (2) \$6,000,000 for the projects listed in subdivision 2, clause (2), plus an amount to be
85.21 applied to the payment of the costs of issuing the bonds.

85.22 (b) The bonds may be paid from or secured by any funds available to the city of East
85.23 Grand Forks, including the tax authorized under subdivision 1 and the full faith and credit
85.24 of the city. The issuance of bonds under this subdivision is not subject to Minnesota Statutes,
85.25 sections 275.60 and 275.61.

85.26 (c) The bonds are not included in computing any debt limitation applicable to the city
85.27 of East Grand Forks and any levy of taxes under Minnesota Statutes, section 475.61, to pay
85.28 principal and interest on the bonds is not subject to any levy limitation. A separate election
85.29 to approve the bonds under Minnesota Statutes, section 475.58, is not required.

85.30 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,
85.31 subdivision 12, the tax imposed under subdivision 1 expires at the earlier of (1) 20 years
85.32 after being first imposed, or (2) when the city council determines that the amount received
85.33 from the tax is sufficient to pay for the project costs authorized under subdivision 2 for

86.1 projects approved by voters as required under Minnesota Statutes, section 297A.99,
86.2 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance
86.3 of any bonds authorized under subdivision 3, including interest on the bonds. Except as
86.4 otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f),
86.5 any funds remaining after payment of the allowed costs due to the timing of the termination
86.6 of the tax under Minnesota Statutes, section 297A.99, subdivision 12, shall be placed in the
86.7 general fund of the city. The tax imposed under subdivision 1 may expire at an earlier time
86.8 if the city so determines by ordinance.

86.9 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
86.10 city of East Grand Forks and its chief clerical officer comply with Minnesota Statutes,
86.11 section 645.021, subdivisions 2 and 3.

86.12 **Sec. 18. CITY OF GOLDEN VALLEY; TAXES AUTHORIZED.**

86.13 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,
86.14 section 477A.016, or any other law, ordinance, or city charter, and if approved by the voters
86.15 at a general election as required under Minnesota Statutes, section 297A.99, subdivision 3,
86.16 the city of Golden Valley may impose by ordinance a sales and use tax of three-quarters of
86.17 one percent for the purposes specified in subdivision 2. Except as otherwise provided in
86.18 this section, the provisions of Minnesota Statutes, section 297A.99, govern the imposition,
86.19 administration, collection, and enforcement of the tax authorized under this subdivision.
86.20 The tax imposed under this subdivision is in addition to any local sales and use tax imposed
86.21 under any other special law.

86.22 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized
86.23 under subdivision 1 must be used by the city of Golden Valley to pay the costs of collecting
86.24 and administering the tax and paying for the following projects in the city, including securing
86.25 and paying debt service on bonds issued to finance all or part of the following projects:

86.26 (1) \$38,000,000 plus associated bonding costs for construction of a new public works
86.27 facility; and

86.28 (2) \$35,000,000 plus associated bonding costs for construction of a new public safety
86.29 facility.

86.30 Subd. 3. **Bonding authority.** (a) The city of Golden Valley may issue bonds under
86.31 Minnesota Statutes, chapter 475, to finance all or a portion of the costs of the projects
86.32 authorized in subdivision 2 and approved by the voters as required under Minnesota Statutes,

87.1 section 297A.99, subdivision 3, paragraph (a). The aggregate principal amount of bonds
87.2 issued under this subdivision may not exceed:

87.3 (1) \$38,000,000 for the project listed in subdivision 2, clause (1), plus an amount to be
87.4 applied to the payment of the costs of issuing the bonds; and

87.5 (2) \$35,000,000 for the project listed in subdivision 2, clause (2), plus an amount to be
87.6 applied to the payment of the costs of issuing the bonds.

87.7 (b) The bonds may be paid from or secured by any funds available to the city of Golden
87.8 Valley, including the tax authorized under subdivision 1. The issuance of bonds under this
87.9 subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

87.10 (c) The bonds are not included in computing any debt limitation applicable to the city
87.11 of Golden Valley, and any levy of taxes under Minnesota Statutes, section 475.61, to pay
87.12 principal and interest on the bonds is not subject to any levy limitation. A separate election
87.13 to approve the bonds under Minnesota Statutes, section 475.58, is not required.

87.14 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,
87.15 subdivision 12, the tax imposed under subdivision 1 expires at the earlier of (1) 30 years
87.16 after the tax is first imposed, or (2) when the city council determines that the amount received
87.17 from the tax is sufficient to pay for the project costs authorized under subdivision 2 for
87.18 projects approved by voters as required under Minnesota Statutes, section 297A.99,
87.19 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance
87.20 of any bonds authorized under subdivision 3, including interest on the bonds. Except as
87.21 otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f),
87.22 any funds remaining after payment of the allowed costs due to the timing of the termination
87.23 of the tax under Minnesota Statutes, section 297A.99, subdivision 12, must be placed in the
87.24 general fund of the city. The tax imposed under subdivision 1 may expire at an earlier time
87.25 if the city so determines by ordinance.

87.26 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
87.27 city of Golden Valley and its chief clerical officer comply with Minnesota Statutes, section
87.28 645.021, subdivisions 2 and 3.

87.29 Sec. 19. **CITY OF HENDERSON; TAXES AUTHORIZED.**

87.30 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,
87.31 section 477A.016, or any other law, ordinance, or city charter, and if approved by the voters
87.32 at a general election as required under Minnesota Statutes, section 297A.99, subdivision 3,
87.33 the city of Henderson may impose by ordinance a sales and use tax of one-half of one percent

88.1 for the purposes specified in subdivision 2. Except as otherwise provided in this section,
88.2 the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration,
88.3 collection, and enforcement of the tax authorized under this subdivision. The tax imposed
88.4 under this subdivision is in addition to any local sales and use tax imposed under any other
88.5 special law.

88.6 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized
88.7 under subdivision 1 must be used by the city of Henderson to pay the costs of collecting
88.8 and administering the tax, and to finance up to \$240,000 plus associated bonding costs for
88.9 the Allanson's Park Campground and Trail project. Authorized project costs include
88.10 improvements to trails, improvements to the park campground and related facilities, utility
88.11 improvements, handicap access improvements, and other improvements related to linkage
88.12 to other local trails, as well as the associated bond costs for any bonds issued under
88.13 subdivision 3.

88.14 Subd. 3. **Bonding authority.** (a) The city of Henderson may issue bonds under Minnesota
88.15 Statutes, chapter 475, to finance up to \$240,000 of the portion of the costs of the project
88.16 authorized in subdivision 2, and approved by the voters as required under Minnesota Statutes,
88.17 section 297A.99, subdivision 3, paragraph (a). The aggregate principal amount of bonds
88.18 issued under this subdivision may not exceed \$240,000 plus an amount to be applied to the
88.19 payment of the costs of issuing the bonds. The bonds may be paid from or secured by any
88.20 funds available to the city of Henderson, including the tax authorized under subdivision 1.
88.21 The issuance of bonds under this subdivision is not subject to Minnesota Statutes, sections
88.22 275.60 and 275.61.

88.23 (b) The bonds are not included in computing any debt limitation applicable to the city
88.24 of Henderson, and any levy of taxes under Minnesota Statutes, section 475.61, to pay
88.25 principal and interest on the bonds is not subject to any levy limitation. A separate election
88.26 to approve the bonds under Minnesota Statutes, section 475.58, is not required.

88.27 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,
88.28 subdivision 12, the tax imposed under subdivision 1 expires at the earlier of: (1) 15 years
88.29 after the tax is first imposed; or (2) when the city council determines that the amount received
88.30 from the tax is sufficient to pay for the project costs authorized under subdivision 2 for
88.31 projects approved by voters as required under Minnesota Statutes, section 297A.99,
88.32 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance
88.33 of any bonds authorized under subdivision 3, including interest on the bonds. Except as
88.34 otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f),
88.35 any funds remaining after payment of the allowed costs due to the timing of the termination

89.1 of the tax under Minnesota Statutes, section 297A.99, subdivision 12, shall be placed in the
89.2 general fund of the city. The tax imposed under subdivision 1 may expire at an earlier time
89.3 if the city so determines by ordinance.

89.4 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
89.5 city of Henderson and its chief clerical officer comply with Minnesota Statutes, section
89.6 645.021, subdivisions 2 and 3.

89.7 **Sec. 20. CITY OF PROCTOR; TAXES AUTHORIZED.**

89.8 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,
89.9 section 477A.016, or any other law, ordinance, or city charter, and if approved by the voters
89.10 at a general election as required under Minnesota Statutes, section 297A.99, subdivision 3,
89.11 the city of Proctor may impose by ordinance a sales and use tax of one-half of one percent
89.12 for the purposes specified in subdivision 2. Except as otherwise provided in this section,
89.13 the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration,
89.14 collection, and enforcement of the tax authorized under this subdivision. The tax imposed
89.15 under this subdivision is in addition to any local sales and use tax imposed under any other
89.16 special law.

89.17 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized
89.18 under subdivision 1 must be used by the city of Proctor to pay the costs of collecting and
89.19 administering the tax and to finance up to \$3,850,000 plus associated bonding costs for
89.20 construction of a new regional and statewide trail spur in the city, including securing and
89.21 paying debt service on bonds issued to finance all or part of the project.

89.22 Subd. 3. **Bonding authority.** The city of Proctor may issue bonds under Minnesota
89.23 Statutes, chapter 475, to finance all or a portion of the costs of the facilities authorized in
89.24 subdivision 2. The aggregate principal amount of bonds issued under this subdivision may
89.25 not exceed \$3,850,000, plus an amount to be applied to the payment of the costs of issuing
89.26 the bonds.

89.27 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,
89.28 subdivision 12, the tax imposed under subdivision 1 expires at the earlier of (1) 20 years
89.29 after being first imposed, or (2) when the city council determines that the amount received
89.30 from the tax is sufficient to pay for the project costs authorized under subdivision 2, plus
89.31 an amount sufficient to pay the costs related to issuance of any bonds authorized under
89.32 subdivision 3, including interest on the bonds. Except as otherwise provided in Minnesota
89.33 Statutes, section 297A.99, subdivision 3, paragraph (f), any funds remaining after payment
89.34 of the allowed costs due to the timing of the termination of the tax under Minnesota Statutes,

90.1 section 297A.99, subdivision 12, shall be placed in the general fund of the city. The tax
90.2 imposed under subdivision 1 may expire at an earlier time if the city so determines by
90.3 ordinance.

90.4 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
90.5 city of Proctor and its chief clerical officer comply with Minnesota Statutes, section 645.021,
90.6 subdivisions 2 and 3.

90.7 **Sec. 21. RICE COUNTY; TAXES AUTHORIZED.**

90.8 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,
90.9 section 477A.016, or any other law or ordinance, and if approved by the voters at a general
90.10 election as required under Minnesota Statutes, section 297A.99, subdivision 3, Rice County
90.11 may impose by ordinance a sales and use tax of three-eighths of one percent for the purposes
90.12 specified in subdivision 2. Except as otherwise provided in this section, the provisions of
90.13 Minnesota Statutes, section 297A.99, govern the imposition, administration, collection, and
90.14 enforcement of the tax authorized under this subdivision. The tax imposed under this
90.15 subdivision is in addition to any local sales and use tax imposed under any other special
90.16 law.

90.17 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized
90.18 under subdivision 1 must be used by Rice County to pay the costs of collecting and
90.19 administering the tax and paying for up to \$77,000,000 plus associated bonding costs for
90.20 construction of a public safety facility in the county, including associated bond costs for
90.21 any bonds issued under subdivision 3.

90.22 Subd. 3. **Bonding authority.** (a) Rice County may issue bonds under Minnesota Statutes,
90.23 chapter 475, to finance all or a portion of the costs of the facilities authorized in subdivision
90.24 2 and approved by the voters as required under Minnesota Statutes, section 297A.99,
90.25 subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this
90.26 subdivision may not exceed \$77,000,000, plus an amount to be applied to the payment of
90.27 the costs of issuing the bonds. The bonds may be paid from or secured by any funds available
90.28 to Rice County, including the tax authorized under subdivision 1. The issuance of bonds
90.29 under this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

90.30 (b) The bonds are not included in computing any debt limitation applicable to Rice
90.31 County, and any levy of taxes under Minnesota Statutes, section 475.61, to pay principal
90.32 and interest on the bonds is not subject to any levy limitation. A separate election to approve
90.33 the bonds under Minnesota Statutes, section 475.58, is not required.

91.1 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,
91.2 subdivision 12, the tax imposed under subdivision 1 expires at the earlier of (1) 30 years
91.3 after being first imposed, or (2) when the county board of commissioners determines that
91.4 the amount received from the tax is sufficient to pay for the project costs authorized under
91.5 subdivision 2, plus an amount sufficient to pay the costs related to issuance of any bonds
91.6 authorized under subdivision 3, including interest on the bonds. Except as otherwise provided
91.7 in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f), any funds remaining
91.8 after payment of the allowed costs due to the timing of the termination of the tax under
91.9 Minnesota Statutes, section 297A.99, subdivision 12, shall be placed in the general fund of
91.10 the county. The tax imposed under subdivision 1 may expire at an earlier time if the county
91.11 so determines by ordinance.

91.12 **EFFECTIVE DATE.** This section is effective the day after the governing body of Rice
91.13 County and its chief clerical officer comply with Minnesota Statutes, section 645.021,
91.14 subdivisions 2 and 3.

91.15 Sec. 22. **CITY OF ROSEVILLE; TAXES AUTHORIZED.**

91.16 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,
91.17 section 477A.016, or any other law, ordinance, or city charter, and if approved by the voters
91.18 at a general election as required under Minnesota Statutes, section 297A.99, subdivision 3,
91.19 the city of Roseville may impose by ordinance a sales and use tax of one-half of one percent
91.20 for the purposes specified in subdivision 2. Except as otherwise provided in this section,
91.21 the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration,
91.22 collection, and enforcement of the tax authorized under this subdivision. The tax imposed
91.23 under this subdivision is in addition to any local sales and use tax imposed under any other
91.24 special law.

91.25 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized
91.26 under subdivision 1 must be used by the city of Roseville to pay the costs of collecting and
91.27 administering the tax and paying for the following projects in the city, including securing
91.28 and paying debt service on bonds issued to finance all or part of the following projects:

91.29 (1) \$42,000,000 plus associated bonding costs for construction of a new maintenance
91.30 facility;

91.31 (2) \$7,000,000 plus associated bonding costs for construction of a new license and
91.32 passport center; and

91.33 (3) \$16,000,000 plus associated bonding costs for construction of a pedestrian bridge.

92.1 Subd. 3. **Bonding authority.** (a) The city of Roseville may issue bonds under Minnesota
92.2 Statutes, chapter 475, to finance all or a portion of the costs of the facilities authorized in
92.3 subdivision 2 and approved by the voters as required under Minnesota Statutes, section
92.4 297A.99, subdivision 3, paragraph (a). The aggregate principal amount of bonds issued
92.5 under this subdivision may not exceed:

92.6 (1) \$42,000,000 for the project listed in subdivision 2, clause (1), plus an amount to be
92.7 applied to the payment of the costs of issuing the bonds;

92.8 (2) \$7,000,000 for the project listed in subdivision 2, clause (2), plus an amount to be
92.9 applied to the payment of the costs of issuing the bonds; and

92.10 (3) \$16,000,000 for the project listed in subdivision 2, clause (3), plus an amount to be
92.11 applied to the payment of the costs of issuing the bonds.

92.12 The bonds may be paid from or secured by any funds available to the city of Roseville,
92.13 including the tax authorized under subdivision 1. The issuance of bonds under this
92.14 subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

92.15 (b) The bonds are not included in computing any debt limitation applicable to the city
92.16 of Roseville, and any levy of taxes under Minnesota Statutes, section 475.61, to pay principal
92.17 and interest on the bonds is not subject to any levy limitation. A separate election to approve
92.18 the bonds under Minnesota Statutes, section 475.58, is not required.

92.19 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,
92.20 subdivision 12, the tax imposed under subdivision 1 expires at the earlier of (1) 16 years
92.21 after the tax is first imposed, or (2) when the city council determines that the amount received
92.22 from the tax is sufficient to pay for the project costs authorized under subdivision 2 for
92.23 projects approved by voters as required under Minnesota Statutes, section 297A.99,
92.24 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance
92.25 of any bonds authorized under subdivision 3, including interest on the bonds. Except as
92.26 otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f),
92.27 any funds remaining after payment of the allowed costs due to the timing of the termination
92.28 of the tax under Minnesota Statutes, section 297A.99, subdivision 12, shall be placed in the
92.29 general fund of the city. The tax imposed under subdivision 1 may expire at an earlier time
92.30 if the city so determines by ordinance.

92.31 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
92.32 city of Roseville and its chief clerical officer comply with Minnesota Statutes, section
92.33 645.021, subdivisions 2 and 3.

93.1 **Sec. 23. WINONA COUNTY; TAXES AUTHORIZED.**

93.2 **Subdivision 1. Sales and use tax authorization.** Notwithstanding Minnesota Statutes,
93.3 section 477A.016, or any other law, ordinance, or city charter, and if approved by the voters
93.4 at a general election as required under Minnesota Statutes, section 297A.99, subdivision 3,
93.5 Winona County may impose, by ordinance, a sales and use tax of one-quarter of one percent
93.6 for the purposes specified in subdivision 2. Except as otherwise provided in this section,
93.7 the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration,
93.8 collection, and enforcement of the tax authorized under this subdivision. The tax imposed
93.9 under this subdivision is in addition to any local sales and use tax imposed under any other
93.10 special law.

93.11 **Subd. 2. Use of sales and use tax revenues.** The revenues derived from the tax authorized
93.12 under subdivision 1 must be used by Winona County to pay the costs of collecting and
93.13 administering the tax, and to finance up to \$28,000,000 plus associated bonding costs for
93.14 construction of a new correctional facility or upgrades to an existing correctional facility,
93.15 as well as the associated bond costs for any bonds issued under subdivision 3.

93.16 **Subd. 3. Bonding authority.** (a) Winona County may issue bonds under Minnesota
93.17 Statutes, chapter 475, to finance all or a portion of the costs of the project authorized in
93.18 subdivision 2. The aggregate principal amount of bonds issued under this subdivision may
93.19 not exceed \$28,000,000, plus an amount applied to the payment of costs of issuing the
93.20 bonds. The bonds may be paid from or secured by any funds available to the county,
93.21 including the tax authorized under subdivision 1. The issuance of bonds under this
93.22 subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

93.23 (b) The bonds are not included in computing any debt limitation applicable to the county.
93.24 Any levy of taxes under Minnesota Statutes, section 475.61, to pay principal of and interest
93.25 on the bonds is not subject to any levy limitation. A separate election to approve the bonds
93.26 under Minnesota Statutes, section 475.58, is not required.

93.27 **Subd. 4. Termination of taxes.** The tax imposed under subdivision 1 expires at the
93.28 earlier of: (1) 25 years after the tax is first imposed; or (2) when the county determines that
93.29 it has received from this tax \$28,000,000 to fund the project listed in subdivision 2, plus an
93.30 amount sufficient to pay costs related to issuance of any bonds authorized under subdivision
93.31 3, including interest on the bonds. Except as otherwise provided in Minnesota Statutes,
93.32 section 297A.99, subdivision 3, paragraph (f), any funds remaining after payment of the
93.33 allowed costs due to timing of the termination of the tax under Minnesota Statutes, section

94.1 297A.99, subdivision 12, shall be placed in the county's general fund. The tax imposed
94.2 under subdivision 1 may expire at an earlier time if the county determines by ordinance.

94.3 **EFFECTIVE DATE.** This section is effective the day after the governing body of
94.4 Winona County and its chief clerical officer comply with Minnesota Statutes, section
94.5 645.021, subdivisions 2 and 3.

94.6 Sec. 24. **CITY OF WOODBURY; LOCAL LODGING TAX AUTHORIZED.**

94.7 Notwithstanding the disposition of proceeds requirement in Minnesota Statutes, section
94.8 469.190, subdivision 3, or any other provision of law, ordinance, or city charter, the city
94.9 council for the city of Woodbury may by ordinance dedicate two-thirds of the revenue
94.10 derived from a tax imposed under Minnesota Statutes, section 469.190, to be used for capital
94.11 improvements to public recreational facilities. The remaining one-third must be used as
94.12 required under Minnesota Statutes, section 469.190, subdivision 3.

94.13 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
94.14 city of Woodbury and its chief clerical officer comply with Minnesota Statutes, section
94.15 645.021, subdivisions 2 and 3.

94.16 **ARTICLE 5**
94.17 **RENTER'S TAX CREDITS**

94.18 Section 1. Minnesota Statutes 2020, section 270B.12, subdivision 8, is amended to read:

94.19 Subd. 8. **County assessors; homestead classification and ~~renter~~ renter's credit.** The
94.20 commissioner may disclose names and Social Security numbers of individuals who have
94.21 applied for both homestead classification under section 273.13 and a ~~property tax refund~~
94.22 ~~as a renter under chapter 290A~~ renter's credit under section 290.0693 for the purpose of and
94.23 to the extent necessary to administer section 290A.25.

94.24 **EFFECTIVE DATE.** This section is effective for credits based on rent paid after
94.25 December 31, 2021.

94.26 Sec. 2. Minnesota Statutes 2020, section 289A.38, subdivision 4, is amended to read:

94.27 Subd. 4. **Property tax refund.** For purposes of computing the limitation under this
94.28 section, the due date of the property tax refund return as provided for in chapter 290A is
94.29 the due date for an income tax return covering ~~the year in which the rent was paid or the~~
94.30 year preceding the year in which the property taxes are payable.

95.1 **EFFECTIVE DATE.** This section is effective for credits based on rent paid after
95.2 December 31, 2021.

95.3 Sec. 3. Minnesota Statutes 2020, section 289A.56, subdivision 6, is amended to read:

95.4 Subd. 6. **Property tax refunds under chapter 290A.** ~~(a) When a renter is owed a~~
95.5 ~~property tax refund, an unpaid refund bears interest after August 14, or 60 days after the~~
95.6 ~~refund claim was made, whichever is later, until the date the refund is paid.~~

95.7 ~~(b) When any other~~ a claimant is owed a property tax refund under chapter 290A, the
95.8 unpaid refund bears interest after September 29, or 60 days after the refund claim was made,
95.9 whichever is later, until the date the refund is paid.

95.10 **EFFECTIVE DATE.** This section is effective for credits based on rent paid after
95.11 December 31, 2021.

95.12 Sec. 4. Minnesota Statutes 2020, section 289A.60, subdivision 12, is amended to read:

95.13 Subd. 12. **Penalties relating to property tax refunds.** (a) If it is determined that a
95.14 property tax refund claim is excessive and was negligently prepared, a claimant is liable
95.15 for a penalty of ten percent of the disallowed claim. If the claim has been paid, the amount
95.16 disallowed must be recovered by assessment and collection.

95.17 (b) An owner who without reasonable cause fails to give a certificate of rent constituting
95.18 property tax to a renter, as required by ~~section~~ sections 290.0693, subdivision 4, and 290A.19,
95.19 paragraph (a), is liable to the commissioner for a penalty of \$100 for each failure.

95.20 (c) If the owner or managing agent knowingly gives rent certificates that report total
95.21 rent constituting property taxes in excess of the amount of actual rent constituting property
95.22 taxes paid on the rented part of a property, the owner or managing agent is liable for a
95.23 penalty equal to the greater of (1) \$100 or (2) 50 percent of the excess that is reported. An
95.24 overstatement of rent constituting property taxes is presumed to be knowingly made if it
95.25 exceeds by ten percent or more the actual rent constituting property taxes.

95.26 **EFFECTIVE DATE.** This section is effective for credits based on rent paid after
95.27 December 31, 2021.

95.28 Sec. 5. **[290.0693] RENTER'S CREDIT.**

95.29 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
95.30 the meanings given.

96.1 (b) "Dependent" means any individual who is considered a dependent under sections
96.2 151 and 152 of the Internal Revenue Code.

96.3 (c) "Disability" has the meaning given in section 290A.03, subdivision 10.

96.4 (d) "Exemption amount" means the exemption amount under section 290.0121,
96.5 subdivision 1, paragraph (b).

96.6 (e) "Gross rent" means rent paid for the right of occupancy, at arm's length, of a
96.7 homestead, exclusive of charges for any medical services furnished by the landlord as a
96.8 part of the rental agreement, whether expressly set out in the rental agreement or not. The
96.9 gross rent of a resident of a nursing home or intermediate care facility is \$530 per month.
96.10 The gross rent of a resident of an adult foster care home is \$830 per month. The commissioner
96.11 shall annually adjust the amounts in this paragraph as provided in section 270C.22. The
96.12 statutory year is 2022. If the landlord and tenant have not dealt with each other at arm's
96.13 length and the commissioner determines that the gross rent charged was excessive, the
96.14 commissioner may adjust the gross rent to a reasonable amount for purposes of this chapter.

96.15 (f) "Homestead" has the meaning given in section 290A.03, subdivision 6.

96.16 (g) "Household" has the meaning given in section 290A.03, subdivision 4.

96.17 (h) "Household income" means all income received by all persons of a household in a
96.18 taxable year while members of the household, other than income of a dependent.

96.19 (i) "Income" means adjusted gross income, minus:

96.20 (1) for the taxpayer's first dependent, the exemption amount multiplied by 1.4;

96.21 (2) for the taxpayer's second dependent, the exemption amount multiplied by 1.3;

96.22 (3) for the taxpayer's third dependent, the exemption amount multiplied by 1.2;

96.23 (4) for the taxpayer's fourth dependent, the exemption amount multiplied by 1.1;

96.24 (5) for the taxpayer's fifth dependent, the exemption amount; and

96.25 (6) if the taxpayer or taxpayer's spouse had a disability or attained the age of 65 on or
96.26 before the close of the taxable year, the exemption amount.

96.27 (j) "Rent constituting property taxes" means 17 percent of the gross rent actually paid
96.28 in cash, or its equivalent, or the portion of rent paid in lieu of property taxes, in any taxable
96.29 year by a claimant for the right of occupancy of the claimant's Minnesota homestead in the
96.30 taxable year, and which rent constitutes the basis, in the succeeding taxable year of a claim
96.31 for a credit under this section by the claimant. If an individual occupies a homestead with

97.1 another person or persons not related to the individual as the individual's spouse or as
 97.2 dependents, and the other person or persons are residing at the homestead under a rental or
 97.3 lease agreement with the individual, the amount of rent constituting property tax for the
 97.4 individual equals that portion not covered by the rental agreement.

97.5 Subd. 2. Credit allowed; refundable. (a) An individual is allowed a credit against the
 97.6 tax due under this chapter equal to the amount that rent constituting property taxes exceeds
 97.7 the percentage of the household income of the claimant specified in subdivision 3 in the
 97.8 taxable year in which the rent was paid as specified in that subdivision.

97.9 (b) If the amount of credit which a taxpayer is eligible to receive under this section
 97.10 exceeds the taxpayer's liability for tax under this chapter, the commissioner shall refund the
 97.11 excess to the taxpayer.

97.12 Subd. 3. Renters. (a) A taxpayer whose rent constituting property taxes exceeds the
 97.13 percentage of the household income stated below must pay an amount equal to the percent
 97.14 of income shown for the appropriate household income level along with the co-payment of
 97.15 the remaining amount of rent constituting property taxes. The credit under subdivision 2
 97.16 equals the amount of rent constituting property taxes that remain, up to the maximum credit
 97.17 amount shown below.

	<u>Household Income</u>	<u>Percent of Income</u>	<u>Co-payment</u>	<u>Maximum Credit</u>
97.18	<u>\$0 to 5,879</u>	<u>1.0 percent</u>	<u>5 percent</u>	<u>\$ 2,400</u>
97.19	<u>5,880 to 7,809</u>	<u>1.0 percent</u>	<u>10 percent</u>	<u>\$ 2,400</u>
97.20	<u>7,810 to 9,769</u>	<u>1.1 percent</u>	<u>10 percent</u>	<u>\$ 2,330</u>
97.21	<u>9,770 to 13,699</u>	<u>1.2 percent</u>	<u>10 percent</u>	<u>\$ 2,280</u>
97.22	<u>13,700 to 17,609</u>	<u>1.3 percent</u>	<u>15 percent</u>	<u>\$ 2,210</u>
97.23	<u>17,610 to 19,559</u>	<u>1.4 percent</u>	<u>15 percent</u>	<u>\$ 2,150</u>
97.24	<u>19,560 to 21,499</u>	<u>1.4 percent</u>	<u>20 percent</u>	<u>\$ 2,100</u>
97.25	<u>21,500 to 25,429</u>	<u>1.5 percent</u>	<u>20 percent</u>	<u>\$ 2,030</u>
97.26	<u>25,430 to 27,379</u>	<u>1.6 percent</u>	<u>20 percent</u>	<u>\$ 1,980</u>
97.27	<u>27,380 to 29,329</u>	<u>1.7 percent</u>	<u>25 percent</u>	<u>\$ 1,980</u>
97.28	<u>29,330 to 33,249</u>	<u>1.8 percent</u>	<u>25 percent</u>	<u>\$ 1,980</u>
97.29	<u>33,250 to 35,189</u>	<u>1.9 percent</u>	<u>30 percent</u>	<u>\$ 1,980</u>
97.30	<u>35,190 to 41,059</u>	<u>2.0 percent</u>	<u>30 percent</u>	<u>\$ 1,980</u>
97.31	<u>41,060 to 46,919</u>	<u>2.0 percent</u>	<u>35 percent</u>	<u>\$ 1,980</u>
97.32	<u>46,920 to 54,759</u>	<u>2.0 percent</u>	<u>40 percent</u>	<u>\$ 1,980</u>
97.33	<u>54,760 to 56,699</u>	<u>2.0 percent</u>	<u>45 percent</u>	<u>\$ 1,800</u>
97.34	<u>56,700 to 58,669</u>	<u>2.0 percent</u>	<u>45 percent</u>	<u>\$ 1,620</u>
97.35	<u>58,670 to 60,629</u>	<u>2.0 percent</u>	<u>45 percent</u>	<u>\$ 1,370</u>

98.1	<u>60,630 to 62,569</u>	<u>2.0 percent</u>	<u>50 percent</u>	<u>\$ 1,190</u>
98.2	<u>62,570 to 64,539</u>	<u>2.0 percent</u>	<u>50 percent</u>	<u>\$ 1,080</u>
98.3	<u>64,540 to 66,489</u>	<u>2.0 percent</u>	<u>50 percent</u>	<u>\$ 600</u>
98.4	<u>66,490 to 68,439</u>	<u>2.0 percent</u>	<u>50 percent</u>	<u>\$ 230</u>

98.5 The credit is the amount calculated under this subdivision. No credit is allowed if the
 98.6 taxpayer's household income is \$68,440 or more.

98.7 (b) The commissioner must annually adjust the dollar amounts of the income thresholds
 98.8 and the maximum refunds in paragraph (a), as provided in section 270C.22. The statutory
 98.9 year is 2022.

98.10 (c) The commissioner shall construct and make available to taxpayers a comprehensive
 98.11 table showing the rent constituting property taxes to be paid and refund allowed at various
 98.12 levels of income and assessment. The table shall follow the schedule of income percentages,
 98.13 maximums, and other provisions specified in paragraph (a), except that the commissioner
 98.14 may graduate the transition between income brackets. All refunds shall be computed in
 98.15 accordance with tables prepared and issued by the commissioner.

98.16 **Subd. 4. Owner or managing agent to furnish rent certificate.** (a) The owner or
 98.17 managing agent of any property for which rent is paid for occupancy as a homestead must
 98.18 furnish a certificate of rent paid to a person who is a renter on December 31, in the form
 98.19 prescribed by the commissioner. If the renter moves before December 31, the owner or
 98.20 managing agent may give the certificate to the renter at the time of moving, or mail the
 98.21 certificate to the forwarding address if an address has been provided by the renter. The
 98.22 certificate must be made available to the renter before February 1 of the year following the
 98.23 year in which the rent was paid. The owner or managing agent must retain a duplicate of
 98.24 each certificate or an equivalent record showing the same information for a period of three
 98.25 years. The duplicate or other record must be made available to the commissioner upon
 98.26 request.

98.27 (b) The commissioner may require the owner or managing agent, through a simple
 98.28 process, to furnish to the commissioner on or before March 1 a copy of each certificate of
 98.29 rent paid furnished to a renter for rent paid in the prior year. The commissioner shall prescribe
 98.30 the content, format, and manner of the form pursuant to section 270C.30. Before
 98.31 implementation, the commissioner, after consulting with representatives of owners or
 98.32 managing agents, shall develop an implementation and administration plan for the
 98.33 requirements of this paragraph that attempts to minimize financial burdens, administration
 98.34 and compliance costs, and takes into consideration existing systems of owners and managing
 98.35 agents.

99.1 Subd. 5. **Eligibility; residency.** (a) A taxpayer is eligible for the credit under this section
99.2 if the taxpayer is an individual, other than a dependent, as defined under sections 151 and
99.3 152 of the Internal Revenue Code, disregarding section 152(b)(3) of the Internal Revenue
99.4 Code, who filed for a credit and who was a resident of this state during the taxable year for
99.5 which the credit was claimed.

99.6 (b) In the case of a credit for rent constituting property taxes of a part-year Minnesota
99.7 resident, the household income and rent constituting property taxes reflected in this
99.8 computation shall be for the period of Minnesota residency only. Any rental expenses paid
99.9 that may be reflected in arriving at federal adjusted gross income cannot be utilized for this
99.10 computation.

99.11 (c) When two individuals of a household are able to meet the qualifications to claim a
99.12 credit under this section, the individuals may determine among them as to which individual
99.13 may claim the credit. If the individuals are unable to agree, the matter shall be referred to
99.14 the commissioner of revenue whose decision shall be final.

99.15 (d) To claim a credit under this section, the taxpayer must have resided in a rented or
99.16 leased unit on which ad valorem taxes or payments made in lieu of ad valorem taxes,
99.17 including payments of special assessments imposed in lieu of ad valorem taxes, are payable
99.18 at some time during the taxable year for which the taxpayer claimed the credit.

99.19 Subd. 6. **Residents of nursing homes, intermediate care facilities, long-term care**
99.20 **facilities, or facilities accepting housing support payments.** (a) A taxpayer must not claim
99.21 a credit under this section if the taxpayer is a resident of a nursing home, intermediate care
99.22 facility, long-term residential facility, or a facility that accepts housing support payments
99.23 whose rent constituting property taxes is paid pursuant to the Supplemental Security Income
99.24 program under title XVI of the Social Security Act, the Minnesota supplemental aid program
99.25 under sections 256D.35 to 256D.54, the medical assistance program pursuant to title XIX
99.26 of the Social Security Act, or the housing support program under chapter 256I.

99.27 (b) If only a portion of the rent constituting property taxes is paid by these programs,
99.28 the resident is eligible for a credit, but the credit calculated must be multiplied by a fraction,
99.29 the numerator of which is adjusted gross income, reduced by the total amount of income
99.30 from the above sources other than vendor payments under the medical assistance program
99.31 and the denominator of which is adjusted gross income, plus vendor payments under the
99.32 medical assistance program, to determine the allowable credit.

99.33 (c) Notwithstanding paragraphs (a) and (b), if the taxpayer was a resident of the nursing
99.34 home, intermediate care facility, long-term residential facility, or facility for which the rent

100.1 was paid for the claimant by the housing support program for only a portion of the taxable
100.2 year covered by the claim, the taxpayer may compute rent constituting property taxes by
100.3 disregarding the rent constituting property taxes from the nursing home or facility and may
100.4 use only that amount of rent constituting property taxes or property taxes payable relating
100.5 to that portion of the year when the taxpayer was not in the facility. The taxpayer's household
100.6 income is the income for the entire taxable year covered by the claim.

100.7 Subd. 7. **Credit for unmarried taxpayers residing in the same household.** If a
100.8 homestead is occupied by two or more renters who are not married to each other, the rent
100.9 shall be deemed to be paid equally by each renter, and separate claims shall be filed by each
100.10 renter. The income of each renter shall be each renter's household income for purposes of
100.11 computing the amount of credit to be allowed.

100.12 Subd. 8. **One claimant per household.** Only one taxpayer per household per year is
100.13 entitled to claim a credit under this section. In the case of a married taxpayer filing a separate
100.14 return, only one spouse may claim the credit under this section. The credit amount for the
100.15 spouse that claims the credit must be calculated based on household income and not solely
100.16 on the income of the spouse.

100.17 Subd. 9. **Proof of claim.** (a) Every taxpayer claiming a credit under this section shall
100.18 supply to the commissioner of revenue, in support of the claim, proof of eligibility under
100.19 this section, including but not limited to amount of rent paid, name and address of owner
100.20 or managing agent of property rented, changes in household membership, and household
100.21 income.

100.22 (b) Taxpayers with a disability shall submit proof of disability in the form and manner
100.23 as the commissioner prescribes. The department may require examination and certification
100.24 by the taxpayer's physician or by a physician designated by the commissioner. The cost of
100.25 any examination shall be borne by the taxpayer, unless the examination proves the disability,
100.26 in which case the cost of the examination shall be borne by the commissioner.

100.27 (c) A determination of disability of a taxpayer by the Social Security Administration
100.28 under Title II or Title XVI of the Social Security Act shall constitute presumptive proof of
100.29 disability.

100.30 Subd. 10. **No relief allowed in certain cases.** No claim for a credit under this section
100.31 shall be allowed if the commissioner determines that the claimant received tenancy to the
100.32 homestead primarily for the purpose of receiving a credit under this section and not for bona
100.33 fide residence purposes.

101.1 Subd. 11. **Appropriation.** The amount necessary to pay the refunds under this section
101.2 is appropriated from the general fund to the commissioner.

101.3 Subd. 12. **Simplified filing for individuals without an income tax liability.** The
101.4 commissioner of revenue must establish a simplified filing process through which a taxpayer
101.5 who did not file an individual income tax return due to a lack of tax liability may file a
101.6 return to claim the credit under this section. The filing process and forms may be in the
101.7 form or manner determined by the commissioner, but must be designed to reduce the
101.8 complexity of the filing process and the time needed to file for individuals without an income
101.9 tax liability.

101.10 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
101.11 31, 2021.

101.12 Sec. 6. Minnesota Statutes 2020, section 290A.02, is amended to read:

101.13 **290A.02 PURPOSE.**

101.14 The purpose of this chapter is to provide property tax relief to certain persons who own
101.15 ~~or rent~~ their homesteads.

101.16 **EFFECTIVE DATE.** This section is effective for claims based on rent paid in 2022
101.17 and following years.

101.18 Sec. 7. Minnesota Statutes 2021 Supplement, section 290A.03, subdivision 3, is amended
101.19 to read:

101.20 Subd. 3. **Income.** (a) "Income" means the sum of the following:

101.21 (1) federal adjusted gross income as defined in the Internal Revenue Code; and

101.22 (2) the sum of the following amounts to the extent not included in clause (1):

101.23 (i) all nontaxable income;

101.24 (ii) the amount of a passive activity loss that is not disallowed as a result of section 469,
101.25 paragraph (i) or (m) of the Internal Revenue Code and the amount of passive activity loss
101.26 carryover allowed under section 469(b) of the Internal Revenue Code;

101.27 (iii) an amount equal to the total of any discharge of qualified farm indebtedness of a
101.28 solvent individual excluded from gross income under section 108(g) of the Internal Revenue
101.29 Code;

101.30 (iv) cash public assistance and relief;

102.1 (v) any pension or annuity (including railroad retirement benefits, all payments received
102.2 under the federal Social Security Act, Supplemental Security Income, and veterans benefits),
102.3 which was not exclusively funded by the claimant or spouse, or which was funded exclusively
102.4 by the claimant or spouse and which funding payments were excluded from federal adjusted
102.5 gross income in the years when the payments were made;

102.6 (vi) interest received from the federal or a state government or any instrumentality or
102.7 political subdivision thereof;

102.8 (vii) workers' compensation;

102.9 (viii) nontaxable strike benefits;

102.10 (ix) the gross amounts of payments received in the nature of disability income or sick
102.11 pay as a result of accident, sickness, or other disability, whether funded through insurance
102.12 or otherwise;

102.13 (x) a lump-sum distribution under section 402(e)(3) of the Internal Revenue Code of
102.14 1986, as amended through December 31, 1995;

102.15 (xi) contributions made by the claimant to an individual retirement account, including
102.16 a qualified voluntary employee contribution; simplified employee pension plan;
102.17 self-employed retirement plan; cash or deferred arrangement plan under section 401(k) of
102.18 the Internal Revenue Code; or deferred compensation plan under section 457 of the Internal
102.19 Revenue Code, to the extent the sum of amounts exceeds the retirement base amount for
102.20 the claimant and spouse;

102.21 (xii) to the extent not included in federal adjusted gross income, distributions received
102.22 by the claimant or spouse from a traditional or Roth style retirement account or plan;

102.23 (xiii) nontaxable scholarship or fellowship grants;

102.24 (xiv) alimony received to the extent not included in the recipient's income;

102.25 (xv) the amount of deduction allowed under section 220 or 223 of the Internal Revenue
102.26 Code;

102.27 (xvi) the amount deducted for tuition expenses under section 222 of the Internal Revenue
102.28 Code; and

102.29 (xvii) the amount deducted for certain expenses of elementary and secondary school
102.30 teachers under section 62(a)(2)(D) of the Internal Revenue Code.

102.31 In the case of an individual who files an income tax return on a fiscal year basis, the
102.32 term "federal adjusted gross income" shall mean federal adjusted gross income reflected in

103.1 the fiscal year ending in the calendar year. Federal adjusted gross income shall not be reduced
103.2 by the amount of a net operating loss carryback or carryforward or a capital loss carryback
103.3 or carryforward allowed for the year.

103.4 (b) "Income" does not include:

103.5 (1) amounts excluded pursuant to the Internal Revenue Code, sections 101(a) and 102;

103.6 (2) amounts of any pension or annuity which was exclusively funded by the claimant
103.7 or spouse and which funding payments were not excluded from federal adjusted gross
103.8 income in the years when the payments were made;

103.9 (3) to the extent included in federal adjusted gross income, amounts contributed by the
103.10 claimant or spouse to a traditional or Roth style retirement account or plan, but not to exceed
103.11 the retirement base amount reduced by the amount of contributions excluded from federal
103.12 adjusted gross income, but not less than zero;

103.13 (4) surplus food or other relief in kind supplied by a governmental agency;

103.14 (5) relief granted under this chapter;

103.15 (6) child support payments received under a temporary or final decree of dissolution or
103.16 legal separation;

103.17 (7) restitution payments received by eligible individuals and excludable interest as
103.18 defined in section 803 of the Economic Growth and Tax Relief Reconciliation Act of 2001,
103.19 Public Law 107-16;

103.20 (8) alimony paid; or

103.21 (9) veterans disability compensation paid under title 38 of the United States Code.

103.22 (c) The sum of the following amounts may be subtracted from income:

103.23 (1) for the claimant's first dependent, the exemption amount multiplied by 1.4;

103.24 (2) for the claimant's second dependent, the exemption amount multiplied by 1.3;

103.25 (3) for the claimant's third dependent, the exemption amount multiplied by 1.2;

103.26 (4) for the claimant's fourth dependent, the exemption amount multiplied by 1.1;

103.27 (5) for the claimant's fifth dependent, the exemption amount; and

103.28 (6) if the claimant or claimant's spouse had a disability or attained the age of 65 on or
103.29 before December 31 of the year for which the taxes were levied ~~or rent paid~~, the exemption
103.30 amount.

104.1 (d) For purposes of this subdivision, the following terms have the meanings given:

104.2 (1) "exemption amount" means the exemption amount under section 290.0121,
104.3 subdivision 1, paragraph (b), for the taxable year for which the income is reported;

104.4 (2) "retirement base amount" means the deductible amount for the taxable year for the
104.5 claimant and spouse under section 219(b)(5)(A) of the Internal Revenue Code, adjusted for
104.6 inflation as provided in section 219(b)(5)(C) of the Internal Revenue Code, without regard
104.7 to whether the claimant or spouse claimed a deduction; and

104.8 (3) "traditional or Roth style retirement account or plan" means retirement plans under
104.9 sections 401, 403, 408, 408A, and 457 of the Internal Revenue Code.

104.10 EFFECTIVE DATE. This section is effective for claims based on rent paid in 2022
104.11 and following years.

104.12 Sec. 8. Minnesota Statutes 2020, section 290A.03, subdivision 6, is amended to read:

104.13 Subd. 6. **Homestead.** "Homestead" means the dwelling occupied as the claimant's
104.14 principal residence and so much of the land surrounding it, not exceeding ten acres, as is
104.15 reasonably necessary for use of the dwelling as a home and any other property used for
104.16 purposes of a homestead as defined in section 273.13, subdivision 22, except for agricultural
104.17 land assessed as part of a homestead pursuant to section 273.13, subdivision 23, "homestead"
104.18 is limited to the house and garage and immediately surrounding one acre of land. The
104.19 homestead may be owned ~~or rented and may be~~ as a part of a multidwelling or multipurpose
104.20 building and the land on which it is built. A manufactured home, as defined in section
104.21 273.125, subdivision 8, or a park trailer taxed as a manufactured home under section 168.012,
104.22 subdivision 9, assessed as personal property may be a dwelling for purposes of this
104.23 subdivision.

104.24 EFFECTIVE DATE. This section is effective for claims based on rent paid in 2022
104.25 and following years.

104.26 Sec. 9. Minnesota Statutes 2020, section 290A.03, subdivision 8, is amended to read:

104.27 Subd. 8. **Claimant.** ~~(a)~~ "Claimant" means a person, other than a dependent, as defined
104.28 under sections 151 and 152 of the Internal Revenue Code disregarding section 152(b)(3)
104.29 of the Internal Revenue Code, who filed a claim authorized by this chapter and who was a
104.30 resident of this state as provided in chapter 290 during the calendar year for which the claim
104.31 for relief was filed.

105.1 ~~(b) In the case of a claim relating to rent constituting property taxes, the claimant shall~~
105.2 ~~have resided in a rented or leased unit on which ad valorem taxes or payments made in lieu~~
105.3 ~~of ad valorem taxes, including payments of special assessments imposed in lieu of ad valorem~~
105.4 ~~taxes, are payable at some time during the calendar year covered by the claim.~~

105.5 ~~(c) "Claimant" shall not include a resident of a nursing home, intermediate care facility,~~
105.6 ~~long-term residential facility, or a facility that accepts housing support payments whose~~
105.7 ~~rent constituting property taxes is paid pursuant to the Supplemental Security Income~~
105.8 ~~program under title XVI of the Social Security Act, the Minnesota supplemental aid program~~
105.9 ~~under sections 256D.35 to 256D.54, the medical assistance program pursuant to title XIX~~
105.10 ~~of the Social Security Act, or the housing support program under chapter 256I.~~

105.11 ~~If only a portion of the rent constituting property taxes is paid by these programs, the~~
105.12 ~~resident shall be a claimant for purposes of this chapter, but the refund calculated pursuant~~
105.13 ~~to section 290A.04 shall be multiplied by a fraction, the numerator of which is income as~~
105.14 ~~defined in subdivision 3, paragraphs (a) and (b), reduced by the total amount of income~~
105.15 ~~from the above sources other than vendor payments under the medical assistance program~~
105.16 ~~and the denominator of which is income as defined in subdivision 3, paragraphs (a) and (b),~~
105.17 ~~plus vendor payments under the medical assistance program, to determine the allowable~~
105.18 ~~refund pursuant to this chapter.~~

105.19 ~~(d) Notwithstanding paragraph (c), if the claimant was a resident of the nursing home,~~
105.20 ~~intermediate care facility, long-term residential facility, or facility for which the rent was~~
105.21 ~~paid for the claimant by the housing support program for only a portion of the calendar year~~
105.22 ~~covered by the claim, the claimant may compute rent constituting property taxes by~~
105.23 ~~disregarding the rent constituting property taxes from the nursing home or facility and use~~
105.24 ~~only that amount of rent constituting property taxes or property taxes payable relating to~~
105.25 ~~that portion of the year when the claimant was not in the facility. The claimant's household~~
105.26 ~~income is the income for the entire calendar year covered by the claim.~~

105.27 ~~(e) In the case of a claim for rent constituting property taxes of a part-year Minnesota~~
105.28 ~~resident, the income and rent reflected in this computation shall be for the period of~~
105.29 ~~Minnesota residency only. Any rental expenses paid which may be reflected in arriving at~~
105.30 ~~federal adjusted gross income cannot be utilized for this computation. When two individuals~~
105.31 ~~of a household are able to meet the qualifications for a claimant, they may determine among~~
105.32 ~~them as to who the claimant shall be. If they are unable to agree, the matter shall be referred~~
105.33 ~~to the commissioner of revenue whose decision shall be final. If a homestead property owner~~
105.34 ~~was a part-year Minnesota resident, the income reflected in the computation made pursuant~~

106.1 to section 290A.04 shall be for the entire calendar year, including income not assignable to
106.2 Minnesota.

106.3 ~~(f) If a homestead is occupied by two or more renters, who are not married to each other,~~
106.4 ~~the rent shall be deemed to be paid equally by each, and separate claims shall be filed by~~
106.5 ~~each. The income of each shall be each renter's household income for purposes of computing~~
106.6 ~~the amount of credit to be allowed.~~

106.7 **EFFECTIVE DATE.** This section is effective for claims based on rent paid in 2022
106.8 and following years.

106.9 Sec. 10. Minnesota Statutes 2020, section 290A.04, subdivision 1, is amended to read:

106.10 Subdivision 1. **Refund.** A refund shall be allowed each claimant in the amount that
106.11 property taxes payable ~~or rent constituting property taxes~~ exceed the percentage of the
106.12 household income of the claimant specified in subdivision 2 ~~or 2a~~ in the year for which the
106.13 taxes were levied ~~or in the year in which the rent was paid~~ as specified in subdivision 2 ~~or~~
106.14 ~~2a~~. If the amount of property taxes payable ~~or rent constituting property taxes~~ is equal to
106.15 or less than the percentage of the household income of the claimant specified in subdivision
106.16 2 ~~or 2a~~ in the year for which the taxes were levied ~~or in the year in which the rent was paid~~,
106.17 the claimant shall not be eligible for a state refund pursuant to this section.

106.18 **EFFECTIVE DATE.** This section is effective for claims based on rent paid in 2022
106.19 and following years.

106.20 Sec. 11. Minnesota Statutes 2020, section 290A.04, subdivision 4, is amended to read:

106.21 Subd. 4. **Inflation adjustment.** The commissioner shall annually adjust the dollar
106.22 amounts of the income thresholds and the maximum refunds under ~~subdivisions~~ subdivision
106.23 ~~2 and 2a~~ as provided in section 270C.22. The statutory year is 2018.

106.24 **EFFECTIVE DATE.** This section is effective for claims based on rent paid in 2022
106.25 and following years.

106.26 Sec. 12. Minnesota Statutes 2020, section 290A.05, is amended to read:

106.27 **290A.05 COMBINED HOUSEHOLD INCOME; RENTAL AGREEMENTS AND**
106.28 **REDUCTION OF PROPERTY TAXES PAYABLE.**

106.29 (a) If a person occupies a homestead with another person not related to the person as
106.30 the person's spouse, excluding dependents, roomers or boarders on contract, and has property
106.31 tax payable with respect to the homestead, the household income of the claimant or claimants

107.1 for the purpose of computing the refund allowed by section 290A.04 shall include the total
107.2 income received by the other persons residing in the homestead. For purposes of this section,
107.3 "dependent" includes a parent of the claimant or spouse who lives in the claimant's homestead
107.4 and does not have an ownership interest in the homestead.

107.5 (b) If a person occupies a homestead with another person or persons not related to the
107.6 person as the person's spouse or as dependents, ~~the property tax payable or rent constituting~~
107.7 ~~property tax shall be reduced as follows.~~

107.8 If and the other person or persons are residing at the homestead under a rental or lease
107.9 agreement with the homeowner, the amount of property tax payable ~~or rent constituting~~
107.10 ~~property tax shall be~~ equals that portion not covered by the rental agreement.

107.11 **EFFECTIVE DATE.** This section is effective for claims based on rent paid in 2022
107.12 and property taxes payable in 2023, and following years.

107.13 Sec. 13. Minnesota Statutes 2020, section 290A.07, subdivision 2a, is amended to read:

107.14 Subd. 2a. **Time of payment to ~~renter or~~ manufactured home homeowner.** A claimant
107.15 who is ~~a renter or~~ a homeowner who occupies a manufactured home, as defined in section
107.16 273.125, subdivision 8, paragraph (c), or a park trailer taxed as a manufactured home under
107.17 section 168.012, subdivision 9, shall receive full payment after August 1 and before August
107.18 15 or 60 days after receipt of the application, whichever is later.

107.19 **EFFECTIVE DATE.** This section is effective for claims based on rent paid in 2022
107.20 and following years.

107.21 Sec. 14. Minnesota Statutes 2020, section 290A.08, is amended to read:

107.22 **290A.08 ONE CLAIMANT PER HOUSEHOLD.**

107.23 Only one claimant per household per year is entitled to relief under this chapter. Payment
107.24 of the claim for relief may be made payable to the spouses as one claimant. The
107.25 commissioner, upon written request, may issue separate checks, to the spouses for one-half
107.26 of the relief provided the original check has not been issued or has been returned. Individuals
107.27 related as spouses who were married during the year may elect to file a joint claim which
107.28 shall include each spouse's income, ~~rent constituting property taxes,~~ and property taxes
107.29 payable. Spouses who were married for the entire year and were domiciled in the same
107.30 household for the entire year must file a joint claim. The maximum dollar amount allowable
107.31 for a joint claim shall not exceed the amount that one person could receive.

108.1 **EFFECTIVE DATE.** This section is effective for claims based on rent paid in 2022
108.2 and following years.

108.3 Sec. 15. Minnesota Statutes 2020, section 290A.09, is amended to read:

108.4 **290A.09 PROOF OF CLAIM.**

108.5 Every claimant shall supply to the commissioner of revenue, in support of the claim,
108.6 proof of eligibility under this chapter, including but not limited to amount of ~~rent paid or~~
108.7 ~~property taxes accrued, name and address of owner or managing agent of property rented,~~
108.8 changes in homestead, household membership, household income, size and nature of property
108.9 claimed as a homestead.

108.10 Persons with a disability filing claims shall submit proof of disability in the form and
108.11 manner as the commissioner may prescribe. The department may require examination and
108.12 certification by the claimant's physician or by a physician designated by the commissioner.
108.13 The cost of any examination shall be borne by the claimant, unless the examination proves
108.14 the disability, in which case the cost of the examination shall be borne by the commissioner.

108.15 A determination of disability of a claimant by the Social Security Administration under
108.16 Title II or Title XVI of the Social Security Act shall constitute presumptive proof of disability.

108.17 **EFFECTIVE DATE.** This section is effective for claims based on rent paid in 2022
108.18 and following years.

108.19 Sec. 16. Minnesota Statutes 2020, section 290A.091, is amended to read:

108.20 **290A.091 CLAIMS OF TENANTS IN LEASEHOLD COOPERATIVES.**

108.21 The cooperative manager of a leasehold cooperative shall furnish a statement to each
108.22 tenant by March 31 of the year in which the property tax is payable showing each unit's
108.23 share of the gross property tax and each unit's share of any property tax credits. Each tenant
108.24 may apply for a property tax refund under this chapter as a homeowner based on each
108.25 tenant's share of property taxes. The tenant may not ~~include any rent constituting property~~
108.26 ~~taxes paid on that unit~~ claim the renter's credit under section 290.0693. For the purposes of
108.27 this section, a leasehold cooperative is formed on the day that leasehold cooperative status
108.28 is granted by the appropriate county official.

108.29 **EFFECTIVE DATE.** This section is effective for claims based on rent paid in 2022
108.30 and following years.

109.1 Sec. 17. Minnesota Statutes 2020, section 290A.13, is amended to read:

109.2 **290A.13 NO RELIEF ALLOWED IN CERTAIN CASES.**

109.3 No claim for relief under this chapter shall be allowed if the commissioner determines
109.4 that the claimant received title ~~or tenancy~~ to the homestead primarily for the purpose of
109.5 receiving benefits under this chapter and not for bona fide residence purposes.

109.6 **EFFECTIVE DATE.** This section is effective for claims based on rent paid in 2022
109.7 and following years.

109.8 Sec. 18. Minnesota Statutes 2020, section 290A.19, is amended to read:

109.9 **290A.19 OWNER OR MANAGING AGENT TO FURNISH RENT CERTIFICATE.**

109.10 (a) The park owner ~~or managing agent of any~~ of a property for which rent is paid for
109.11 occupancy as a homestead must furnish a certificate of rent paid to a person who is a renter
109.12 on December 31, in the form prescribed by the commissioner. If the renter moves before
109.13 December 31, the park owner ~~or managing agent~~ may give the certificate to the renter at
109.14 the time of moving, or mail the certificate to the forwarding address if an address has been
109.15 provided by the renter. The certificate must be made available to the renter before February
109.16 1 of the year following the year in which the rent was paid. The park owner ~~or managing~~
109.17 ~~agent~~ must retain a duplicate of each certificate or an equivalent record showing the same
109.18 information for a period of three years. The duplicate or other record must be made available
109.19 to the commissioner upon request.

109.20 (b) The commissioner may require the park owner ~~or managing agent~~, through a simple
109.21 process, to furnish to the commissioner on or before March 1 a copy of each certificate of
109.22 rent paid furnished to a renter for rent paid in the prior year. The commissioner shall prescribe
109.23 the content, format, and manner of the form pursuant to section 270C.30. Prior to
109.24 implementation, the commissioner, after consulting with representatives of park owners ~~or~~
109.25 ~~managing agents~~, shall develop an implementation and administration plan for the
109.26 requirements of this paragraph that attempts to minimize financial burdens, administration
109.27 and compliance costs, and takes into consideration existing systems of park owners ~~and~~
109.28 ~~managing agents~~.

109.29 (c) For the purposes of this section, "~~owner~~" includes "park owner" means a park owner
109.30 as defined under section 327C.01, subdivision 6, and "property" includes a lot as defined
109.31 under section 327C.01, subdivision 3.

110.1 Sec. 19. Minnesota Statutes 2020, section 290A.25, is amended to read:

110.2 **290A.25 VERIFICATION OF SOCIAL SECURITY NUMBERS.**

110.3 Annually, the commissioner of revenue shall furnish a list to the county assessor
110.4 containing the names and Social Security numbers of persons who have applied for both
110.5 homestead classification under section 273.13 and a ~~property tax refund as a renter under~~
110.6 ~~this chapter~~ renter's credit under section 290.0693.

110.7 Within 90 days of the notification, the county assessor shall investigate to determine if
110.8 the homestead classification was improperly claimed. If the property owner does not qualify,
110.9 the county assessor shall notify the county auditor who will determine the amount of
110.10 homestead benefits that has been improperly allowed. For the purpose of this section,
110.11 "homestead benefits" has the meaning given in section 273.124, subdivision 13b. The county
110.12 auditor shall send a notice to persons who owned the affected property at the time the
110.13 homestead application related to the improper homestead was filed, demanding
110.14 reimbursement of the homestead benefits plus a penalty equal to 100 percent of the homestead
110.15 benefits. The person notified may appeal the county's determination with the Minnesota
110.16 Tax Court within 60 days of the date of the notice from the county as provided in section
110.17 273.124, subdivision 13b.

110.18 If the amount of homestead benefits and penalty is not paid within 60 days, and if no
110.19 appeal has been filed, the county auditor shall certify the amount of taxes and penalty to
110.20 the county treasurer. The county treasurer will add interest to the unpaid homestead benefits
110.21 and penalty amounts at the rate provided for delinquent personal property taxes for the
110.22 period beginning 60 days after demand for payment was made until payment. If the person
110.23 notified is the current owner of the property, the treasurer may add the total amount of
110.24 benefits, penalty, interest, and costs to the real estate taxes otherwise payable on the property
110.25 in the following year. If the person notified is not the current owner of the property, the
110.26 treasurer may collect the amounts due under the Revenue Recapture Act in chapter 270A,
110.27 or use any of the powers granted in sections 277.20 and 277.21 without exclusion, to enforce
110.28 payment of the benefits, penalty, interest, and costs, as if those amounts were delinquent
110.29 tax obligations of the person who owned the property at the time the application related to
110.30 the improperly allowed homestead was filed. The treasurer may relieve a prior owner of
110.31 personal liability for the benefits, penalty, interest, and costs, and instead extend those
110.32 amounts on the tax lists against the property for taxes payable in the following year to the
110.33 extent that the current owner agrees in writing.

111.1 Any amount of homestead benefits recovered by the county from the property owner
111.2 shall be distributed to the county, city or town, and school district where the property is
111.3 located in the same proportion that each taxing district's levy was to the total of the three
111.4 taxing districts' levy for the current year. Any amount recovered attributable to taconite
111.5 homestead credit shall be transmitted to the St. Louis County auditor to be deposited in the
111.6 taconite property tax relief account. Any amount recovered that is attributable to supplemental
111.7 homestead credit is to be transmitted to the commissioner of revenue for deposit in the
111.8 general fund of the state treasury. The total amount of penalty collected must be deposited
111.9 in the county general fund.

111.10 **EFFECTIVE DATE.** This section is effective for claims based on rent paid in 2022
111.11 and following years.

111.12 Sec. 20. Minnesota Statutes 2020, section 462A.05, subdivision 24, is amended to read:

111.13 Subd. 24. **Housing for elderly, persons with physical or developmental disabilities,**
111.14 **and single parent families.** (a) It may engage in housing programs for low- and
111.15 moderate-income elderly, persons with physical or developmental disabilities, or single
111.16 parent families in the case of home sharing programs, as defined by the agency, to provide
111.17 grants or loans, with or without interest, for:

111.18 (1) accessibility improvements to residences occupied by elderly persons;

111.19 (2) housing sponsors, as defined by the agency, of home sharing programs to match
111.20 existing homeowners with prospective tenants who will contribute either rent or services
111.21 to the homeowner, where either the homeowner or the prospective tenant is elderly, a person
111.22 with physical or developmental disabilities, or the head of a single parent family;

111.23 (3) the construction of or conversion of existing buildings into structures for occupancy
111.24 by the elderly that contain from three to 12 private sleeping rooms with shared cooking
111.25 facilities and common space; and

111.26 (4) housing sponsors, as defined by the agency, to demonstrate the potential for home
111.27 equity conversion in Minnesota for the elderly, in both rural and urban areas, and to determine
111.28 the need in those equity conversions for consumer safeguards.

111.29 (b) In making the grants or loans, the agency shall determine the terms and conditions
111.30 of repayment and the appropriate security, if any, should repayment be required. The agency
111.31 may provide technical assistance to sponsors of home sharing programs or may contract or
111.32 delegate the provision of the technical assistance in accordance with section 462A.07,
111.33 subdivision 12.

112.1 (c) Housing sponsors who receive funding through these programs shall provide
 112.2 homeowners and tenants participating in a home sharing program with information regarding
 112.3 their rights and obligations as they relate to federal and state tax law including, but not
 112.4 limited to, taxable rental income, homestead classification under chapter 273, the renter's
 112.5 credit under section 290.0693, and the property tax refund act under chapter 290A.

112.6 **EFFECTIVE DATE.** This section is effective for claims based on rent paid in 2022
 112.7 and following years.

112.8 Sec. 21. **REPEALER.**

112.9 Minnesota Statutes 2020, sections 290A.03, subdivisions 9 and 11; 290A.04, subdivisions
 112.10 2a and 5; and 290A.23, subdivision 1, are repealed.

112.11 **EFFECTIVE DATE.** This section is effective for claims based on rent paid in 2022
 112.12 and following years.

112.13 **ARTICLE 6**

112.14 **MISCELLANEOUS**

112.15 Section 1. Minnesota Statutes 2020, section 290A.04, subdivision 2, is amended to read:

112.16 Subd. 2. **Homeowners; homestead credit refund.** A claimant whose property taxes
 112.17 payable are in excess of the percentage of the household income stated below shall pay an
 112.18 amount equal to the percent of income shown for the appropriate household income level
 112.19 along with the percent to be paid by the claimant of the remaining amount of property taxes
 112.20 payable. The state refund equals the amount of property taxes payable that remain, up to
 112.21 the state refund amount shown below.

Household Income	Percent of Income	Percent Paid by Claimant	Maximum State Refund
\$0 to 1,739			2,770
<u>\$0 to \$1,939</u>	1.0 percent	15 percent	\$ <u>3,290</u>
1,740 to 3,459			2,770
<u>\$1,940 to \$3,859</u>	1.1 percent	15 percent	\$ <u>3,290</u>
3,460 to 5,239			2,770
<u>\$3,860 to \$5,849</u>	1.2 percent	15 percent	\$ <u>3,290</u>
5,240 to 6,989			2,770
<u>\$5,850 to \$7,799</u>	1.3 percent	20 percent	\$ <u>3,290</u>
6,990 to 8,719			2,770
<u>\$7,800 to \$9,729</u>	1.4 percent	20 percent	\$ <u>3,290</u>
8,720 to 12,219			2,770
<u>\$9,730 to \$13,639</u>	1.5 percent	20 percent	\$ <u>3,290</u>

113.1	12,220 to 13,949			2,770
113.2	<u>\$13,640 to \$15,569</u>	1.6 percent	20 percent	\$ <u>3,290</u>
113.3	13,950 to 15,709			2,770
113.4	<u>\$15,570 to \$17,529</u>	1.7 percent	20 percent	\$ <u>3,290</u>
113.5	15,710 to 17,449			2,770
113.6	<u>\$17,530 to \$19,479</u>	1.8 percent	20 percent	\$ <u>3,290</u>
113.7	17,450 to 19,179			2,770
113.8	<u>\$19,480 to \$21,409</u>	1.9 percent	25 percent	\$ <u>3,290</u>
113.9	19,180 to 24,429	2.0 percent		2,770
113.10	<u>\$21,410 to \$27,269</u>	<u>1.9 percent</u>	25 percent	\$ <u>3,290</u>
113.11	24,430 to 26,169	2.0 percent		2,770
113.12	<u>\$27,270 to \$29,209</u>	<u>1.9 percent</u>	30 percent	\$ <u>3,290</u>
113.13	26,170 to 29,669	2.0 percent		2,770
113.14	<u>\$29,210 to \$33,119</u>	<u>1.9 percent</u>	30 percent	\$ <u>3,290</u>
113.15	29,670 to 41,859		35 percent	2,770
113.16	<u>\$33,120 to \$46,719</u>	2.0 percent	<u>30 percent</u>	\$ <u>3,290</u>
113.17	41,860 to 61,049		35 percent	2,240
113.18	<u>\$46,720 to \$68,139</u>	2.0 percent	<u>30 percent</u>	\$ <u>2,700</u>
113.19	61,050 to 69,769		40 percent	1,960
113.20	<u>\$68,140 to \$77,869</u>	2.0 percent	<u>35 percent</u>	\$ <u>2,390</u>
113.21	69,770 to 78,499			1,620
113.22	<u>\$77,870 to \$87,619</u>	2.1 percent	40 percent	\$ <u>2,010</u>
113.23	78,500 to 87,219			1,450
113.24	<u>\$87,620 to \$97,349</u>	2.2 percent	40 percent	\$ <u>1,820</u>
113.25	87,220 to 95,939			1,270
113.26	<u>\$97,350 to \$107,079</u>	2.3 percent	40 percent	\$ <u>1,620</u>
113.27	95,940 to 101,179			1,070
113.28	<u>\$107,080 to \$112,929</u>	2.4 percent	45 percent	\$ <u>1,390</u>
113.29	101,180 to 104,689			890
113.30	<u>\$112,930 to \$116,849</u>	2.5 percent	45 percent	\$ <u>1,190</u>
113.31	104,690 to 108,919			730
113.32	<u>\$116,850 to \$121,569</u>	2.5 percent	50 percent	\$ <u>1,010</u>
113.33	108,920 to 113,149			540
113.34	<u>\$121,570 to \$126,289</u>	2.5 percent	50 percent	\$ <u>800</u>

113.35 The payment made to a claimant shall be the amount of the state refund calculated under
 113.36 this subdivision. No payment is allowed if the claimant's household income is ~~\$113,150~~
 113.37 \$126,290 or more.

113.38 **EFFECTIVE DATE.** This section is effective for claims based on property taxes payable
 113.39 in 2023 and following years.

114.1 Sec. 2. Minnesota Statutes 2020, section 290A.04, subdivision 2h, is amended to read:

114.2 Subd. 2h. **Additional refund.** (a) If the gross property taxes payable on a homestead
114.3 increase more than ~~12~~ ten percent over the property taxes payable in the prior year on the
114.4 same property that is owned and occupied by the same owner on January 2 of both years,
114.5 and the amount of that increase is \$100 or more, a claimant who is a homeowner shall be
114.6 allowed an additional refund equal to 60 percent of the amount of the increase over the
114.7 greater of ~~12~~ ten percent of the prior year's property taxes payable or \$100. This subdivision
114.8 shall not apply to any increase in the gross property taxes payable attributable to
114.9 improvements made to the homestead after the assessment date for the prior year's taxes.
114.10 This subdivision shall not apply to any increase in the gross property taxes payable
114.11 attributable to the termination of valuation exclusions under section 273.11, subdivision
114.12 16.

114.13 The maximum refund allowed under this subdivision is ~~\$1,000~~ \$2,000.

114.14 (b) For purposes of this subdivision "gross property taxes payable" means property taxes
114.15 payable determined without regard to the refund allowed under this subdivision.

114.16 (c) In addition to the other proofs required by this chapter, each claimant under this
114.17 subdivision shall file with the property tax refund return a copy of the property tax statement
114.18 for taxes payable in the preceding year or other documents required by the commissioner.

114.19 (d) Upon request, the appropriate county official shall make available the names and
114.20 addresses of the property taxpayers who may be eligible for the additional property tax
114.21 refund under this section. The information shall be provided on a magnetic computer disk.
114.22 The county may recover its costs by charging the person requesting the information the
114.23 reasonable cost for preparing the data. The information may not be used for any purpose
114.24 other than for notifying the homeowner of potential eligibility and assisting the homeowner,
114.25 without charge, in preparing a refund claim.

114.26 **EFFECTIVE DATE.** This section is effective for refund claims based on taxes payable
114.27 in 2023 and thereafter.

114.28 Sec. 3. Minnesota Statutes 2020, section 290A.04, subdivision 4, is amended to read:

114.29 Subd. 4. **Inflation adjustment.** The commissioner shall annually adjust the dollar
114.30 amounts of the income thresholds and the maximum refunds under subdivisions 2 and 2a
114.31 as provided in section 270C.22. The statutory year for subdivision 2 is 2022. The statutory
114.32 year for subdivision 2a is 2018.

115.1 **EFFECTIVE DATE.** This section is effective for claims based on property taxes payable
115.2 in 2024 and following years.

115.3 Sec. 4. **[428B.01] DEFINITIONS.**

115.4 Subdivision 1. **Applicability.** As used in sections 428B.01 to 428B.09, the terms in this
115.5 section have the meanings given them.

115.6 Subd. 2. **Activity.** "Activity" means but is not limited to all of the following:

115.7 (1) promotion of tourism within the district;

115.8 (2) promotion of business activity, including but not limited to tourism, of businesses
115.9 subject to the service charge within the tourism improvement district;

115.10 (3) marketing, sales, and economic development; and

115.11 (4) other services provided for the purpose of conferring benefits upon businesses located
115.12 in the tourism improvement district that are subject to the tourism improvement district
115.13 service charge.

115.14 Subd. 3. **Business.** "Business" means the type or class of lodging business that is
115.15 described in the municipality's ordinance, which benefits from district activities, adopted
115.16 under section 428B.02.

115.17 Subd. 4. **Business owner.** "Business owner" means a person recognized by a municipality
115.18 as the owner of a business.

115.19 Subd. 5. **City.** "City" means a home rule charter or statutory city.

115.20 Subd. 6. **Clerk.** "Clerk" means the chief clerical officer of the municipality.

115.21 Subd. 7. **Governing body.** "Governing body" means, with respect to a city, a city council
115.22 or other governing body of a city. With respect to a town, governing body means a town
115.23 board or other governing body of a town. With respect to a county, governing body means
115.24 a board of commissioners or other governing body of a county.

115.25 Subd. 8. **Impacted business owners.** "Impacted business owners" means a majority of
115.26 business owners located within a proposed or established tourism improvement district.

115.27 Subd. 9. **Municipality.** "Municipality" means a county, city, or town.

115.28 Subd. 10. **Tourism improvement association.** "Tourism improvement association"
115.29 means a new or existing and tax-exempt nonprofit corporation, entity, or agency charged
115.30 with promoting tourism within the tourism improvement district and that is under contract

116.1 with the municipality to administer the tourism improvement district and implement the
116.2 activities and improvements listed in the municipality's ordinance.

116.3 Subd. 11. **Tourism improvement district.** "Tourism improvement district" means a
116.4 tourism improvement district established under this chapter.

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

116.6 Sec. 5. **[428B.02] ESTABLISHMENT OF TOURISM IMPROVEMENT DISTRICT.**

116.7 Subdivision 1. **Ordinance.** (a) Upon a petition by impacted business owners, a governing
116.8 body of a municipality may adopt an ordinance establishing a tourism improvement district
116.9 after holding a public hearing on the district. The ordinance must include:

116.10 (1) a map that identifies the tourism improvement district boundaries in sufficient detail
116.11 to allow a business owner to determine whether a business is located within the tourism
116.12 improvement district boundaries;

116.13 (2) the name of the tourism improvement association designated to administer the tourism
116.14 improvement district and implement the approved activities and improvements;

116.15 (3) a list of the proposed activities and improvements in the tourism improvement district;

116.16 (4) the time and manner of collecting the service charge and any interest and penalties
116.17 for nonpayment;

116.18 (5) a definition describing the type or class of businesses to be included in the tourism
116.19 improvement district and subject to the service charge;

116.20 (6) the rate, method, and basis of the service charge with intent, and penalties on
116.21 delinquent payments for the district, including the portion dedicated to covering expenses
116.22 listed in subdivision 4, paragraph (b); and

116.23 (7) the number of years the service charge will be in effect.

116.24 (b) If the boundaries of a proposed tourism improvement district overlap with the
116.25 boundaries of an existing special service district, the tourism improvement district ordinance
116.26 may list measures to avoid any impediments on the ability of the special service district to
116.27 continue to provide its services to benefit its property owners.

116.28 Subd. 2. **Notice.** A municipality must provide notice of the hearing by publication in at
116.29 least two issues of the official newspaper of the municipality. The two publications must
116.30 be two weeks apart and the municipality must hold the hearing at least three days after the
116.31 last publication. Not less than ten days before the hearing, the municipality must mail, or

117.1 deliver by electronic means, notice to the business owner of each business subject to the
117.2 proposed service charge by the tourism improvement district. The notice must include:

117.3 (1) a map showing the boundaries of the proposed district;

117.4 (2) the time and place of the hearing;

117.5 (3) a statement that all interested persons will be given an opportunity to be heard at the
117.6 hearing regarding the proposed service charge; and

117.7 (4) a brief description of the proposed activities, improvements, and service charge.

117.8 Subd. 3. **Business owner determination.** A business must provide ownership information
117.9 to the municipality. A municipality has no obligation to obtain other information regarding
117.10 the ownership of businesses, and its determination of ownership shall be final for the purposes
117.11 of this chapter. If this chapter requires the signature of a business owner, the signature of
117.12 the authorized representative of a business owner is sufficient.

117.13 Subd. 4. **Service charges; relationship to services.** (a) A municipality may impose a
117.14 service charge on a business pursuant to this chapter for the purpose of providing activities
117.15 and improvements that will provide benefits to a business that is located within the tourism
117.16 improvement district and subject to the tourism improvement district service charge. Each
117.17 business paying a service charge within a district must benefit directly or indirectly from
117.18 improvements provided by a tourism improvement association, provided, however, the
117.19 business need not benefit equally. Service charges must be based on a percent of gross
117.20 business revenue, a fixed dollar amount per transaction, or any other reasonable method
117.21 based upon benefit and approved by the municipality.

117.22 (b) Service charges may be used to cover the costs of collections, as well as other
117.23 administrative costs associated with operating, forming, or maintaining the district.

117.24 Subd. 5. **Public hearing.** At the hearing regarding the adoption of the ordinance
117.25 establishing a tourism improvement district, business owners and persons affected by the
117.26 proposed district may testify on issues relevant to the proposed district. The hearing may
117.27 be adjourned from time to time. The ordinance establishing the district may be adopted at
117.28 any time within six months after the date of the conclusion of the hearing by a vote of the
117.29 majority of the governing body of the municipality.

117.30 Subd. 6. **Appeal to district court.** Within 45 days after the adoption of the ordinance
117.31 establishing a tourism improvement district, a person aggrieved, who is not precluded by
117.32 failure to object before or at the hearing, may appeal to the district court by serving a notice
117.33 on the clerk of the municipality or governing body. The validity of the tourism improvement

118.1 district and the service charge imposed under this chapter shall not be contested in an action
118.2 or proceeding unless the action or proceeding is commenced within 45 days after the adoption
118.3 of the ordinance establishing a tourism improvement district. The petitioner must file notice
118.4 with the court administrator of the district court within ten days after its service. The clerk
118.5 of the municipality must provide the petitioner with a certified copy of the findings and
118.6 determination of the governing body. The court may affirm the action objected to or, if the
118.7 petitioner's objections have merit, modify or cancel it. If the petitioner does not prevail on
118.8 the appeal, the costs incurred shall be charged to the petitioner by the court and judgment
118.9 entered for them. All objections shall be deemed waived unless presented on appeal.

118.10 Subd. 7. **Notice to the commissioner of revenue.** Within 30 days of adoption of the
118.11 ordinance, the governing body must send a copy of the ordinance to the commissioner of
118.12 revenue.

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

118.14 Sec. 6. **[428B.03] SERVICE CHARGE AUTHORITY; NOTICE; HEARING**
118.15 **REQUIREMENT.**

118.16 Subdivision 1. **Authority.** A municipality may impose service charges authorized under
118.17 section 428B.02, subdivision 4, to finance an activity or improvement in the tourism
118.18 improvement district that is provided by the municipality if the activity or improvement is
118.19 provided in the tourism improvement district at an increased level of service. The service
118.20 charges may be imposed in the amount needed to pay for the increased level of service
118.21 provided by the activity or improvement.

118.22 Subd. 2. **Annual hearing requirement; notice.** Beginning one year after the
118.23 establishment of the tourism improvement district, the municipality must hold an annual
118.24 public hearing regarding continuation of the service charges in the tourism improvement
118.25 district. The municipality must provide notice of the hearing by publication in the official
118.26 newspaper at least seven days before the hearing. The municipality must mail, or deliver
118.27 by electronic means, notice of the hearing to business owners subject to the service charge
118.28 at least seven days before the hearing. At the hearing, a person affected by the proposed
118.29 district may testify on issues relevant to the proposed district. Within six months of the
118.30 hearing, the municipality may adopt a resolution to continue imposing service charges within
118.31 the district not exceeding the amount or rate expressed in the notice. For purposes of this
118.32 section, the notice must include:

118.33 (1) a map showing the boundaries of the district;

- 119.1 (2) the time and place of the hearing;
- 119.2 (3) a statement that all interested persons will be given an opportunity to be heard at the
119.3 hearing regarding the proposed service charge;
- 119.4 (4) a brief description of the proposed activities and improvements;
- 119.5 (5) the estimated annual amount of proposed expenditures for activities and
119.6 improvements;
- 119.7 (6) the rate of the service charge for the district during the year and the nature and
119.8 character of the proposed activities and improvements for the district during the year in
119.9 which service charges are collected;
- 119.10 (7) the number of years the service charge will be in effect; and
- 119.11 (8) a statement that the petition requirement of section 428B.07 has either been met or
119.12 does not apply to the proposed service charge.

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

119.14 Sec. 7. **[428B.04] MODIFICATION OF ORDINANCE.**

119.15 **Subdivision 1. Adoption of ordinance; request for modification.** Upon written request
119.16 of the tourism improvement association, the governing body of a municipality may adopt
119.17 an ordinance to modify the district after conducting a public hearing on the proposed
119.18 modifications. If the modification includes a change to the rate, method, and basis of
119.19 imposing the service charge or the expansion of the tourism improvement district's geographic
119.20 boundaries, a petition as described in section 428B.07 must be submitted by impacted
119.21 business owners to initiate proceedings for modification.

119.22 **Subd. 2. Notice of modification.** A municipality must provide notice of the hearing by
119.23 publication in at least two issues of the municipality's official newspaper. The two
119.24 publications must be two weeks apart and the municipality must hold a hearing at least three
119.25 days after the last publication. Not less than ten days before the hearing, the municipality
119.26 must mail, or deliver by electronic means, notice to the business owner of each business
119.27 subject to the service charge by the tourism improvement district. The notice must include:

- 119.28 (1) a map showing the boundaries of the district and any proposed changes to the
119.29 boundaries of the district;
- 119.30 (2) the time and place of the hearing;

120.1 (3) a statement that all interested persons will be given an opportunity to be heard at the
120.2 hearing regarding the proposed service charge; and

120.3 (4) a brief description of the proposed modification to the ordinance.

120.4 Subd. 3. **Hearing on modification.** At the hearing regarding modification to the
120.5 ordinance, business owners and persons affected by the proposed modification may testify
120.6 on issues relevant to the proposed modification. Within six months after the conclusion of
120.7 the hearing, the municipality may adopt the ordinance modifying the district by a vote of
120.8 the majority of the governing body in accordance with the request for modification by the
120.9 tourism improvement association and as described in the notice.

120.10 Subd. 4. **Objection.** If the modification of the ordinance includes the expansion of the
120.11 tourism improvement district's geographic boundaries, the ordinance modifying the district
120.12 may be adopted after following the notice and veto requirements in section 428B.08;
120.13 however, a successful objection will be determined based on a majority of business owners
120.14 who will pay the service charge in the expanded area of the district. For all other
120.15 modifications, the ordinance modifying the district may be adopted following the notice
120.16 and veto requirements in section 428B.08.

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

120.18 Sec. 8. **[428B.05] COLLECTION OF SERVICE CHARGES; PENALTIES.**

120.19 The service charges imposed under this chapter may be collected by the municipality,
120.20 tourism improvement association, or other designated agency or entity. Collection of the
120.21 service charges must be made at the time and in the manner set forth in the ordinance. The
120.22 entity collecting the service charges may charge interest and penalties on delinquent payments
120.23 for service charges imposed under this chapter as set forth in the municipality's ordinance.

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

120.25 Sec. 9. **[428B.06] TOURISM IMPROVEMENT ASSOCIATION.**

120.26 Subdivision 1. **Composition and duties.** The tourism improvement association must
120.27 be designated in the municipality's ordinance. The tourism improvement association shall
120.28 appoint a governing board or committee composed of a majority of business owners who
120.29 pay the tourism improvement district service charge, or the representatives of those business
120.30 owners. The governing board or committee must manage the funds raised by the tourism
120.31 improvement district and fulfill the obligations of the tourism improvement district. A
120.32 tourism improvement association has full discretion to select the specific activities and

121.1 improvements that are funded with tourism improvement district service charges within the
121.2 authorized activities and improvements described in the ordinance.

121.3 Subd. 2. **Annual report.** The tourism improvement association must submit to the
121.4 municipality an annual report for each year in which a service charge is imposed. The report
121.5 must include a financial statement of revenue raised by the district. The municipality may
121.6 also, as part of the enabling ordinance, require the submission of other relevant information
121.7 related to the association.

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

121.9 Sec. 10. **[428B.07] PETITION REQUIRED.**

121.10 A municipality may not establish a tourism improvement district under section 428B.02
121.11 unless impacted business owners file a petition requesting a public hearing on the proposed
121.12 action with the clerk of the municipality.

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

121.14 Sec. 11. **[428B.08] VETO POWER OF OWNERS.**

121.15 Subdivision 1. **Notice of right to file objections.** The effective date of an ordinance or
121.16 resolution adopted under this chapter must be at least 45 days after it is adopted by the
121.17 municipality. Within five days after the municipality adopts the ordinance or resolution,
121.18 the municipality must mail a summary of the ordinance or resolution to each business owner
121.19 subject to the service charge within the tourism improvement district in the same manner
121.20 that notice is mailed, or delivered by electronic means, under section 428B.02. The mailing
121.21 must include a notice that business owners subject to the service charge have the right to
121.22 veto, by a simple majority, the ordinance or resolution by filing the required number of
121.23 objections with the clerk of the municipality before the effective date of the ordinance or
121.24 resolution and include notice that a copy of the ordinance or resolution is available for public
121.25 inspection with the clerk of the municipality.

121.26 Subd. 2. **Requirements for veto.** If impacted business owners file an objection to the
121.27 ordinance or resolution before the effective date of the ordinance or resolution, the ordinance
121.28 or resolution does not become effective.

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

122.1 **Sec. 12. [428B.09] DISESTABLISHMENT.**

122.2 **Subdivision 1. Procedure for disestablishment.** An ordinance adopted under this chapter
122.3 must provide a 30-day period each year in which business owners subject to the service
122.4 charge may request disestablishment of the district. Beginning one year after establishment
122.5 of the tourism improvement district, an annual 30-day period of disestablishment begins
122.6 with the anniversary of the date of establishment. Upon submission of a petition from
122.7 impacted business owners, the municipality may disestablish a tourism improvement district
122.8 by adopting an ordinance after holding a public hearing on the disestablishment. Prior to
122.9 the hearing, the municipality must publish notice of the hearing on disestablishment in at
122.10 least two issues of the municipality's official newspaper. The two publications must be two
122.11 weeks apart and the municipality must hold the hearing at least three days after the last
122.12 publication. Not less than ten days before the hearing, the municipality must mail, or deliver
122.13 by electronic means, notice to the business owner of each business subject to the service
122.14 charge. The notice must include:

122.15 (1) the time and place of the hearing;

122.16 (2) a statement that all interested persons will be given an opportunity to be heard at the
122.17 hearing regarding disestablishment;

122.18 (3) the reason for disestablishment; and

122.19 (4) a proposal to dispose of any assets acquired with the revenues of the service charge
122.20 imposed under the tourism improvement district.

122.21 **Subd. 2. Objection.** An ordinance disestablishing the tourism improvement district
122.22 becomes effective following the notice and veto requirements in section 428B.08.

122.23 **Subd. 3. Refund to business owners.** (a) Upon the disestablishment of a tourism
122.24 improvement district, any remaining revenues derived from the service charge, or any
122.25 revenues derived from the sale of assets acquired with the service charge revenues, shall
122.26 be refunded to business owners located and operating within the tourism improvement
122.27 district in which service charges were imposed by applying the same method and basis that
122.28 was used to calculate the service charges levied in the fiscal year in which the district is
122.29 disestablished.

122.30 (b) If the disestablishment occurs before the service charge is imposed for the fiscal
122.31 year, the method and basis that was used to calculate the service charge imposed in the
122.32 immediate prior fiscal year shall be used to calculate the amount of a refund, if any.

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

123.1 Sec. 13. **[428B.10] COORDINATION OF DISTRICTS.**

123.2 If a county establishes a tourism improvement district in a city or town under this chapter,
123.3 a city or town may not establish a tourism improvement district in the part of the city or
123.4 town located in the county-established district. If a city or town establishes a tourism
123.5 improvement district under this chapter, a county may not establish a tourism improvement
123.6 district in the part of the city or town located in the city- or town-established district.

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

6.91 LOCAL PERFORMANCE MEASUREMENT AND REPORTING.

Subdivision 1. **Reports of local performance measures.** (a) A county or city that elects to participate in the standard measures program must report its results to its citizens annually through publication, direct mailing, posting on the jurisdiction's website, or through a public hearing at which the budget and levy will be discussed and public input allowed.

(b) Each year, jurisdictions participating in the local performance measurement and improvement program must file a report with the state auditor by July 1, in a form prescribed by the auditor. All reports must include a declaration that the jurisdiction has complied with, or will have complied with by the end of the year, the requirement in paragraph (a). For jurisdictions participating in the standard measures program, the report shall consist of the jurisdiction's results for the standard set of performance measures under section 6.90, subdivision 2, paragraph (a). In 2012, jurisdictions participating in the comprehensive performance measurement program must submit a resolution approved by its local governing body indicating that it either has implemented or is in the process of implementing a local performance measurement system that meets the minimum standards specified by the council under section 6.90, subdivision 2, paragraph (b). In 2013 and thereafter, jurisdictions participating in the comprehensive performance measurement program must submit a statement approved by its local governing body affirming that it has implemented a local performance measurement system that meets the minimum standards specified by the council under section 6.90, subdivision 2, paragraph (b).

Subd. 2. **Benefits of participation.** (a) A county or city that elects to participate in the standard measures program for 2011 is: (1) eligible for per capita reimbursement of \$0.14 per capita, but not to exceed \$25,000 for any government entity; and (2) exempt from levy limits under sections 275.70 to 275.74 for taxes payable in 2012, if levy limits are in effect.

(b) Any county or city that elects to participate in the standard measures program for 2012 is eligible for per capita reimbursement of \$0.14 per capita, but not to exceed \$25,000 for any government entity. Any jurisdiction participating in the comprehensive performance measurement program is exempt from levy limits under sections 275.70 to 275.74 for taxes payable in 2013 if levy limits are in effect.

(c) Any county or city that elects to participate in the standard measures program for 2013 or any year thereafter is eligible for per capita reimbursement of \$0.14 per capita, but not to exceed \$25,000 for any government entity. Any jurisdiction participating in the comprehensive performance measurement program for 2013 or any year thereafter is exempt from levy limits under sections 275.70 to 275.74 for taxes payable in the following year, if levy limits are in effect.

Subd. 3. **Certification of participation.** (a) The state auditor shall certify to the commissioner of revenue by August 1 of each year the counties and cities that are participating in the standard measures program and the comprehensive performance measurement program.

(b) The commissioner of revenue shall make per capita aid payments under this section on the second payment date specified in section 477A.015, in the same year that the measurements were reported.

(c) The commissioner of revenue shall notify each county and city that is entitled to exemption from levy limits by August 10 of each levy year.

Subd. 4. **Appropriation.** (a) The amount necessary to fund obligations under subdivision 2 is annually appropriated from the general fund to the commissioner of revenue.

(b) The sum of \$6,000 in fiscal year 2011 and \$2,000 in each fiscal year thereafter is annually appropriated from the general fund to the state auditor to carry out the auditor's responsibilities under sections 6.90 to 6.91.

290A.03 DEFINITIONS.

Subd. 9. **Disabled claimant.** "Disabled claimant" means any claimant who has a disability.

Subd. 11. **Rent constituting property taxes.** "Rent constituting property taxes" means 17 percent of the gross rent actually paid in cash, or its equivalent, or the portion of rent paid in lieu of property taxes, in any calendar year by a claimant for the right of occupancy of the claimant's Minnesota homestead in the calendar year, and which rent constitutes the basis, in the succeeding calendar year of a claim for relief under this chapter by the claimant.

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290A.04 REFUND ALLOWABLE.

Subd. 2a. **Renters.** A claimant whose rent constituting property taxes exceeds the percentage of the household income stated below must pay an amount equal to the percent of income shown for the appropriate household income level along with the percent to be paid by the claimant of the remaining amount of rent constituting property taxes. The state refund equals the amount of rent constituting property taxes that remain, up to the maximum state refund amount shown below.

Household Income	Percent of Income	Percent Paid by Claimant	Maximum State Refund
\$0 to 5,269	1.0 percent	5 percent	\$ 2,150
5,270 to 6,999	1.0 percent	10 percent	\$ 2,150
7,000 to 8,749	1.1 percent	10 percent	\$ 2,090
8,750 to 12,269	1.2 percent	10 percent	\$ 2,040
12,270 to 15,779	1.3 percent	15 percent	\$ 1,980
15,780 to 17,519	1.4 percent	15 percent	\$ 1,930
17,520 to 19,259	1.4 percent	20 percent	\$ 1,880
19,260 to 22,779	1.5 percent	20 percent	\$ 1,820
22,780 to 24,529	1.6 percent	20 percent	\$ 1,770
24,530 to 26,279	1.7 percent	25 percent	\$ 1,770
26,280 to 29,789	1.8 percent	25 percent	\$ 1,770
29,790 to 31,529	1.9 percent	30 percent	\$ 1,770
31,530 to 36,789	2.0 percent	30 percent	\$ 1,770
36,790 to 42,039	2.0 percent	35 percent	\$ 1,770
42,040 to 49,059	2.0 percent	40 percent	\$ 1,770
49,060 to 50,799	2.0 percent	45 percent	\$ 1,610
50,800 to 52,559	2.0 percent	45 percent	\$ 1,450
52,560 to 54,319	2.0 percent	45 percent	\$ 1,230
54,320 to 56,059	2.0 percent	50 percent	\$ 1,070
56,060 to 57,819	2.0 percent	50 percent	\$ 970
57,820 to 59,569	2.0 percent	50 percent	\$ 540
59,570 to 61,319	2.0 percent	50 percent	\$ 210

The payment made to a claimant is the amount of the state refund calculated under this subdivision. No payment is allowed if the claimant's household income is \$61,320 or more.

Subd. 5. **Combined renter and homeowner refund.** In the case of a claimant who is entitled to a refund in a calendar year for claims based both on rent constituting property taxes and property taxes payable, the refund allowable equals the sum of the refunds allowable.

290A.23 APPROPRIATION.

Subdivision 1. **Renters credit.** There is appropriated from the general fund in the state treasury to the commissioner of revenue the amount necessary to make the payments required under section 290A.04, subdivision 2a.

327C.01 DEFINITIONS.

Subd. 13. **Class I manufactured home park.** A "class I manufactured home park" means a park that complies with the provisions of section 327C.16.

327C.16 CLASS I MANUFACTURED HOME PARK.

Subdivision 1. **Qualifications.** (a) To qualify as a class I manufactured home park, as defined in section 327C.01, subdivision 13, a park owner, or on-site attendant as an employee of the manufactured home park, must satisfy 12 hours of qualifying education courses every three years, as prescribed in this subdivision. Park owners or on-site attendants may begin accumulating qualifying hours to qualify as a class I manufactured home park beginning in 2017.

(b) The qualifying education courses required for classification under this subdivision must be continuing education courses approved by the Department of Labor and Industry or the Department of Commerce for:

(1) continuing education in real estate; or

(2) continuing education for residential contractors and manufactured home installers.

(c) The qualifying education courses must include:

(1) two hours on fair housing, approved for real estate licensure or residential contractor licensure;

(2) one hour on the Americans with Disabilities Act, approved for real estate licensure or residential contractor licensure;

(3) four hours on legal compliance related to any of the following: landlord/tenant, licensing requirements, or home financing under chapters 58, 327, 327B, 327C, and 504B, and Minnesota Rules, chapter 1350 or 4630;

(4) three hours of general education approved for real estate, residential contractors, or manufactured home installers; and

(5) two hours of HUD-specific manufactured home installer courses as required under section 327B.041.

(d) If the qualifying owner or employee attendant is no longer the person meeting the requirements under this subdivision, but did qualify during the current assessment year, then the manufactured home park shall still qualify for the class rate provided for class 4c property classified under section 273.13, subdivision 25, paragraph (d), clause (5), item (iii).

Subd. 2. **Proof of compliance.** (a) A park owner that has met the requirements of subdivision 1 shall provide an affidavit to the park owner's county assessor certifying that the park owner, corporate officer, or on-site attendant has complied with subdivision 1 and that the park meets the definition of a class I manufactured home park as defined in this section, and is entitled to the property tax classification rate for class I manufactured home parks in section 273.13, subdivision 25. The park owner shall retain the original course completion certificates issued by the course sponsor under this section for three years and, upon written request for verification, provide these to the county assessor within 30 days.

(b) A park owner must provide the county assessor written notice of any change in compliance status of the manufactured home park no later than December 15 of the assessment year.

477A.011 DEFINITIONS.

Subd. 30a. **Percent of housing built between 1940 and 1970.** "Percent of housing built between 1940 and 1970" is equal to 100 times the most recent count by the United States Bureau of the Census of all housing units in the city built after 1939 but before 1970, divided by the total number of all housing units in the city. Housing units includes both occupied and vacant housing units as defined by the federal census.

Subd. 38. **Household size.** "Household size" means the average number of persons per household in the jurisdiction as most recently estimated and reported by the state demographer and Metropolitan Council as of July 15 of the aid calculation year. A revision to an estimate or enumeration is effective for these purposes only if it is certified to the commissioner on or before July 15 of the aid calculation year. Clerical errors in the certification or use of estimates and counts established as of July 15 in the aid calculation year are subject to correction within the time periods allowed under section 477A.014.

Subd. 42. **Jobs per capita in the city.** "Jobs per capita in the city" means (1) the average annual number of employees in the city based on the data from the Quarterly Census of Employment and Wages, as reported by the Department of Employment and Economic Development, for the most recent calendar year available November 1 of every odd-numbered year, divided by (2) the city's

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population for the same calendar year as the employment data. The commissioner of the Department of Employment and Economic Development shall certify to the city the average annual number of employees for each city by January 1 of every even-numbered year beginning with January 1, 2014. A city may challenge an estimate under this paragraph by filing its specific objection, including the names of employers that it feels may have misreported data, in writing with the commissioner by December 1 of every odd-numbered year. The commissioner shall make every reasonable effort to address the specific objection and adjust the data as necessary. The commissioner shall certify the estimates of the annual employment to the commissioner of revenue by January 1 of all even-numbered years, including any estimates still under objection.

Subd. 45. **Sparsity adjustment.** For a city with a population of 10,000 or more, the sparsity adjustment is 100 for any city with an average population density less than 150 per square mile, according to the most recent federal census. For a city with a population less than 10,000, the sparsity adjustment is 200 for any city with an average population density less than 30 per square mile, according to the most recent federal census. The sparsity adjustment is zero for all other cities.

477A.013 MUNICIPAL GOVERNMENT DISTRIBUTIONS.

Subd. 13. **Certified aid adjustments.** (a) A city that received an aid base increase under Minnesota Statutes 2012, section 477A.011, subdivision 36, paragraph (e), shall have its total aid under subdivision 9 increased by an amount equal to \$150,000 for aids payable in 2014 through 2018.

(b) A city that received an aid base increase under Minnesota Statutes 2012, section 477A.011, subdivision 36, paragraph (r), shall have its total aid under subdivision 9 increased by an amount equal to \$160,000 for aids payable in 2014 and thereafter.

(c) A city that received a temporary aid increase under Minnesota Statutes 2012, section 477A.011, subdivision 36, paragraph (o), shall have its total aid under subdivision 9 increased by an amount equal to \$1,000,000 for aids payable in 2014 only.