

SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION

S.F. No. 4529

(SENATE AUTHORS: EICHORN, Draheim, Mathews, Coleman and Chamberlain)

DATE
04/24/2022

D-PG
7441 Introduction and first reading
Referred to Taxes

OFFICIAL STATUS

- 1.1 A bill for an act
- 1.2 relating to taxation; property; limiting annual valuation increase on residential
- 1.3 properties; amending Minnesota Statutes 2020, section 273.11, by adding a
- 1.4 subdivision.
- 1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.6 Section 1. Minnesota Statutes 2020, section 273.11, is amended by adding a subdivision
- 1.7 to read:
- 1.8 Subd. 24. **Residential valuation increase limitation.** (a) In determining the market
- 1.9 value of residential property, a county assessor shall not increase the market value of
- 1.10 residential property by more than three percent of the prior year's assessment value.
- 1.11 (b) When residential property is sold, the limitation in paragraph (a) shall not apply for
- 1.12 the following assessment year. During a sale of residential property, a purchaser or an agent
- 1.13 of a purchaser may request the county auditor provide a property tax estimate based off the
- 1.14 current year's fair market value of the property.
- 1.15 (c) If the estimated market value of a sold residential property increases more than
- 1.16 percent over the prior year's assessment value, the county auditor shall spread the percent
- 1.17 increase across the net tax capacity of all residential properties effective for taxes payable
- 1.18 in the two years following the next taxes payable year.
- 1.19 **EFFECTIVE DATE.** This section is effective for assessment year 2023 and thereafter.