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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 3459

03/21/2016 Authored by Erickson
The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to taxation; authorizing special property tax abatement aid.

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

1.4 Section 1. **LAKE MILLE LACS AREA PROPERTY TAX ABATEMENT.**

1.5 Subdivision 1. **Abatements authorized.** Notwithstanding Minnesota Statutes,
1.6 section 375.192, the county boards of Aitkin, Crow Wing, and Mille Lacs Counties may
1.7 grant an abatement of net tax for taxes payable in 2016, 2017, and 2018, provided that:

- 1.8 (1) the property is classified as 1c, 3a, 4c(1), 4c(10), or 4c(11);
- 1.9 (2) in the taxes payable year for which abatement of taxes is sought, prior to July 1
1.10 or a date established by Mille Lacs County in consultation with the county in which
1.11 abatement is sought, the taxpayer submits a written application to:

- 1.12 (i) the county assessor in the county in which abatement is sought; and
- 1.13 (ii) Mille Lacs County, if required; and
- 1.14 (3) the taxpayer meets the criteria of an economic relief program established in law.

1.15 Subd. 2. **Limitations.** The abatement must not exceed the reduction in gross
1.16 receipts documented to Mille Lacs County.

1.17 Subd. 3. **Appeals.** An appeal may not be taken to the Tax Court from any order of
1.18 the county board made in the exercise of the discretionary authority granted in this section.

1.19 Subd. 4. **Refunds.** If an application for abatement is made under this section after
1.20 payment of all or a portion of the taxes being abated, the portion already paid shall be
1.21 refunded to the taxpayer by the county treasurer as soon as practical.

1.22 Subd. 5. **State general tax also abated.** If the county grants an abatement under
1.23 subdivision 1, the tax attributable to the state general tax is also abated.

2.1 Subd. 6. **Certification of abatement; reimbursement to county; payment.** The
2.2 county auditor must certify the abatements granted under this section to Mille Lacs County
2.3 for reimbursement under an economic relief program to each taxing jurisdiction in which
2.4 the affected property is located. Mille Lacs County, in consultation with the commissioner
2.5 of revenue, must make the payments to the taxing jurisdictions containing the property,
2.6 other than school districts, at the time distributions are made under Minnesota Statutes,
2.7 section 473H.10, subdivision 3. Reimbursements to school districts must be made as
2.8 provided in Minnesota Statutes, section 273.1392.

2.9 Subd. 7. **Annual audit.** The commissioner of revenue must annually audit a county
2.10 granting abatements under this section for compliance with this section and a county must
2.11 comply with all requests made by the commissioner under this subdivision.

2.12 Subd. 8. **Expiration.** This section expires for taxes payable in 2019 and thereafter,
2.13 except that the prohibition on appeals in subdivision 3 and the auditing provision in
2.14 subdivision 7 remain in effect through 2020.

2.15 **EFFECTIVE DATE.** This section is effective July 1, 2016, and thereafter.