A bill for an act

relating to taxation; property; valuation of income-producing property; amending Minnesota Statutes 2010, section 278.05, subdivision 6.

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

Section 1. Minnesota Statutes 2010, section 278.05, subdivision 6, is amended to read:

Subd. 6. **Dismissal of petition; exclusion of certain evidence.** (a) In cases where the petitioner contests the valuation of income-producing property, ~~information, including income and expense figures in the form of~~ the following information must be provided to the county assessor no later than August 1 of the taxes payable year:

(1) a year-end financial ~~statements~~ statement for the year prior to the assessment date~~,~~;

(2) a year-end financial ~~statements~~ statement for the year of the assessment date~~, and~~;

(3) a rent ~~rolls~~ roll on or near the assessment date ~~including~~ listing the tenant name, lease start and end dates, ~~option terms,~~ base rent, square footage leased and vacant space~~, verified net rentable areas in the form of net rentable square footage of the building or buildings, and anticipated income and expenses in the form of proposed budgets for the year subsequent to the year of the assessment date, must be provided to the county assessor no later than 60 days after the applicable filing deadline contained in section 278.01, subdivision 1 or 4.~~;

(4) identification of all lease agreements not disclosed on a rent roll in the response to clause (3), listing the tenant name, lease start and end dates, base rent, and square footage leased;

(5) net rentable square footage of the building or buildings; and

(6) anticipated income and expenses in the form of a proposed budget for the year subsequent to the year of the assessment date.

(b) The information required to be provided to the county assessor under paragraph (a) does not include leases. Failure to provide the information required in ~~this~~ paragraph (a) shall result in the dismissal of the petition, unless (1) the failure to provide it was due to the unavailability of the ~~evidence~~ information at the time that the information was due, or (2) the petitioner was not aware of or informed of the requirement to provide the information.

If the petitioner proves that the requirements under clause (2) are met, the petitioner has an additional 30 days to provide the information from the time the petitioner became aware of or was informed of the requirement to provide the information, otherwise the petition shall be dismissed.

(c) If, after the August 1 deadline set in paragraph (a), a county assessor determines that the actual leases in effect on the assessment date are necessary to properly evaluate the income-producing property, then a county assessor may require that the petitioner submit the leases. The petitioner must provide the requested information to the county assessor within 60 days of a county assessor's request. The tax court shall hear and decide any issues relating to subsequent information requests by a county assessor. Failure to provide the information required in this paragraph shall be addressed under Rules of Civil Procedure, rule 37.

~~(b)~~ (d) Provided that the information as contained in paragraph (a) is timely submitted to the county assessor, the county assessor shall furnish the petitioner at least five days before the hearing under this chapter with the property's appraisal, if any, which will be presented to the court at the hearing. The petitioner shall furnish to the county assessor at least five days before the hearing under this chapter with the property's appraisal, if any, which will be presented to the court at the hearing. An appraisal of the petitioner's property done by or for the county shall not be admissible as evidence if the county assessor does not comply with the provisions in this paragraph. The petition shall be dismissed if the petitioner does not comply with the provisions in this paragraph.

EFFECTIVE DATE. This section is effective for petitions contesting the 2010 assessment and assessments made after that date.