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State of Minnesota
HOUSE OF REPRESENTATIVES
NINETIETH SESSION

H. F. No. 3277

03/01/2018 Authored by Whelan and Drazkowski
The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to taxation; property; modifying certain due dates; amending Minnesota
1.3 Statutes 2016, sections 270.12, subdivisions 2, 3; 270.96, subdivision 1; 270C.91;
1.4 272.025, subdivision 3; 273.112, subdivision 6; 273.124, subdivisions 8, 9; 273.125,
1.5 subdivision 3; 273.1315, subdivision 2; 290B.04, subdivision 1; 473F.05; 473H.05,
1.6 subdivision 1; Minnesota Statutes 2017 Supplement, sections 274.01, subdivision
1.7 1; 276.04, subdivision 3; 278.01, subdivision 1.

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

1.9 Section 1. Minnesota Statutes 2016, section 270.12, subdivision 2, is amended to read:

1.10 Subd. 2. **Meeting dates; duties.** The board shall meet annually between ~~April 15~~ May
1.11 1 and June 30 July 1 at the office of the commissioner of revenue and examine and compare
1.12 the returns of the assessment of the property in the several counties, and equalize the same
1.13 so that all the taxable property in the state shall be assessed at its market value, subject to
1.14 the following rules:

1.15 (1) The board shall add to or deduct from the aggregate valuation of the real property
1.16 of every county, which the board believes to be valued below or above its market value in
1.17 money, such percent as will bring the same to its market value;

1.18 (2) If the board believes the valuation for a part of a class determined by a range of
1.19 market value under clause (6) or otherwise, a class, or classes of the real property of any
1.20 town or district in any county, or the valuation for a part of a class, a class, or classes of the
1.21 real property of any county not in towns or cities, should be raised or reduced, without
1.22 raising or reducing the other real property of such county, or without raising or reducing it
1.23 in the same ratio, the board may add to, or take from, the valuation of a part of a class, a

2.1 class, or classes in any one or more of such towns or cities, or of the property not in towns
2.2 or cities, such percent as the board believes will raise or reduce the same to its market value;

2.3 (3) The board shall add to or take from the aggregate valuation of any part of a class, a
2.4 class, or classes of personal property of any county, town, or city, which the board believes
2.5 to be valued below or above the market value thereof, such percent as will raise the same
2.6 to its market value;

2.7 (4) The board shall not reduce the aggregate valuation of all the property of the state,
2.8 as returned by the several county auditors, more than one percent on the whole valuation
2.9 thereof;

2.10 (5) When it would be of assistance in equalizing values the board may require any county
2.11 auditor to furnish statements showing assessments of real and personal property of any
2.12 individuals, firms, or corporations within the county. The board shall consider and equalize
2.13 such assessments and may increase the assessment of individuals, firms, or corporations
2.14 above the amount returned by the county board of equalization when it shall appear to be
2.15 undervalued, first giving notice to such persons of the intention of the board so to do, which
2.16 notice shall fix a time and place of hearing. The board shall not decrease any such assessment
2.17 below the valuation placed by the county board of equalization;

2.18 (6) In equalizing values pursuant to this section, the board shall utilize a 12-month
2.19 assessment/sales ratio study conducted by the Department of Revenue containing only sales
2.20 that are filed in the county auditor's office under section 272.115, by November 1 of the
2.21 previous year and that occurred between October 1 of the year immediately preceding the
2.22 previous year and September 30 of the previous year.

2.23 The assessment/sales ratio study may separate the values of residential property into
2.24 market value categories. The board may adjust the market value categories and the number
2.25 of categories as necessary to create an adequate sample size for each market value category.
2.26 The board may determine the adequate sample size. To the extent practicable, the
2.27 methodology used in preparing the assessment/sales ratio study must be consistent with the
2.28 most recent Standard on Assessment Sales Ratio Studies published by the Assessment
2.29 Standards Committee of the International Association of Assessing Officers. The board
2.30 may determine the geographic area used in preparing the study to accurately equalize values.
2.31 A sales ratio study separating residential property into market value categories may not be
2.32 used as the basis for a petition under chapter 278.

3.1 The sales prices used in the study must be discounted for terms of financing. The board
3.2 shall use the median ratio as the statistical measure of the level of assessment for any
3.3 particular category of property; and

3.4 (7) The board shall receive from each county the estimated market values on the
3.5 assessment date falling within the study period for all parcels by a medium as prescribed
3.6 by the commissioner of revenue.

3.7 **EFFECTIVE DATE.** This section is effective beginning with assessments in 2019.

3.8 Sec. 2. Minnesota Statutes 2016, section 270.12, subdivision 3, is amended to read:

3.9 Subd. 3. **Jurisdictions in two or more counties.** When a taxing jurisdiction lies in two
3.10 or more counties, if the sales ratio studies prepared by the Department of Revenue show
3.11 that the average levels of assessment in the several portions of the taxing jurisdictions in
3.12 the different counties differ by more than five percent, the board may order the apportionment
3.13 of the levy. When the sales ratio studies prepared by the Department of Revenue show that
3.14 the average levels of assessment in the several portions of the taxing jurisdictions in the
3.15 different counties differ by more than ten percent, the board shall order the apportionment
3.16 of the levy unless (a) the proportion of total adjusted tax capacity in one of the counties is
3.17 less than ten percent of the total adjusted tax capacity in the taxing jurisdiction and the
3.18 average level of assessment in that portion of the taxing jurisdiction is the level which differs
3.19 by more than five percent from the assessment level in any one of the other portions of the
3.20 taxing jurisdiction; (b) significant changes have been made in the level of assessment in the
3.21 taxing jurisdiction which have not been reflected in the sales ratio study, and those changes
3.22 alter the assessment levels in the portions of the taxing jurisdiction so that the assessment
3.23 level now differs by five percent or less; or (c) commercial, industrial, mineral, or public
3.24 utility property predominates in one county within the taxing jurisdiction and another class
3.25 of property predominates in another county within that same taxing jurisdiction. If one or
3.26 more of these factors are present, the board may order the apportionment of the levy.

3.27 Notwithstanding any other provision, the levy for the Metropolitan Mosquito Control
3.28 District, Metropolitan Council, metropolitan transit district, and metropolitan transit area
3.29 must be apportioned without regard to the percentage difference.

3.30 If, pursuant to this subdivision, the board apportions the levy, then that levy
3.31 apportionment among the portions in the different counties shall be made in the same
3.32 proportion as the adjusted tax capacity as determined by the commissioner in each portion
3.33 is to the total adjusted tax capacity of the taxing jurisdiction.

4.1 For the purposes of this section, the average level of assessment in a taxing jurisdiction
 4.2 or portion thereof shall be the aggregate assessment sales ratio. Tax capacities as determined
 4.3 by the commissioner shall be the tax capacities as determined for the year preceding the
 4.4 year in which the levy to be apportioned is levied.

4.5 Actions pursuant to this subdivision shall be commenced subsequent to the annual
 4.6 meeting on ~~April 15~~ May 1 of the State Board of Equalization, but notice of the action shall
 4.7 be given to the affected jurisdiction and the appropriate county auditors by the following
 4.8 ~~June 30~~ July 1.

4.9 Apportionment of a levy pursuant to this subdivision shall be considered as a remedy
 4.10 to be taken after equalization pursuant to subdivision 2, and when equalization within the
 4.11 jurisdiction would disturb equalization within other jurisdictions of which the several portions
 4.12 of the jurisdiction in question are a part.

4.13 **EFFECTIVE DATE.** This section is effective beginning with assessments in 2019.

4.14 Sec. 3. Minnesota Statutes 2016, section 270.96, subdivision 1, is amended to read:

4.15 Subdivision 1. **Assessors.** Each assessor shall notify the county auditor of the
 4.16 contamination value under section 270.91 by the separate tax rate categories under
 4.17 subdivisions 2, 3, and 4 for each parcel of property within the assessor's jurisdiction. The
 4.18 assessor shall provide notice of the contamination value to the property owner by the later
 4.19 of ~~June~~ May 1 of the assessment year or 30 days after the reduction in market value is finally
 4.20 granted.

4.21 **EFFECTIVE DATE.** This section is effective beginning with assessments in 2019.

4.22 Sec. 4. Minnesota Statutes 2016, section 270C.91, is amended to read:

4.23 **270C.91 RECORD OF PROCEEDINGS CHANGING NET TAX CAPACITY;**
 4.24 **DUTIES OF COUNTY AUDITOR.**

4.25 A record of all proceedings of the commissioner affecting any change in the net tax
 4.26 capacity of any property, as revised by the State Board of Equalization, shall be kept by the
 4.27 commissioner and a copy thereof, duly certified, shall be mailed each year to the auditor of
 4.28 each county wherein such property is situated, on or before ~~June 30~~ July 1 or 30 days after
 4.29 submission of the abstract required by section 270C.89, whichever is later. This record shall
 4.30 specify the amounts or amount, or both, added to or deducted from the net tax capacity of
 4.31 the real property of each of the several towns and cities, and of the real property not in towns
 4.32 or cities, also the percent or amount of both, added to or deducted from the several classes

5.1 of personal property in each of the towns and cities, and also the amount added to or deducted
 5.2 from the assessment of any person. The county auditor shall add to or deduct from such
 5.3 tract or lot, or portion thereof, of any real property in the county the required percent or
 5.4 amount, or both, on the net tax capacity thereof as it stood after equalized by the county
 5.5 board, adding in each case a fractional sum of 50 cents or more, and deducting in each case
 5.6 any fractional sum of less than 50 cents, so that no net tax capacity of any separate tract or
 5.7 lot shall contain any fraction of a dollar; and add to, or deduct from, the several classes of
 5.8 personal property in the county the required percent or amount, or both, on the net tax
 5.9 capacity thereof as it stood after equalized by the county board, adding or deducting in
 5.10 manner aforesaid any fractional sum so that no net tax capacity of any separate class of
 5.11 personal property shall contain a fraction of a dollar, and add to or deduct from assessment
 5.12 of any person, as they stood after equalization by the county board, the required amounts
 5.13 to agree with the assessments as returned by the commissioner.

5.14 **EFFECTIVE DATE.** This section is effective beginning with assessments in 2019.

5.15 Sec. 5. Minnesota Statutes 2016, section 272.025, subdivision 3, is amended to read:

5.16 Subd. 3. **Filing dates.** (a) The statement required by subdivision 1, paragraph (a), must
 5.17 be filed with the assessor by ~~February~~ May 1 of the assessment year, however, any taxpayer
 5.18 who has filed the statement required by subdivision 1 more than 12 months prior to February
 5.19 1, 1983, or February 1 of each third year after 1983, shall file a statement by February 1,
 5.20 1983, and by ~~February~~ May 1 of each third year thereafter.

5.21 (b) For churches and houses of worship, and property solely used for educational purposes
 5.22 by academies, colleges, universities, or seminaries of learning, no statement is required after
 5.23 the statement filed for the assessment year in which the exemption began.

5.24 (c) This section does not apply to existing churches and houses of worship, and property
 5.25 solely used for educational purposes by academies, colleges, universities, or seminaries of
 5.26 learning that were exempt for taxes payable in 2011.

5.27 **EFFECTIVE DATE.** This section is effective beginning with assessments in 2019.

5.28 Sec. 6. Minnesota Statutes 2016, section 273.112, subdivision 6, is amended to read:

5.29 Subd. 6. **Application.** Application for deferment of taxes and assessment under this
 5.30 section shall be made ~~at least 60 days prior to January 2~~ by November 1 of each year. Such
 5.31 application shall be filed with the assessor of the taxing district in which the real property
 5.32 is located on such form as may be prescribed by the commissioner of revenue. The assessor

6.1 may require proof by affidavit or other written verification that the property qualifies under
6.2 subdivision 3. In the case of property operated by private clubs pursuant to subdivision 3,
6.3 clause (c)(3), in order to qualify for valuation and tax deferment under this section, the
6.4 taxpayer must submit to the assessor proof by affidavit or other written verification that the
6.5 bylaws or rules and regulations of the club meet the eligibility requirements provided under
6.6 this section. The signed affidavit or other written verification shall be sufficient demonstration
6.7 of eligibility for the assessor unless the county attorney determines otherwise.

6.8 The county assessor shall refer any question regarding the eligibility for valuation and
6.9 deferment under this section to the county attorney for advice and opinion under section
6.10 388.051, subdivision 1. Upon request of the county attorney, the taxpayer shall furnish
6.11 information that the county attorney considers necessary in order to determine eligibility
6.12 under this section.

6.13 Real estate is not entitled to valuation and deferment under this section unless the county
6.14 assessor has filed with the assessor's tax records prior to October ~~16~~ 1 a statement that the
6.15 application has been accepted.

6.16 **EFFECTIVE DATE.** This section is effective beginning with assessments in 2019.

6.17 Sec. 7. Minnesota Statutes 2016, section 273.124, subdivision 8, is amended to read:

6.18 Subd. 8. **Homestead owned by or leased to family farm corporation, joint farm**
6.19 **venture, limited liability company, or partnership.** (a) Each family farm corporation;
6.20 each joint family farm venture; and each limited liability company or partnership which
6.21 operates a family farm; is entitled to class 1b under section 273.13, subdivision 22, paragraph
6.22 (b), or class 2a assessment for one homestead occupied by a shareholder, member, or partner
6.23 thereof who is residing on the land, and actively engaged in farming of the land owned by
6.24 the family farm corporation, joint family farm venture, limited liability company, or
6.25 partnership. Homestead treatment applies even if legal title to the property is in the name
6.26 of the family farm corporation, joint family farm venture, limited liability company, or
6.27 partnership, and not in the name of the person residing on it.

6.28 "Family farm corporation," "family farm," and "partnership operating a family farm"
6.29 have the meanings given in section 500.24, except that the number of allowable shareholders,
6.30 members, or partners under this subdivision shall not exceed 12. "Limited liability company"
6.31 has the meaning contained in sections 322B.03, subdivision 28, or 322C.0102, subdivision
6.32 12, and 500.24, subdivision 2, paragraphs (l) and (m). "Joint family farm venture" means
6.33 a cooperative agreement among two or more farm enterprises authorized to operate a family
6.34 farm under section 500.24.

7.1 (b) In addition to property specified in paragraph (a), any other residences owned by
 7.2 family farm corporations, joint family farm ventures, limited liability companies, or
 7.3 partnerships described in paragraph (a) which are located on agricultural land and occupied
 7.4 as homesteads by its shareholders, members, or partners who are actively engaged in farming
 7.5 on behalf of that corporation, joint farm venture, limited liability company, or partnership
 7.6 must also be assessed as class 2a property or as class 1b property under section 273.13.

7.7 (c) Agricultural property that is owned by a member, partner, or shareholder of a family
 7.8 farm corporation or joint family farm venture, limited liability company operating a family
 7.9 farm, or by a partnership operating a family farm and leased to the family farm corporation,
 7.10 limited liability company, partnership, or joint farm venture, as defined in paragraph (a), is
 7.11 eligible for classification as class 1b or class 2a under section 273.13, if the owner is actually
 7.12 residing on the property, and is actually engaged in farming the land on behalf of that
 7.13 corporation, joint farm venture, limited liability company, or partnership. This paragraph
 7.14 applies without regard to any legal possession rights of the family farm corporation, joint
 7.15 family farm venture, limited liability company, or partnership under the lease.

7.16 (d) Nonhomestead agricultural property that is owned by a family farm corporation,
 7.17 joint farm venture, limited liability company, or partnership; and located not farther than
 7.18 four townships or cities, or combination thereof, from agricultural land that is owned, and
 7.19 used for the purposes of a homestead by an individual who is a shareholder, member, or
 7.20 partner of the corporation, venture, company, or partnership; is entitled to receive the first
 7.21 tier homestead classification rate on any remaining market value in the first homestead class
 7.22 tier that is in excess of the market value of the shareholder's, member's, or partner's class 2
 7.23 agricultural homestead property, if the owner, or someone acting on the owner's behalf
 7.24 notifies the county assessor by ~~July~~ May 1 that the property may be eligible under this
 7.25 paragraph for the current assessment year, for taxes payable in the following year. As used
 7.26 in this paragraph, "agricultural property" means property classified as 2a under section
 7.27 273.13, along with any contiguous property classified as 2b under section 273.13, if the
 7.28 contiguous 2a and 2b properties are under the same ownership.

7.29 **EFFECTIVE DATE.** This section is effective beginning with assessments in 2019.

7.30 Sec. 8. Minnesota Statutes 2016, section 273.124, subdivision 9, is amended to read:

7.31 Subd. 9. **Homestead established after assessment date.** Any property that was not
 7.32 used for the purpose of a homestead on the assessment date, but which was used for the
 7.33 purpose of a homestead on December 1 of a year, constitutes class 1 or class 2a.

8.1 Any taxpayer meeting the requirements of this subdivision must notify the county
 8.2 assessor, or the assessor who has the powers of the county assessor under section 273.063,
 8.3 in writing, by December ~~15~~ 31 of the year of occupancy in order to qualify under this
 8.4 subdivision. The assessor must not deny full homestead treatment to a property that is
 8.5 partially homesteaded on January 2 but occupied for the purpose of a full homestead on
 8.6 December 1 of a year.

8.7 The county assessor and the county auditor may make the necessary changes on their
 8.8 assessment and tax records to provide for proper homestead classification as provided in
 8.9 this subdivision.

8.10 If homestead classification has not been requested as of December ~~15~~ 31, the assessor
 8.11 will classify the property as nonhomestead for the current assessment year for taxes payable
 8.12 in the following year, provided that the owner of any property qualifying under this
 8.13 subdivision, which has not been accorded the benefits of this subdivision, may be entitled
 8.14 to receive homestead classification by proper application as provided in section 375.192.

8.15 The county assessor may publish in a newspaper of general circulation within the county
 8.16 a notice requesting the public to file an application for homestead as soon as practicable
 8.17 after acquisition of a homestead, but no later than December ~~15~~ 31.

8.18 The county assessor shall publish in a newspaper of general circulation within the county
 8.19 no later than December 1 of each year a notice informing the public of the requirement to
 8.20 file an application for homestead by December ~~15~~ 31.

8.21 In the case of manufactured homes assessed as personal property, the homestead must
 8.22 be established, and a homestead classification requested, by May ~~29~~ 1 of the assessment
 8.23 year. The assessor may include information on these deadlines for manufactured homes
 8.24 assessed as personal property in the published notice or notices.

8.25 **EFFECTIVE DATE.** This section is effective beginning with assessments in 2019.

8.26 Sec. 9. Minnesota Statutes 2016, section 273.125, subdivision 3, is amended to read:

8.27 Subd. 3. **Tax statements; penalties; collections.** Not later than July ~~15~~ 1 in the year of
 8.28 assessment the county treasurer shall mail to the taxpayer a statement of tax due on a
 8.29 manufactured home. The taxes are due on the last day of August, or 20 days after the
 8.30 postmark date on the envelope containing the property tax statement, whichever is later,
 8.31 except that if the tax exceeds \$50, one-half of the amount due may be paid on August 31,
 8.32 or 20 days after the postmark date on the envelope containing the property tax statement,
 8.33 whichever is later, and the remainder on November 15. Taxes remaining unpaid after the

9.1 due date are delinquent, and a penalty of eight percent must be assessed and collected as
 9.2 part of the unpaid taxes. The tax statement must contain a sentence notifying the taxpayer
 9.3 that the title to the manufactured home cannot be transferred unless the property taxes are
 9.4 paid.

9.5 **EFFECTIVE DATE.** This section is effective beginning with assessments in 2019.

9.6 Sec. 10. Minnesota Statutes 2016, section 273.1315, subdivision 2, is amended to read:

9.7 Subd. 2. **Class 1b homestead declaration 2009 and thereafter.** (a) Any property owner
 9.8 seeking classification and assessment of the owner's homestead as class 1b property pursuant
 9.9 to section 273.13, subdivision 22, paragraph (b), after October 1, 2008, shall file with the
 9.10 county assessor a class 1b homestead declaration, on a form prescribed by the commissioner
 9.11 of revenue. The declaration must contain the following information:

9.12 (1) the information necessary to verify that, on or before ~~June 30~~ May 1 of the filing
 9.13 year, the property owner or the owner's spouse satisfies the requirements of section 273.13,
 9.14 subdivision 22, paragraph (b), for class 1b classification; and

9.15 (2) any additional information prescribed by the commissioner.

9.16 (b) The declaration must be filed on or before ~~October~~ May 1 to be effective for property
 9.17 taxes payable during the succeeding calendar year. The Social Security numbers and income
 9.18 and medical information received from the property owner pursuant to this subdivision are
 9.19 private data on individuals as defined in section 13.02. If approved by the assessor, the
 9.20 declaration remains in effect until the property no longer qualifies under section 273.13,
 9.21 subdivision 22, paragraph (b). Failure to notify the assessor within 30 days that the property
 9.22 no longer qualifies under that paragraph because of a sale, change in occupancy, or change
 9.23 in the status or condition of an occupant shall result in the penalty provided in section
 9.24 273.124, subdivision 13b, computed on the basis of the class 1b benefits for the property,
 9.25 and the property shall lose its current class 1b classification.

9.26 **EFFECTIVE DATE.** This section is effective beginning with assessments in 2019.

9.27 Sec. 11. Minnesota Statutes 2017 Supplement, section 274.01, subdivision 1, is amended
 9.28 to read:

9.29 Subdivision 1. **Ordinary board; meetings, deadlines, grievances.** (a) The town board
 9.30 of a town, or the council or other governing body of a city, is the local board of appeal and
 9.31 equalization except (1) in cities whose charters provide for a board of equalization or (2)
 9.32 in any city or town that has transferred its local board of review power and duties to the

10.1 county board as provided in subdivision 3. The county assessor shall fix a day and time
10.2 when the local board of equalization shall meet in the assessment districts of the county.
10.3 Notwithstanding any law or city charter to the contrary, a city board of equalization shall
10.4 be referred to as a local board of appeal and equalization. On or before ~~February 15~~ March
10.5 1 of each year the assessor shall give written notice of the time to the city or town clerk.
10.6 Notwithstanding the provisions of any charter to the contrary, the meetings must be held
10.7 between April 1 and ~~May 31~~ June 1 each year. The clerk shall give published and posted
10.8 notice of the meeting at least ten days before the date of the meeting.

10.9 The board shall meet either at a central location within the county or at the office of the
10.10 clerk to review the assessment and classification of property in the town or city. No changes
10.11 in valuation or classification which are intended to correct errors in judgment by the county
10.12 assessor may be made by the county assessor after the board has adjourned in those cities
10.13 or towns that hold a local board of review; however, corrections of errors that are merely
10.14 clerical in nature or changes that extend homestead treatment to property are permitted after
10.15 adjournment until the tax extension date for that assessment year. The changes must be fully
10.16 documented and maintained in the assessor's office and must be available for review by any
10.17 person. A copy of the changes made during this period in those cities or towns that hold a
10.18 local board of review must be sent to the county board no later than December 31 of the
10.19 assessment year.

10.20 (b) The board shall determine whether the taxable property in the town or city has been
10.21 properly placed on the list and properly valued by the assessor. If real or personal property
10.22 has been omitted, the board shall place it on the list with its market value, and correct the
10.23 assessment so that each tract or lot of real property, and each article, parcel, or class of
10.24 personal property, is entered on the assessment list at its market value. No assessment of
10.25 the property of any person may be raised unless the person has been duly notified of the
10.26 intent of the board to do so. On application of any person feeling aggrieved, the board shall
10.27 review the assessment or classification, or both, and correct it as appears just. The board
10.28 may not make an individual market value adjustment or classification change that would
10.29 benefit the property if the owner or other person having control over the property has refused
10.30 the assessor access to inspect the property and the interior of any buildings or structures as
10.31 provided in section 273.20. A board member shall not participate in any actions of the board
10.32 which result in market value adjustments or classification changes to property owned by
10.33 the board member, the spouse, parent, stepparent, child, stepchild, grandparent, grandchild,
10.34 brother, sister, uncle, aunt, nephew, or niece of a board member, or property in which a
10.35 board member has a financial interest. The relationship may be by blood or marriage.

11.1 (c) A local board may reduce assessments upon petition of the taxpayer but the total
11.2 reductions must not reduce the aggregate assessment made by the county assessor by more
11.3 than one percent. If the total reductions would lower the aggregate assessments made by
11.4 the county assessor by more than one percent, none of the adjustments may be made. The
11.5 assessor shall correct any clerical errors or double assessments discovered by the board
11.6 without regard to the one percent limitation.

11.7 (d) A local board does not have authority to grant an exemption or to order property
11.8 removed from the tax rolls.

11.9 (e) A majority of the members may act at the meeting, and adjourn from day to day until
11.10 they finish hearing the cases presented. The assessor shall attend and take part in the
11.11 proceedings, but must not vote. The county assessor, or an assistant delegated by the county
11.12 assessor shall attend the meetings. The board shall list separately all omitted property added
11.13 to the list by the board and all items of property increased or decreased, with the market
11.14 value of each item of property, added or changed by the board. The county assessor shall
11.15 enter all changes made by the board.

11.16 (f) Except as provided in subdivision 3, if a person fails to appear in person, by counsel,
11.17 or by written communication before the board after being duly notified of the board's intent
11.18 to raise the assessment of the property, or if a person feeling aggrieved by an assessment
11.19 or classification fails to apply for a review of the assessment or classification, the person
11.20 may not appear before the county board of appeal and equalization for a review. This
11.21 paragraph does not apply if an assessment was made after the local board meeting, as
11.22 provided in section 273.01, or if the person can establish not having received notice of
11.23 market value at least five days before the local board meeting.

11.24 (g) The local board must complete its work and adjourn within 20 days from the time
11.25 of convening stated in the notice of the clerk, unless a longer period is approved by the
11.26 commissioner of revenue. No action taken after that date is valid. All complaints about an
11.27 assessment or classification made after the meeting of the board must be heard and
11.28 determined by the county board of equalization. A nonresident may, at any time, before the
11.29 meeting of the board file written objections to an assessment or classification with the county
11.30 assessor. The objections must be presented to the board at its meeting by the county assessor
11.31 for its consideration.

11.32 **EFFECTIVE DATE.** This section is effective beginning with assessments in 2019.

12.1 Sec. 12. Minnesota Statutes 2017 Supplement, section 276.04, subdivision 3, is amended
12.2 to read:

12.3 Subd. 3. **Mailing of tax statements.** The county treasurer shall mail to taxpayers
12.4 statements of their personal property taxes due not later than ~~March 31~~ April 1, except in
12.5 the case of manufactured homes and sectional structures taxed as personal property.
12.6 Statements of the real property taxes due shall be mailed not later than ~~March 31~~ April 1.
12.7 The validity of the tax shall not be affected by failure of the treasurer to mail the statement.
12.8 The taxpayer is defined as the owner who is responsible for the payment of the tax.

12.9 **EFFECTIVE DATE.** This section is effective beginning with assessments in 2019.

12.10 Sec. 13. Minnesota Statutes 2017 Supplement, section 278.01, subdivision 1, is amended
12.11 to read:

12.12 Subdivision 1. **Determination of validity.** (a) Any person having personal property, or
12.13 any estate, right, title, or interest in or lien upon any parcel of land, who claims that such
12.14 property has been partially, unfairly, or unequally assessed in comparison with other property
12.15 in the (1) city, or (2) county, or (3) in the case of a county containing a city of the first class,
12.16 the portion of the county excluding the first class city, or that the parcel has been assessed
12.17 at a valuation greater than its real or actual value, or that the tax levied against the same is
12.18 illegal, in whole or in part, or has been paid, or that the property is exempt from the tax so
12.19 levied, may have the validity of the claim, defense, or objection determined by the district
12.20 court of the county in which the tax is levied or by the Tax Court by serving one copy of a
12.21 petition for such determination upon the county auditor, one copy on the county attorney,
12.22 one copy on the county treasurer, and three copies on the county assessor. The county
12.23 assessor shall immediately forward one copy of the petition to the appropriate governmental
12.24 authority in a home rule charter or statutory city or town in which the property is located if
12.25 that city or town employs its own certified assessor. A copy of the petition shall also be
12.26 forwarded by the assessor to the school board of the school district in which the property
12.27 is located.

12.28 (b) In counties where the office of county treasurer has been combined with the office
12.29 of county auditor, the county may elect to require the petitioner to serve the number of
12.30 copies as determined by the county. The county assessor shall immediately forward one
12.31 copy of the petition to the appropriate governmental authority in a home rule charter or
12.32 statutory city or town in which the property is located if that city or town employs its own
12.33 certified assessor. A list of petitioned properties, including the name of the petitioner, the
12.34 identification number of the property, and the estimated market value, shall be sent on or

13.1 before the first day of July by the county auditor/treasurer to the school board of the school
13.2 district in which the property is located.

13.3 (c) For all counties, the petitioner must file the copies with proof of service, in the office
13.4 of the court administrator of the district court on or before ~~April 30~~ May 1 of the year in
13.5 which the tax becomes payable. A petition for determination under this section may be
13.6 transferred by the district court to the Tax Court. An appeal may also be taken to the Tax
13.7 Court under chapter 271 at any time following receipt of the valuation notice that county
13.8 assessors or city assessors having the powers of a county assessor are required by section
13.9 273.121 to send to persons whose property is to be included on the assessment roll that year,
13.10 but prior to May 1 of the year in which the taxes are payable.

13.11 **EFFECTIVE DATE.** This section is effective beginning with assessments in 2019.

13.12 Sec. 14. Minnesota Statutes 2016, section 290B.04, subdivision 1, is amended to read:

13.13 Subdivision 1. **Initial application.** (a) A taxpayer meeting the program qualifications
13.14 under section 290B.03 may apply to the commissioner of revenue for the deferral of taxes.
13.15 Applications are due on or before ~~July~~ May 1 for deferral of any of the following year's
13.16 property taxes. A taxpayer may apply in the year in which the taxpayer becomes 65 years
13.17 old, provided that no deferral of property taxes will be made until the calendar year after
13.18 the taxpayer becomes 65 years old. The application, which shall be prescribed by the
13.19 commissioner of revenue, shall include the following items and any other information which
13.20 the commissioner deems necessary:

13.21 (1) the name, address, and Social Security number of the owner or owners;

13.22 (2) a copy of the property tax statement for the current payable year for the homesteaded
13.23 property;

13.24 (3) the initial year of ownership and occupancy as a homestead;

13.25 (4) the owner's household income for the previous calendar year; and

13.26 (5) information on any mortgage loans or other amounts secured by mortgages or other
13.27 liens against the property, for which purpose the commissioner may require the applicant
13.28 to provide a copy of the mortgage note, the mortgage, or a statement of the balance owing
13.29 on the mortgage loan provided by the mortgage holder. The commissioner may require the
13.30 appropriate documents in connection with obtaining and confirming information on unpaid
13.31 amounts secured by other liens.

14.1 The application must state that program participation is voluntary. The application must
 14.2 also state that the deferred amount depends directly on the applicant's household income,
 14.3 and that program participation includes authorization for the annual deferred amount, the
 14.4 cumulative deferral and interest that appear on each year's notice prepared by the county
 14.5 under subdivision 6, is public data.

14.6 The application must state that program participants may claim the property tax refund
 14.7 based on the full amount of property taxes eligible for the refund, including any deferred
 14.8 amounts. The application must also state that property tax refunds will be used to offset any
 14.9 deferral and interest under this program, and that any other amounts subject to revenue
 14.10 recapture under section 270A.03, subdivision 7, will also be used to offset any deferral and
 14.11 interest under this program.

14.12 (b) As part of the initial application process, the commissioner may require the applicant
 14.13 to obtain at the applicant's own cost and submit:

14.14 (1) if the property is registered property under chapter 508 or 508A, a copy of the original
 14.15 certificate of title in the possession of the county registrar of titles (sometimes referred to
 14.16 as "condition of register"); or

14.17 (2) if the property is abstract property, a report prepared by a licensed abstracter showing
 14.18 the last deed and any unsatisfied mortgages, liens, judgments, and state and federal tax lien
 14.19 notices which were recorded on or after the date of that last deed with respect to the property
 14.20 or to the applicant.

14.21 The certificate or report under clauses (1) and (2) need not include references to any
 14.22 documents filed or recorded more than 40 years prior to the date of the certification or report.
 14.23 The certification or report must be as of a date not more than 30 days prior to submission
 14.24 of the application.

14.25 The commissioner may also require the county recorder or county registrar of the county
 14.26 where the property is located to provide copies of recorded documents related to the applicant
 14.27 or the property, for which the recorder or registrar shall not charge a fee. The commissioner
 14.28 may use any information available to determine or verify eligibility under this section. The
 14.29 household income from the application is private data on individuals as defined in section
 14.30 13.02, subdivision 12.

14.31 **EFFECTIVE DATE.** This section is effective beginning with assessments in 2019.

14.32 Sec. 15. Minnesota Statutes 2016, section 473F.05, is amended to read:

14.33 **473F.05 NET TAX CAPACITY.**

15.1 On or before August ~~5~~ 1 of each year, the assessors within each county in the area shall
15.2 determine and certify to the county auditor the net tax capacity in that year of
15.3 commercial-industrial property subject to taxation within each municipality in the county,
15.4 determined without regard to section 469.177, subdivision 3.

15.5 Sec. 16. Minnesota Statutes 2016, section 473H.05, subdivision 1, is amended to read:

15.6 Subdivision 1. **Before June 1 for next year's taxes.** An owner or owners of certified
15.7 long-term agricultural land may apply to the authority with jurisdiction over the land on
15.8 forms provided by the commissioner of agriculture for the creation of an agricultural preserve
15.9 at any time. Land for which application is received prior to ~~June~~ May 1 of any year shall
15.10 be assessed pursuant to section 473H.10 for taxes payable in the following year. Land for
15.11 which application is received on or after ~~June~~ May 1 of any year shall be assessed pursuant
15.12 to section 473H.10 in the following year. The application shall be executed and acknowledged
15.13 in the manner required by law to execute and acknowledge a deed and shall contain at least
15.14 the following information and such other information as the commissioner deems necessary:

15.15 (a) Legal description of the area proposed to be designated and parcel identification
15.16 numbers if so designated by the county auditor and the certificate of title number if the land
15.17 is registered;

15.18 (b) Name and address of owner;

15.19 (c) An affidavit by the authority evidencing that the land is certified long-term agricultural
15.20 land at the date of application;

15.21 (d) A statement by the owner covenanting that the land shall be kept in agricultural use,
15.22 and shall be used in accordance with the provisions of sections 473H.02 to 473H.17 which
15.23 exist on the date of application and providing that the restrictive covenant shall be binding
15.24 on the owner or the owner's successor or assignee, and shall run with the land.

15.25 **EFFECTIVE DATE.** This section is effective beginning with assessments in 2019.