

**SENATE  
STATE OF MINNESOTA  
NINETY-FIRST SESSION**

**S.F. No. 1344**

(SENATE AUTHORS: DZIEDZIC and Rest)

DATE  
02/18/2019

D-PG  
420 Introduction and first reading  
Referred to Taxes

OFFICIAL STATUS

1.1 A bill for an act

1.2 relating to taxation; property; making various policy and technical changes to

1.3 property tax and other miscellaneous provisions; amending Minnesota Statutes

1.4 2018, sections 138.053; 162.145, subdivision 3; 197.603, subdivision 2; 270.41,

1.5 subdivision 3; 270C.85, subdivision 2; 270C.89, subdivisions 1, 2; 270C.91;

1.6 272.115, subdivision 1; 273.061, subdivision 9; 273.0755; 273.113, subdivision

1.7 3; 273.119, subdivision 2; 273.1231, subdivision 3; 273.1245, subdivision 2;

1.8 273.136, subdivision 2; 273.1384, subdivisions 2, 3; 273.1387, subdivision 3;

1.9 273.18; 274.14; 274.16; 275.025, subdivision 1; 282.01, subdivision 6; 287.21,

1.10 subdivision 1; 290B.09, subdivision 1; 469.171, subdivision 4; 469.177, subdivision

1.11 1; 473H.08, subdivisions 1, 4, by adding a subdivision; Laws 2008, chapter 366,

1.12 article 5, section 33, as amended; Laws 2009, chapter 88, article 2, section 46,

1.13 subdivisions 1, as amended, 2, 3, as amended, 4, 5; Laws 2017, First Special

1.14 Session chapter 1, article 4, section 31; article 10, section 4; repealing Minnesota

1.15 Statutes 2018, section 275.29.

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

1.17 **ARTICLE 1**

1.18 **PROPERTY TAXES**

1.19 Section 1. Minnesota Statutes 2018, section 138.053, is amended to read:

1.20 **138.053 COUNTY HISTORICAL SOCIETY; TAX LEVY; CITIES OR TOWNS.**

1.21 The governing body of any home rule charter or statutory city or town may annually

1.22 appropriate from its general fund an amount not to exceed 0.02418 percent of estimated

1.23 market value, derived from ad valorem taxes on property or other revenues, to be paid to

1.24 the historical society of its respective city, town, or county to be used for the promotion of

1.25 historical work and to aid in defraying the expenses of carrying on the historical work in

1.26 the city, town, or county. No city or town may appropriate any funds for the benefit of any

2.1 historical society unless the society is affiliated with and approved by the Minnesota  
2.2 Historical Society.

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

2.4 Sec. 2. Minnesota Statutes 2018, section 197.603, subdivision 2, is amended to read:

2.5 Subd. 2. **Records; data privacy.** Pursuant to chapter 13 the county veterans service  
2.6 officer is the responsible authority with respect to all records in the officer's custody. The  
2.7 data on clients' applications for assistance is private data on individuals, as defined in section  
2.8 13.02, subdivision 12. The county veterans service officer may disclose to the county assessor  
2.9 private data necessary to determine a client's eligibility for the disabled veteran's homestead  
2.10 market value exclusion under section 273.13, subdivision 34.

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

2.12 Sec. 3. Minnesota Statutes 2018, section 273.1245, subdivision 2, is amended to read:

2.13 Subd. 2. **Disclosure.** The assessor shall disclose the data described in subdivision 1 to  
2.14 the commissioner of revenue as provided by law. The assessor shall also disclose all or  
2.15 portions of the data described in subdivision 1 to:

2.16 (1) the county treasurer solely for the purpose of proceeding under the Revenue Recapture  
2.17 Act to recover personal property taxes owing; and

2.18 (2) the county veterans service officer for the purpose of determining a person's eligibility  
2.19 for the disabled veteran's homestead market value exclusion under section 273.13, subdivision  
2.20 34.

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

2.22 Sec. 4. Minnesota Statutes 2018, section 282.01, subdivision 6, is amended to read:

2.23 Subd. 6. **Duties of commissioner after sale.** (a) When any sale has been made by the  
2.24 county auditor under sections 282.01 to 282.13, the auditor shall immediately certify to the  
2.25 commissioner of revenue such information relating to such sale, on such forms as the  
2.26 commissioner of revenue may prescribe as will enable the commissioner of revenue to  
2.27 prepare an appropriate deed if the sale is for cash, or keep necessary records if the sale is  
2.28 on terms; and not later than October 31 of each year the county auditor shall submit to the  
2.29 commissioner of revenue a statement of all instances wherein any payment of principal,  
2.30 interest, or current taxes on lands held under certificate, due or to be paid during the preceding  
2.31 calendar years, are still outstanding at the time such certificate is made. When such statement

3.1 shows that a purchaser or the purchaser's assignee is in default, the commissioner of revenue  
3.2 may instruct the county board of the county in which the land is located to cancel said  
3.3 certificate of sale in the manner provided by subdivision 5, provided that upon  
3.4 recommendation of the county board, and where the circumstances are such that the  
3.5 commissioner of revenue after investigation is satisfied that the purchaser has made every  
3.6 effort reasonable to make payment of both the annual installment and said taxes, and that  
3.7 there has been no willful neglect on the part of the purchaser in meeting these obligations,  
3.8 then the commissioner of revenue may extend the time for the payment for such period as  
3.9 the commissioner may deem warranted, not to exceed one year. On payment in full of the  
3.10 purchase price, appropriate conveyance in fee, in such form as may be prescribed by the  
3.11 attorney general, shall be issued by the commissioner of revenue, which conveyance must  
3.12 be recorded by the county and shall have the force and effect of a patent from the state  
3.13 subject to easements and restrictions of record at the date of the tax judgment sale, including,  
3.14 but without limitation, permits for telephone and electric power lines either by underground  
3.15 cable or conduit or otherwise, sewer and water lines, highways, railroads, and pipe lines for  
3.16 gas, liquids, or solids in suspension.

3.17 (b) The commissioner of revenue shall issue an appropriate conveyance in fee when  
3.18 approval from the county auditor is given based upon written confirmation from a licensed  
3.19 closing agent, title insurer, or title insurance agent as specified in section 82.641. For purposes  
3.20 of this paragraph, "written confirmation" means a written commitment or approval that the  
3.21 funding for the conveyance is held in an escrow account available for disbursement upon  
3.22 delivery of a conveyance. The conveyance issued by the commissioner of revenue shall not  
3.23 be effective as a conveyance until it is recorded. The conveyance shall be issued to the  
3.24 county auditor where the land is located. Upon receipt of the conveyance, the county auditor  
3.25 shall hold the conveyance until the conveyance is requested from a licensed closing agent,  
3.26 title insurer, or title insurance agent to settle and close on the conveyance. If a request for  
3.27 the conveyance is not made within 30 days of the date the conveyance is issued by the  
3.28 commissioner of revenue, the county auditor shall return the conveyance to the commissioner.  
3.29 If the conveyance is delivered to the licensed closing agent, title insurer, or title insurance  
3.30 agent and the closing does not occur within ten days of the request, the licensed closing  
3.31 agent, title insurer, or title insurance agent shall immediately return the conveyance to the  
3.32 county auditor and, upon receipt, the county auditor shall return the conveyance to the  
3.33 commissioner of revenue. The commissioner of revenue shall cancel and destroy all  
3.34 conveyances returned by the county auditor pursuant to this subdivision. The licensed closing  
3.35 agent, title insurer, or title insurance agent must promptly record the conveyance after the

4.1 closing and must deliver an attested or certified copy to the county auditor and to the grantee  
 4.2 or grantees named on the conveyance.

4.3 **EFFECTIVE DATE.** This section is effective for conveyances issued by the  
 4.4 commissioner of revenue after December 31, 2019.

4.5 Sec. 5. Minnesota Statutes 2018, section 469.171, subdivision 4, is amended to read:

4.6 Subd. 4. **Restriction.** The tax reductions provided by this section shall not apply to (1)  
 4.7 a facility the primary purpose of which is one of the following: ~~retail food and beverage~~  
 4.8 ~~services, automobile sales or service, or~~ the provision of recreation or entertainment, or a  
 4.9 private or commercial golf course, country club, massage parlor, tennis club, skating facility  
 4.10 including roller skating, skateboard, and ice skating, racquet sports facility, including any  
 4.11 handball or racquetball court, hot tub facility, suntan facility, or racetrack; (2) property of  
 4.12 a public utility; (3) property used in the operation of a financial institution; (4) property  
 4.13 owned by a fraternal or veterans' organization; or (5) ~~property of a business operating under~~  
 4.14 ~~a franchise agreement that requires the business to be located in the state; except that tax~~  
 4.15 ~~reductions may be provided to a retail food or beverage facility or an automobile sales or~~  
 4.16 ~~service facility, or a business~~ a retail food or beverage facility operating under a franchise  
 4.17 agreement that requires the business to be located in this state ~~except for such a franchised~~  
 4.18 ~~retail food or beverage facility.~~

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

4.20 Sec. 6. Minnesota Statutes 2018, section 473H.08, subdivision 1, is amended to read:

4.21 Subdivision 1. **Till expiration started.** Agricultural preserves shall continue until ~~either~~  
 4.22 ~~the landowner or~~ the authority, or a state agency or governmental unit initiates expiration  
 4.23 as provided in this section.

4.24 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
 4.25 applies to any agricultural preserve where the previously required eight-year termination  
 4.26 period under Minnesota Statutes, section 473H.08, has not yet expired.

4.27 Sec. 7. Minnesota Statutes 2018, section 473H.08, is amended by adding a subdivision to  
 4.28 read:

4.29 Subd. 3a. **Expiration for park and trail purposes.** (a) An agricultural preserve expires  
 4.30 immediately when a state agency or other governmental unit purchases the property or  
 4.31 obtains an easement over the property for the purpose of creating or expanding a public  
 4.32 trail or public park. This subdivision applies only to the portion of the agricultural preserve

5.1 acquired for trail or park purposes, and any portion of the property not acquired for trail or  
5.2 park purposes shall remain an agricultural preserve.

5.3 (b) The acquiring state agency or governmental unit shall give notice to the authority as  
5.4 provided in subdivision 4. The notice must specify the portion of the property being removed  
5.5 from the agricultural preserve and the date on which that portion expires.

5.6 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
5.7 applies to any agricultural preserve where the previously required eight-year termination  
5.8 period under Minnesota Statutes, section 473H.08, has not yet expired.

5.9 Sec. 8. Minnesota Statutes 2018, section 473H.08, subdivision 4, is amended to read:

5.10 Subd. 4. **Notice to others.** Upon receipt of the notice provided in subdivision 2 or 3a,  
5.11 or upon notice served by the authority as provided in subdivision 3, the authority shall  
5.12 forward the original notice to the county recorder for recording, or to the registrar of titles  
5.13 if the land is registered, and shall notify the county auditor, county assessor, the Metropolitan  
5.14 Council, and the county soil and water conservation district of the date of expiration.  
5.15 Designation as an agricultural preserve and all benefits and limitations accruing through  
5.16 sections 473H.02 to 473H.17 for the preserve shall cease on the date of expiration. The  
5.17 restrictive covenant contained in the application shall terminate on the date of expiration.

5.18 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
5.19 applies to any agricultural preserve where the previously required eight-year termination  
5.20 period under Minnesota Statutes, section 473H.08, has not yet expired.

5.21 Sec. 9. Laws 2008, chapter 366, article 5, section 33, the effective date, as amended by  
5.22 Laws 2013, chapter 143, article 4, section 35, is amended to read:

5.23 **EFFECTIVE DATE.** This section is effective for taxes levied in 2008, payable in 2009,  
5.24 and is repealed effective for taxes levied in ~~2018~~ 2023, payable in ~~2019~~ 2024, and thereafter.

5.25 **EFFECTIVE DATE.** This section is effective beginning with taxes payable in 2020.

5.26 Sec. 10. Laws 2009, chapter 88, article 2, section 46, subdivision 1, as amended by Laws  
5.27 2013, chapter 143, article 4, section 36, is amended to read:

5.28 Subdivision 1. **Agreement.** The city of Cloquet and Perch Lake Township, by resolution  
5.29 of each of their governing bodies, may establish the Cloquet Area Fire and Ambulance  
5.30 Special Taxing District for the purpose of providing fire or ambulance services, or both,  
5.31 throughout the district. In this section, "municipality" means home rule charter and statutory

6.1 cities, towns, and Indian tribes. The district may exercise all the powers relating to fire and  
6.2 ambulance services of the municipalities that receive fire or ambulance services, or both,  
6.3 from the district. Upon application, any other municipality may join the district with the  
6.4 agreement of the municipalities that comprise the district at the time of its application to  
6.5 join.

6.6 **EFFECTIVE DATE.** This section is effective upon compliance by the Cloquet Area  
6.7 Fire and Ambulance Special Taxing District Board with Minnesota Statutes, section 645.021,  
6.8 subdivision 3.

6.9 Sec. 11. Laws 2009, chapter 88, article 2, section 46, subdivision 2, is amended to read:

6.10 Subd. 2. **Board.** The Cloquet Area Fire and Ambulance Special Taxing District Board  
6.11 is governed by a board made up initially of one or more elected officials of the governing  
6.12 body of each participating municipality in the proportions set out in the establishing  
6.13 resolution, subject to change as provided in the district's charter, if any, or in the district's  
6.14 bylaws. Each municipality's representatives serve at the pleasure of that municipality's  
6.15 governing body.

6.16 **EFFECTIVE DATE.** This section is effective upon compliance by the Cloquet Area  
6.17 Fire and Ambulance Special Taxing District Board with Minnesota Statutes, section 645.021,  
6.18 subdivision 3.

6.19 Sec. 12. Laws 2009, chapter 88, article 2, section 46, subdivision 3, as amended by Laws  
6.20 2013, chapter 143, article 4, section 37, is amended to read:

6.21 Subd. 3. **Tax.** The district board may impose a property tax on taxable property as  
6.22 provided in this subdivision to pay the costs of providing fire or ambulance services, or  
6.23 both, throughout the district. The board shall annually determine the total amount of the  
6.24 levy that is attributable to the cost of providing fire services and the cost of providing  
6.25 ambulance services within the primary service area. For those municipalities that only  
6.26 receive ambulance services, the costs for the provision of ambulance services shall be levied  
6.27 against taxable property within those municipalities at a rate necessary not to exceed 0.019  
6.28 percent of the estimated market value. For those municipalities that receive both fire and  
6.29 ambulance services, the tax shall be imposed at a rate that does not exceed 0.2835 percent  
6.30 of estimated market value.

6.31 When a member municipality opts to receive fire service from the district or an additional  
6.32 municipality becomes a member of the district, the cost of providing fire services to that  
6.33 community shall be determined by the board and added to the maximum levy amount.

7.1 Each county auditor of a county that contains a municipality subject to the tax under  
 7.2 this section must collect the tax and pay it to the Fire and Ambulance Special Taxing District.  
 7.3 The district may also impose other fees or charges as allowed by law for the provision of  
 7.4 fire and ambulance services.

7.5 **EFFECTIVE DATE.** This section is effective upon compliance by the Cloquet Area  
 7.6 Fire and Ambulance Special Taxing District Board with Minnesota Statutes, section 645.021,  
 7.7 subdivision 3.

7.8 Sec. 13. Laws 2009, chapter 88, article 2, section 46, subdivision 4, is amended to read:

7.9 Subd. 4. **Public indebtedness.** The district may incur debt in the manner provided for  
 7.10 in Minnesota Statutes, chapter 475, and the district shall be considered a municipality by  
 7.11 Minnesota Statutes, chapter 475, when necessary to accomplish its duties., as defined in  
 7.12 Minnesota Statutes, sections 475.51, subdivision 2, and 475.521, subdivision 1, paragraph  
 7.13 (c), and may issue certificates of indebtedness or capital notes in the manner provided for  
 7.14 a city under Minnesota Statutes, section 412.301, when necessary to accomplish its duties.  
 7.15 Any tax levied to pay debt of the district shall be levied in the amounts required and in  
 7.16 accordance with Minnesota Statutes, section 475.61. The debt service for debt, the proceeds  
 7.17 of which financed capital costs for ambulance service, shall be levied against taxable property  
 7.18 within those municipalities in the primary service area. The debt service for debt, the proceeds  
 7.19 of which financed capital costs for fire service, shall be levied against taxable property  
 7.20 within those municipalities receiving fire services.

7.21 **EFFECTIVE DATE.** This section is effective upon compliance by the Cloquet Area  
 7.22 Fire and Ambulance Special Taxing District Board with Minnesota Statutes, section 645.021,  
 7.23 subdivision 3.

7.24 Sec. 14. Laws 2009, chapter 88, article 2, section 46, subdivision 5, is amended to read:

7.25 Subd. 5. **Withdrawal.** Notice of intent to withdraw from participation in the district  
 7.26 may be given only in the month of January, with a minimum of twelve months notice of  
 7.27 intent to withdraw. Withdrawal becomes effective for taxes levied pursuant to subdivision  
 7.28 3 in the year when the notice is given. A property tax levied by the district on taxable  
 7.29 property located in a withdrawing municipality to make debt service payments for obligations  
 7.30 issued by the district pursuant to subdivision 4 shall remain in effect until the obligations  
 7.31 outstanding on the date of withdrawal are satisfied, including any property tax levied in  
 7.32 connection with a refunding of such obligations. The district and its members may develop  
 7.33 and agree upon other continuing obligations after withdrawal of a municipality.

8.1 **EFFECTIVE DATE.** This section is effective upon compliance by the Cloquet Area  
 8.2 Fire and Ambulance Special Taxing District Board with Minnesota Statutes, section 645.021,  
 8.3 subdivision 3.

8.4 Sec. 15. Laws 2017, First Special Session chapter 1, article 4, section 31, is amended to  
 8.5 read:

8.6 Sec. 31. **APPROPRIATION; FIRE REMEDIATION GRANTS.**

8.7 \$1,392,258 is appropriated in fiscal year 2018 from the general fund to the commissioner  
 8.8 of public safety for grants to remediate the effects of fires in the city of Melrose on September  
 8.9 8, 2016. The commissioner must allocate the grants as follows:

8.10 (1) ~~\$1,296,458~~ \$1,381,258 to the city of Melrose; and

8.11 (2) ~~\$95,800~~ \$11,000 to Stearns County.

8.12 A grant recipient must use the money appropriated under this section for remediation  
 8.13 costs, including disaster recovery, infrastructure, reimbursement for emergency personnel  
 8.14 costs, reimbursement for equipment costs, and reimbursements for property tax abatements,  
 8.15 incurred by public or private entities as a result of the fires. This is a onetime appropriation  
 8.16 and is available until June 30, ~~2018~~ 2021.

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

8.18 Sec. 16. Laws 2017, First Special Session chapter 1, article 10, section 4, the effective  
 8.19 date, is amended to read:

8.20 **EFFECTIVE DATE; APPLICATION.** This section is effective for applications and  
 8.21 certifications made in 2018 and thereafter, except the repeal of the exclusion of land under  
 8.22 item (iii) is effective retroactively for payments due under Minnesota Statutes, section  
 8.23 290C.08, beginning for payments due to be made in 2014. In order to qualify for retroactive  
 8.24 payments, the following requirements must be met: (1) the owner of land exceeding 60,000  
 8.25 acres that is subject to a single conservation easement funded under Minnesota Statutes,  
 8.26 section 97A.056 or a comparable permanent easement conveyed to a governmental or  
 8.27 nonprofit entity, must submit an application to the commissioner of revenue, in a form and  
 8.28 manner and at a time acceptable to the commissioner, establishing that the affected property  
 8.29 and its use met the requirement of Minnesota Statutes, chapter 290C, as amended by this  
 8.30 section; (2) the owner and each county in which the land is located must certify to the  
 8.31 commissioner that no petitions challenging the market value of the property are pending  
 8.32 under Minnesota Statutes, chapter 278; and (3) the requirements of clauses (1) and (2) must

9.1 be satisfied by October 1, 2017. No interest accrues on payment under this section for  
 9.2 periods before November 1, 2017.

9.3 **EFFECTIVE DATE.** This section is effective retroactively for certifications made in  
 9.4 2018 and thereafter.

## 9.5 ARTICLE 2

### 9.6 DEPARTMENT OF REVENUE; PROPERTY TAX; POLICY CHANGES

9.7 Section 1. Minnesota Statutes 2018, section 162.145, subdivision 3, is amended to read:

9.8 Subd. 3. **Administration.** (a) Subject to funds made available by law, the commissioner  
 9.9 shall allocate all funds as provided in subdivision 4 and shall ~~notify~~, by June 1, certify to  
 9.10 the commissioner of revenue the amounts to be paid.

9.11 (b) Following ~~notification~~ certification from the commissioner ~~of transportation~~, the  
 9.12 commissioner of revenue shall distribute the specified funds to cities in the same manner  
 9.13 as local government aid under chapter 477A. An appropriation to the commissioner ~~of~~  
 9.14 ~~transportation~~ under this section is available to the commissioner of revenue for the purposes  
 9.15 specified in this paragraph.

9.16 (c) Notwithstanding other law to the contrary, in order to receive distributions under  
 9.17 this section, a city must conform to the standards in section 477A.017, subdivision 2. A city  
 9.18 that receives funds under this section must make and preserve records necessary to show  
 9.19 that the funds are spent in compliance with subdivision 4.

9.20 **EFFECTIVE DATE.** This section is effective for aids payable in 2019 and thereafter.

9.21 Sec. 2. Minnesota Statutes 2018, section 270.41, subdivision 3, is amended to read:

9.22 Subd. 3. **Assessor sanctions; refusal to license.** (a) Following a recommendation from  
 9.23 the commissioner of revenue, the board may (i) refuse to grant or renew, or may suspend  
 9.24 or revoke, a license of an applicant or licensee, or (ii) censure, warn, or fine any licensed  
 9.25 assessor, or any other person employed by an assessment jurisdiction or contracting with  
 9.26 an assessment jurisdiction for the purpose of valuing or classifying property for property  
 9.27 tax purposes, for any of the following causes or acts:

9.28 (1) failure to complete required training;

9.29 (2) inefficiency or neglect of duty;

10.1 (3) failure to comply with the Code of Conduct and Ethics for Licensed Minnesota  
 10.2 Assessors adopted by the board pursuant to Laws 2005, First Special Session chapter 3,  
 10.3 article 1, section 38;

10.4 (4) conviction of a crime involving moral turpitude;

10.5 (5) failure to faithfully and fully perform his or her duties through malfeasance,  
 10.6 misfeasance, or nonfeasance; or

10.7 (6) any other cause or act that in the board's opinion warrants a refusal to issue a license  
 10.8 or the imposition of a sanction provided under this subdivision.

10.9 (b) When appropriate for the level of infraction, a written warning must be given to  
 10.10 assessors who have no prior identified infractions. The warning must identify the infraction  
 10.11 and, as appropriate, detail future expectations of performance and behavior. Fines must not  
 10.12 exceed \$1,000 for the first occurrence and must not exceed \$3,000 for each occurrence  
 10.13 thereafter, and suspensions must not exceed one year for each occurrence, depending in  
 10.14 each case upon the severity of the infraction and the level of negligence or intent. The  
 10.15 commissioner of revenue shall give notice to an applicant or licensee of the commissioner's  
 10.16 recommendation that the board impose sanctions or refuse to grant or renew a license. An  
 10.17 action by the board to impose a ~~sanction~~ fine, to suspend or revoke a license, or to refuse  
 10.18 to grant or renew a license is subject to review in a contested case hearing under chapter  
 10.19 14. A licensee must submit a request for a hearing to the board within 30 days of the notice  
 10.20 date of the commissioner's recommendation for sanctions or for refusal to grant or renew  
 10.21 a license.

10.22 **EFFECTIVE DATE.** This section is effective for sanctions or refusals to grant or renew  
 10.23 a license recommended by the commissioner of revenue after June 30, 2019.

10.24 Sec. 3. Minnesota Statutes 2018, section 272.115, subdivision 1, is amended to read:

10.25 Subdivision 1. **Requirement.** Except as otherwise provided in subdivision 5, 6, or 7,  
 10.26 whenever any real estate is sold for a consideration in excess of ~~\$1,000~~ \$3,000, whether by  
 10.27 warranty deed, quitclaim deed, contract for deed or any other method of sale, the grantor,  
 10.28 grantee or the legal agent of either shall file a certificate of value with the county auditor  
 10.29 in the county in which the property is located when the deed or other document is presented  
 10.30 for recording. Contract for deeds are subject to recording under section 507.235, subdivision  
 10.31 1. Value shall, in the case of any deed not a gift, be the amount of the full actual consideration  
 10.32 thereof, paid or to be paid, including the amount of any lien or liens assumed. The items  
 10.33 and value of personal property transferred with the real property must be listed and deducted

11.1 from the sale price. The certificate of value shall include the classification to which the  
11.2 property belongs for the purpose of determining the fair market value of the property, and  
11.3 shall include any proposed change in use of the property known to the person filing the  
11.4 certificate that could change the classification of the property. The certificate shall include  
11.5 financing terms and conditions of the sale which are necessary to determine the actual,  
11.6 present value of the sale price for purposes of the sales ratio study. If the property is being  
11.7 acquired as part of a like-kind exchange under section 1031 of the Internal Revenue Code  
11.8 of 1986, as amended through December 31, 2006, that must be indicated on the certificate.  
11.9 The commissioner of revenue shall promulgate administrative rules specifying the financing  
11.10 terms and conditions which must be included on the certificate. The certificate of value  
11.11 must include the Social Security number or the federal employer identification number of  
11.12 the grantors and grantees. However, a married person who is not an owner of record and  
11.13 who is signing a conveyance instrument along with the person's spouse solely to release  
11.14 and convey their marital interest, if any, in the real property being conveyed is not a grantor  
11.15 for the purpose of the preceding sentence. A statement in the deed that is substantially in  
11.16 the following form is sufficient to allow the county auditor to accept a certificate for filing  
11.17 without the Social Security number of the named spouse: "(Name) claims no ownership  
11.18 interest in the real property being conveyed and is executing this instrument solely to release  
11.19 and convey a marital interest, if any, in that real property." The identification numbers of  
11.20 the grantors and grantees are private data on individuals or nonpublic data as defined in  
11.21 section 13.02, subdivisions 9 and 12, but, notwithstanding that section, the private or  
11.22 nonpublic data may be disclosed to the commissioner of revenue for purposes of tax  
11.23 administration. The information required to be shown on the certificate of value is limited  
11.24 to the information required as of the date of the acknowledgment on the deed or other  
11.25 document to be recorded.

11.26 **EFFECTIVE DATE.** This section is effective for certificates of value filed after  
11.27 December 31, 2019.

11.28 Sec. 4. Minnesota Statutes 2018, section 287.21, subdivision 1, is amended to read:

11.29 Subdivision 1. **Determination of tax.** (a) A tax is imposed on each deed or instrument  
11.30 by which any real property in this state is granted, assigned, transferred, or otherwise  
11.31 conveyed. The tax applies against the net consideration. For purposes of the tax, the  
11.32 conversion of a corporation to a limited liability company, a limited liability company to a  
11.33 corporation, a partnership to a limited partnership, a limited partnership to another limited  
11.34 partnership or other entity, or a similar conversion of one entity to another does not grant,  
11.35 assign, transfer, or convey real property.

12.1 (b) The tax is determined in the following manner: (1) when transfers are made by  
12.2 instruments pursuant to (i) consolidations or mergers, or (ii) designated transfers, the tax is  
12.3 \$1.65; (2) when there is no consideration or when the consideration, exclusive of the value  
12.4 of any lien or encumbrance remaining thereon at the time of sale, is ~~\$500~~ \$3,000 or less,  
12.5 the tax is \$1.65; or (3) when the consideration, exclusive of the value of any lien or  
12.6 encumbrance remaining at the time of sale, exceeds ~~\$500~~ \$3,000, the tax is .0033 of the net  
12.7 consideration.

12.8 (c) If, within six months from the date of a designated transfer, an ownership interest in  
12.9 the grantee entity is transferred by an initial owner to any person or entity with the result  
12.10 that the designated transfer would not have been a designated transfer if made to the grantee  
12.11 entity with its subsequent ownership, then a tax is imposed at .0033 of the net consideration  
12.12 for the designated transfer. If the subsequent transfer of ownership interests was reasonably  
12.13 expected at the time of the designated transfer, the applicable penalty under section 287.31,  
12.14 subdivision 1, must be paid. The deed tax imposed under this paragraph is due within 30  
12.15 days of the subsequent transfer that caused the tax to be imposed under this paragraph.  
12.16 Involuntary transfers of ownership shall not be considered transfers of ownership under this  
12.17 paragraph. The commissioner may adopt rules defining the types of transfers to be considered  
12.18 involuntary.

12.19 (d) The tax is due at the time a taxable deed or instrument is presented for recording,  
12.20 except as provided in paragraph (c). The commissioner may require the tax to be documented  
12.21 in a manner prescribed by the commissioner, and may require that the documentation be  
12.22 attached to and recorded as part of the deed or instrument. The county recorder or registrar  
12.23 of titles shall accept the attachment for recording as part of the deed or instrument and may  
12.24 not require, as a condition of recording a deed or instrument, evidence that a transfer is a  
12.25 designated transfer in addition to that required by the commissioner. Such an attachment  
12.26 shall not, however, provide actual or constructive notice of the information contained therein  
12.27 for purposes of determining any interest in the real property. The commissioner shall  
12.28 prescribe the manner in which the tax due under paragraph (c) is to be paid and may require  
12.29 grantees of designated transfers to file with the commissioner subsequent statements verifying  
12.30 that the tax provided under paragraph (c) does not apply.

12.31 **EFFECTIVE DATE.** This section is effective for deeds recorded after December 31,  
12.32 2019.

13.1

**ARTICLE 3**13.2 **DEPARTMENT OF REVENUE; PROPERTY TAXES; TECHNICAL CHANGES**

13.3 Section 1. Minnesota Statutes 2018, section 270C.85, subdivision 2, is amended to read:

13.4 Subd. 2. **Powers and duties.** The commissioner shall have and exercise the following  
13.5 powers and duties in administering the property tax laws:13.6 ~~(a)~~ (1) confer with, advise, and give the necessary instructions and directions to local  
13.7 assessors and local boards of review throughout the state as to their duties under the laws  
13.8 of the state;13.9 ~~(b)~~ (2) direct proceedings, actions, and prosecutions to be instituted to enforce the laws  
13.10 relating to the liability and punishment of public officers and officers and agents of  
13.11 corporations for failure or negligence to comply with the provisions of the property tax  
13.12 laws, and cause complaints to be made against local assessors, members of boards of  
13.13 equalization, members of boards of review, or any other assessing or taxing officer, to the  
13.14 proper authority, for their removal from office for misconduct or negligence of duty;13.15 ~~(c)~~ (3) require county attorneys to assist in the commencement of prosecutions in actions  
13.16 or proceedings for removal, forfeiture, and punishment, for violation of the property tax  
13.17 laws in their respective districts or counties;13.18 ~~(d)~~ (4) require town, city, county, and other public officers to report and certify  
13.19 information, at the parcel level or in the aggregate, as to the assessment and taxation of real  
13.20 and personal property, and such other information as may be needful in the work of the  
13.21 commissioner, ~~in such form as the commissioner may prescribe.~~ The commissioner shall  
13.22 prescribe the content, format, manner, and time of filing of all required reports and  
13.23 certifications;13.24 ~~(e)~~ (5) transmit to the governor, on or before the third Monday in December of each  
13.25 even-numbered year, and to each member of the legislature, on or before November 15 of  
13.26 each even-numbered year, the report of the department for the preceding years, showing all  
13.27 the taxable property subject to the property tax laws and the value of the same, in tabulated  
13.28 form;13.29 ~~(f)~~ (6) inquire into the methods of assessment and taxation and ascertain whether the  
13.30 assessors faithfully discharge their duties; and13.31 ~~(g)~~ (7) assist local assessors in determining the estimated market value of industrial  
13.32 special-use property. For purposes of this ~~paragraph~~ clause, "industrial special-use property"  
13.33 means property that:

- 14.1 ~~(1)~~ (i) is designed and equipped for a particular type of industry;
- 14.2 ~~(2)~~ (ii) is not easily adapted to some other use due to the unique nature of the facilities;
- 14.3 ~~(3)~~ (iii) has facilities totaling at least 75,000 square feet in size; and
- 14.4 ~~(4)~~ (iv) has a total estimated market value of \$10,000,000 or greater based on the
- 14.5 assessor's preliminary determination.

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

14.7 Sec. 2. Minnesota Statutes 2018, section 270C.89, subdivision 1, is amended to read:

14.8 Subdivision 1. **Initial report.** Each county assessor shall file by ~~April 1~~ with the

14.9 commissioner a copy of ~~the abstract~~ preliminary assessment information that the

14.10 commissioner may require under section 270C.85, subdivision 2, clause (4), that will be

14.11 acted upon by the local and county boards of review. ~~The abstract must list the real and~~

14.12 ~~personal property in the county itemized by assessment districts.~~ The assessor of each county

14.13 in the state shall file with the commissioner, within ten working days following final action

14.14 of the local board of review or equalization and within five days following final action of

14.15 the county board of equalization, any changes made by the local or county board. ~~The~~

14.16 ~~information must be filed in the manner prescribed by the commissioner.~~

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

14.18 Sec. 3. Minnesota Statutes 2018, section 270C.89, subdivision 2, is amended to read:

14.19 Subd. 2. **Final report.** The final ~~abstract of assessments~~ assessment information after

14.20 adjustments by the State Board of Equalization and inclusion of any omitted property shall

14.21 be ~~submitted~~ reported to the commissioner ~~on or before September 1 of each calendar year~~

14.22 under section 270C.85, subdivision 2, clause (4). ~~The final abstract must separately report~~

14.23 ~~the captured tax capacity of tax increment financing districts under section 469.177,~~

14.24 ~~subdivision 2, the areawide net tax capacity contribution values determined under sections~~

14.25 ~~276A.05, subdivision 1, and 473F.07, subdivision 1, and the value subject to the power line~~

14.26 ~~credit under section 273.42.~~

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

15.1 Sec. 4. Minnesota Statutes 2018, section 270C.91, is amended to read:

15.2 **270C.91 RECORD OF PROCEEDINGS CHANGING NET TAX CAPACITY;**  
 15.3 **DUTIES OF COUNTY AUDITOR.**

15.4 A record of all proceedings of the commissioner affecting any change in the net tax  
 15.5 capacity of any property, as revised by the State Board of Equalization, shall be kept by the  
 15.6 commissioner and a copy thereof, duly certified, shall be mailed each year to the auditor of  
 15.7 each county wherein such property is situated, on or before June 30 ~~or 30 days after~~  
 15.8 ~~submission of the abstract required by section 270C.89, whichever is later.~~ This record shall  
 15.9 specify the amounts or amount, or both, added to or deducted from the net tax capacity of  
 15.10 the real property of each of the several towns and cities, and of the real property not in towns  
 15.11 or cities, also the percent or amount of both, added to or deducted from the several classes  
 15.12 of personal property in each of the towns and cities, and also the amount added to or deducted  
 15.13 from the assessment of any person. The county auditor shall add to or deduct from such  
 15.14 tract or lot, or portion thereof, of any real property in the county the required percent or  
 15.15 amount, or both, on the net tax capacity thereof as it stood after equalized by the county  
 15.16 board, adding in each case a fractional sum of 50 cents or more, and deducting in each case  
 15.17 any fractional sum of less than 50 cents, so that no net tax capacity of any separate tract or  
 15.18 lot shall contain any fraction of a dollar; and add to, or deduct from, the several classes of  
 15.19 personal property in the county the required percent or amount, or both, on the net tax  
 15.20 capacity thereof as it stood after equalized by the county board, adding or deducting in  
 15.21 manner aforesaid any fractional sum so that no net tax capacity of any separate class of  
 15.22 personal property shall contain a fraction of a dollar, and add to or deduct from assessment  
 15.23 of any person, as they stood after equalization by the county board, the required amounts  
 15.24 to agree with the assessments as returned by the commissioner.

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

15.26 Sec. 5. Minnesota Statutes 2018, section 273.061, subdivision 9, is amended to read:

15.27 Subd. 9. **Additional general duties.** Additional duties of the county assessor ~~shall be~~  
 15.28 are as follows:

15.29 (1) to make all assessments, based upon the appraised values reported by the local  
 15.30 assessors or assistants and the county assessor's own knowledge of the value of the property  
 15.31 assessed;

15.32 (2) to personally view and determine the value of any property ~~which~~ that because of  
 15.33 its type or character may be difficult for the local assessor to appraise;

16.1 (3) to make all changes ordered by the local boards of review, relative to the net tax  
 16.2 capacity of the property of any individual, firm or corporation after notice has been given  
 16.3 and hearings held as provided by law;

16.4 (4) to enter all assessments in the assessment books, furnished by the county auditor,  
 16.5 with each book and the tabular statements for each book in correct balance;

16.6 (5) to prepare all assessment cards, charts, maps and any other forms prescribed by the  
 16.7 commissioner of revenue;

16.8 (6) to attend the meeting of the county board of equalization; to investigate and report  
 16.9 on any assessment ordered by said board; to enter all changes made by said board in the  
 16.10 assessment books and prepare ~~the abstract of assessments for the commissioner of revenue~~  
 16.11 information reported to the commissioner under section 270C.85, subdivision 2, clause (4);  
 16.12 to enter all changes made by the State Board of Equalization in the assessment books; to  
 16.13 deduct all exemptions authorized by law from each assessment and certify to the county  
 16.14 auditor the taxable value of each parcel of land, as described and listed in the assessment  
 16.15 books by the county auditor, and the taxable value of the personal property of each person,  
 16.16 firm, or corporation assessed;

16.17 (7) to investigate and make recommendations relative to all applications for the abatement  
 16.18 of taxes or applications for the reduction of the net tax capacity of any property; and

16.19 (8) to perform all other duties relating to the assessment of property for the purpose of  
 16.20 taxation which may be required by the commissioner of revenue.

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

16.22 Sec. 6. Minnesota Statutes 2018, section 273.0755, is amended to read:

16.23 **273.0755 TRAINING AND EDUCATION OF PROPERTY TAX PERSONNEL.**

16.24 (a) Beginning with the four-year period starting on July 1, 2000, every person licensed  
 16.25 by the state Board of Assessors at the Accredited Minnesota Assessor level or higher, shall  
 16.26 successfully complete a weeklong Minnesota laws course sponsored by the Department of  
 16.27 Revenue at least once in every four-year period. An assessor need not attend the course if  
 16.28 they successfully pass the test for the course.

16.29 (b) The commissioner of revenue may require that each county, and each city for which  
 16.30 the city assessor performs the duties of county assessor, have ~~(i)~~ (1) a person on the assessor's  
 16.31 staff who is certified by the Department of Revenue in sales ratio calculations, ~~(ii)~~ (2) an  
 16.32 officer or employee who is certified by the Department of Revenue in tax calculations, and

17.1 ~~(iii) (3)~~ an officer or employee who is certified by the Department of Revenue in the proper  
 17.2 preparation of ~~abstracts of assessment. The commissioner of revenue may require that each~~  
 17.3 ~~county have an officer or employee who is certified by the Department of Revenue in the~~  
 17.4 ~~proper preparation of abstracts of tax lists~~ information reported to the commissioner under  
 17.5 section 270C.85, subdivision 2, clause (4). Certifications under this paragraph expire after  
 17.6 four years.

17.7 (c) Beginning with the four-year educational licensing period starting on July 1, 2004,  
 17.8 every Minnesota assessor licensed by the State Board of Assessors must attend and participate  
 17.9 in a seminar that focuses on ethics, professional conduct and the need for standardized  
 17.10 assessment practices developed and presented by the commissioner of revenue. This  
 17.11 requirement must be met at least once in every subsequent four-year period. This requirement  
 17.12 applies to all assessors licensed for one year or more in the four-year period.

17.13 (d) When the commissioner of revenue determines that an individual or board that  
 17.14 performs functions related to property tax administration has performed those functions in  
 17.15 a manner that is not uniform or equitable, the commissioner may require that the individual  
 17.16 or members of the board complete supplemental training. The commissioner may not require  
 17.17 that an individual complete more than 32 hours of supplemental training pursuant to this  
 17.18 paragraph. If the individual is required to complete supplemental training due to that  
 17.19 individual's membership on a local or county board of appeal and equalization, the  
 17.20 commissioner may not require that the individual complete more than two hours of  
 17.21 supplemental training.

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

17.23 Sec. 7. Minnesota Statutes 2018, section 273.113, subdivision 3, is amended to read:

17.24 Subd. 3. **Reimbursement for lost revenue.** The county auditor shall certify to the  
 17.25 commissioner of revenue, ~~as part of the abstracts of tax lists required to be filed with the~~  
 17.26 ~~commissioner~~ under section ~~275.29~~ 270C.85, subdivision 2, clause (4), the amount of tax  
 17.27 lost to the county from the property tax credit under subdivision 2. Any prior year adjustments  
 17.28 must also be certified ~~in the abstracts of tax lists.~~ The commissioner of revenue shall review  
 17.29 the certifications to determine their accuracy. The commissioner may make the changes in  
 17.30 the certification that are considered necessary or return a certification to the county auditor  
 17.31 for corrections. The commissioner shall reimburse each taxing district, other than school  
 17.32 districts, for the taxes lost. The payments must be made at the time provided in section  
 17.33 473H.10 for payment to taxing jurisdictions in the same proportion that the ad valorem tax  
 17.34 is distributed. Reimbursements to school districts must be made as provided in section

18.1 273.1392. The amount necessary to make the reimbursements under this section is annually  
 18.2 appropriated from the general fund to the commissioner of revenue.

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

18.4 Sec. 8. Minnesota Statutes 2018, section 273.119, subdivision 2, is amended to read:

18.5 Subd. 2. **Reimbursement for lost revenue.** The county may transfer money from the  
 18.6 county conservation account created in section 40A.152 to the county revenue fund to  
 18.7 reimburse the fund for the cost of the property tax credit. The county auditor shall certify  
 18.8 to the commissioner of revenue, ~~as part of the abstracts of tax lists required to be filed with~~  
 18.9 ~~the commissioner~~ under section ~~275.29~~ 270C.85, subdivision 2, clause (4), the amount of  
 18.10 tax lost to the county from the property tax credit under subdivision 1 and the extent that  
 18.11 the tax lost exceeds funds available in the county conservation account. Any prior year  
 18.12 adjustments must also be certified ~~in the abstracts of tax lists~~. The commissioner of revenue  
 18.13 shall review the certifications to determine their accuracy. The commissioner may make  
 18.14 the changes in the certification that are considered necessary or return a certification to the  
 18.15 county auditor for corrections. The commissioner shall reimburse each taxing district, other  
 18.16 than school districts, from the Minnesota conservation fund under section 40A.151 for the  
 18.17 taxes lost in excess of the county account. The payments must be made at the time provided  
 18.18 in section 473H.10, subdivision 3, for payment to taxing jurisdictions in the same proportion  
 18.19 that the ad valorem tax is distributed.

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

18.21 Sec. 9. Minnesota Statutes 2018, section 273.1231, subdivision 3, is amended to read:

18.22 Subd. 3. **Disaster or emergency area.** (a) "Disaster or emergency area" means a  
 18.23 geographic area for which:

18.24 (1)(i) the president of the United States, the secretary of agriculture, or the administrator  
 18.25 of the Small Business Administration has determined that a disaster exists pursuant to federal  
 18.26 law, or

18.27 (ii) a local emergency has been declared pursuant to section 12.29; and

18.28 (2) an application by the local unit of government requesting property tax relief under  
 18.29 this section has been received by the governor and approved by the executive council.

18.30 (b) The executive council must not approve an application unless:

18.31 (1) a completed disaster survey is included; and

19.1 (2) within the boundaries of the applicant, (i) the average damage for the buildings that  
 19.2 are damaged is at least \$5,000, and (ii) either at least 25 taxable buildings were damaged,  
 19.3 or the total dollar amount of damage to all taxable buildings equals or exceeds one percent  
 19.4 of the total taxable market value of buildings for the applicant as reported to the commissioner  
 19.5 of revenue under section ~~270C.89, subdivision 2~~ 270C.85, subdivision 2, clause (4), for the  
 19.6 assessment in the year prior to the year of the damage.

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

19.8 Sec. 10. Minnesota Statutes 2018, section 273.136, subdivision 2, is amended to read:

19.9 Subd. 2. **Reduction amounts submitted to county.** The commissioner of revenue shall  
 19.10 determine, not later than April 1 of each year, the amount of reduction resulting from section  
 19.11 273.135 in each county containing a tax relief area as defined by section 273.134, paragraph  
 19.12 (b), basing determinations on a review of ~~abstracts of tax lists submitted by the county~~  
 19.13 ~~auditors pursuant to section 275.29~~ information reported to the commissioner under section  
 19.14 270C.85, subdivision 2, clause (4). The commissioner may make changes ~~in the abstracts~~  
 19.15 ~~of tax lists~~ as deemed necessary. The commissioner of revenue, after such review, shall  
 19.16 submit to the St. Louis County auditor, on or before April 15, the amount of the first half  
 19.17 payment payable hereunder and on or before September 15 the amount of the second half  
 19.18 payment.

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

19.20 Sec. 11. Minnesota Statutes 2018, section 273.1384, subdivision 2, is amended to read:

19.21 Subd. 2. **Agricultural homestead market value credit.** Property classified as agricultural  
 19.22 homestead under section 273.13, subdivision 23, paragraph (a), is eligible for an agricultural  
 19.23 credit. The credit is computed using the property's agricultural credit market value, defined  
 19.24 for this purpose as the property's market value excluding the market value of the house,  
 19.25 garage, and immediately surrounding one acre of land. The credit is equal to 0.3 percent of  
 19.26 the first \$115,000 of the property's agricultural credit market value plus 0.1 percent of the  
 19.27 property's agricultural credit market value in excess of \$115,000, subject to a maximum  
 19.28 credit of \$490 for a full agricultural homestead. In the case of property that is classified as  
 19.29 part homestead and part nonhomestead solely because not all the owners occupy or farm  
 19.30 the property, not all the owners have qualifying relatives occupying or farming the property,  
 19.31 or solely because not all the spouses of owners occupy the property, the credit is computed  
 19.32 on the amount of agricultural credit market value corresponding to the percentage of  
 19.33 homestead, and the maximum credit equals \$490 multiplied by the percentage of homestead.

20.1 The percentage of homestead is equal to 100 divided by the number of owners of the property,  
 20.2 or, in the case of a trust, the number of grantors of the trust that owns the property.

20.3 **EFFECTIVE DATE.** This section is effective for taxes payable in 2019 and thereafter.

20.4 Sec. 12. Minnesota Statutes 2018, section 273.1384, subdivision 3, is amended to read:

20.5 Subd. 3. **Credit reimbursements.** The county auditor shall determine the tax reductions  
 20.6 allowed under subdivision 2 within the county for each taxes payable year and shall certify  
 20.7 that amount to the commissioner of revenue ~~as a part of the abstracts of tax lists submitted~~  
 20.8 ~~by the county auditors under section 275.29~~ under section 270C.85, subdivision 2, clause  
 20.9 (4). Any prior year adjustments shall also be certified ~~on the abstracts of tax lists~~. The  
 20.10 commissioner shall review the certifications for accuracy, and may make such changes as  
 20.11 are deemed necessary, or return the certification to the county auditor for correction. The  
 20.12 credit under this section must be used to proportionately reduce the net tax capacity-based  
 20.13 property tax payable to each local taxing jurisdiction as provided in section 273.1393.

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

20.15 Sec. 13. Minnesota Statutes 2018, section 273.1387, subdivision 3, is amended to read:

20.16 Subd. 3. **Credit reimbursements.** The county auditor shall determine the tax reductions  
 20.17 allowed under this section within the county for each taxes payable year and shall certify  
 20.18 that amount to the commissioner of revenue ~~as a part of the abstracts of tax lists submitted~~  
 20.19 ~~under section 275.29~~ under section 270C.85, subdivision 2, clause (4). Any prior year  
 20.20 adjustments shall also be certified ~~on the abstracts of tax lists~~. The commissioner shall  
 20.21 review the certifications for accuracy, and may make such changes as are deemed necessary,  
 20.22 or return the certification to the county auditor for correction. The credit under this section  
 20.23 must be used to reduce the school district net tax capacity-based property tax as provided  
 20.24 in section 273.1393.

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

20.26 Sec. 14. Minnesota Statutes 2018, section 273.18, is amended to read:

20.27 **273.18 LISTING, VALUATION, AND ASSESSMENT OF EXEMPT PROPERTY**  
 20.28 **BY COUNTY AUDITORS.**

20.29 (a) In every sixth year after the year 2010, the county auditor shall enter the description  
 20.30 of each tract of real property exempt by law from taxation, with the name of the owner, and  
 20.31 the assessor shall value and assess the same in the same manner that other real property is

21.1 valued and assessed, and shall designate in each case the purpose for which the property is  
21.2 used.

21.3 ~~(b) For purposes of the apportionment of fire state aid under section 69.021, subdivision~~  
21.4 ~~7, The county auditor shall include on the abstract of assessment of exempt real property~~  
21.5 ~~filed under this section in the exempt property information that the commissioner may~~  
21.6 ~~require under section 270C.85, subdivision 2, clause (4), the total number of acres of all~~  
21.7 ~~natural resources lands for which in lieu payments are made under sections 477A.11 to~~  
21.8 ~~477A.14. The assessor shall estimate its market value, provided that if the assessor is not~~  
21.9 ~~able to estimate the market value of the land on a per parcel basis, the assessor shall furnish~~  
21.10 ~~the commissioner of revenue with an estimate of the average value per acre of this land~~  
21.11 ~~within the county.~~

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

21.13 Sec. 15. Minnesota Statutes 2018, section 274.14, is amended to read:

21.14 **274.14 LENGTH OF SESSION; RECORD.**

21.15 The board must meet after the second Friday in June on at least one meeting day and  
21.16 may meet for up to ten consecutive meeting days. The actual meeting dates must be contained  
21.17 on the valuation notices mailed to each property owner in the county as provided in section  
21.18 273.121. For this purpose, "meeting days" is defined as any day of the week excluding  
21.19 Sunday. At the board's discretion, "meeting days" may include Saturday. No action taken  
21.20 by the county board of review after June 30 is valid, except for corrections permitted in  
21.21 sections 273.01 and 274.01. The county auditor shall keep an accurate record of the  
21.22 proceedings and orders of the board. The record must be published like other proceedings  
21.23 of county commissioners. A copy of the published record must be sent to the commissioner  
21.24 of revenue, ~~with the abstract of assessment required by section 274.16~~ within five days  
21.25 following final action of the county board of equalization.

21.26 For counties that conduct either regular board of review meetings or open book meetings,  
21.27 at least one of the meeting days must include a meeting that does not end before 7:00 p.m.  
21.28 For counties that require taxpayer appointments for the board of review, appointments must  
21.29 include some available times that extend until at least 7:00 p.m. The county may have a  
21.30 Saturday meeting in lieu of, or in addition to, the extended meeting times under this  
21.31 paragraph.

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

22.1 Sec. 16. Minnesota Statutes 2018, section 274.16, is amended to read:

22.2 **274.16 CORRECTED LISTS, ~~ABSTRACTS.~~**

22.3 The county assessor or, in Ramsey County, the official designated by the board of county  
22.4 commissioners shall calculate the changes of the assessment lists determined by the county  
22.5 board of equalization, and make corrections accordingly, in the real or personal lists, or  
22.6 both, and shall make ~~duplicate abstracts~~ duplicates of them. One must be filed in the assessor's  
22.7 office, and one must be forwarded to the commissioner of revenue as provided in section  
22.8 270C.89.

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

22.10 Sec. 17. Minnesota Statutes 2018, section 275.025, subdivision 1, is amended to read:

22.11 Subdivision 1. **Levy amount.** The state general levy is levied against  
22.12 commercial-industrial property and seasonal residential recreational property, as defined  
22.13 in this section. The state general levy for commercial-industrial property is \$784,590,000  
22.14 for taxes payable in 2018 and thereafter. The state general levy for seasonal-recreational  
22.15 property is \$44,190,000 for taxes payable in 2018 and thereafter. The tax under this section  
22.16 is not treated as a local tax rate under section 469.177 and is not the levy of a governmental  
22.17 unit under chapters 276A and 473F.

22.18 The commissioner shall increase or decrease the preliminary or final rate for a year as  
22.19 necessary to account for errors and tax base changes that affected a preliminary or final rate  
22.20 for either of the two preceding years. Adjustments are allowed to the extent that the necessary  
22.21 information is available to the commissioner at the time the rates for a year must be certified,  
22.22 and for the following reasons:

22.23 (1) an erroneous report of taxable value by a local official;

22.24 (2) an erroneous calculation by the commissioner; and

22.25 (3) an increase or decrease in taxable value for commercial-industrial or seasonal  
22.26 residential recreational property reported ~~on the abstracts of tax lists submitted under section~~  
22.27 ~~275.29 that was not reported on the abstracts of assessment submitted under section 270C.89~~  
22.28 to the commissioner under section 270C.85, subdivision 2, clause (4), for the same year.

22.29 The commissioner may, but need not, make adjustments if the total difference in the tax  
22.30 levied for the year would be less than \$100,000.

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

23.1 Sec. 18. Minnesota Statutes 2018, section 290B.09, subdivision 1, is amended to read:

23.2 Subdivision 1. **Determination; payment.** The county auditor shall determine the total  
 23.3 current year's deferred amount of property tax under this chapter in the county, and ~~submit~~  
 23.4 report those amounts ~~as part of the abstracts of tax lists submitted by the county auditors~~  
 23.5 ~~under section 275.29~~ to the commissioner under section 270C.85, subdivision 2, clause (4).  
 23.6 The commissioner may make changes ~~in the abstracts of tax lists~~ as deemed necessary. The  
 23.7 commissioner of revenue, after such review, shall pay the deferred amount of property tax  
 23.8 to each county treasurer on or before August 31.

23.9 The county treasurer shall distribute as part of the October settlement the funds received  
 23.10 as if they had been collected as a part of the property tax.

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

23.12 Sec. 19. Minnesota Statutes 2018, section 469.177, subdivision 1, is amended to read:

23.13 Subdivision 1. **Original net tax capacity.** (a) Upon or after adoption of a tax increment  
 23.14 financing plan, the auditor of any county in which the district is situated shall, upon request  
 23.15 of the authority, certify the original net tax capacity of the tax increment financing district  
 23.16 and that portion of the district overlying any subdistrict as described in the tax increment  
 23.17 financing plan and shall certify in each year thereafter the amount by which the original net  
 23.18 tax capacity has increased or decreased as a result of a change in tax exempt status of  
 23.19 property within the district and any subdistrict, reduction or enlargement of the district or  
 23.20 changes pursuant to subdivision 4. The auditor shall certify the amount within 30 days after  
 23.21 receipt of the request and sufficient information to identify the parcels included in the district.  
 23.22 The certification relates to the taxes payable year as provided in subdivision 6.

23.23 (b) If the classification under section 273.13 of property located in a district changes to  
 23.24 a classification that has a different assessment ratio, the original net tax capacity of that  
 23.25 property must be redetermined at the time when its use is changed as if the property had  
 23.26 originally been classified in the same class in which it is classified after its use is changed.

23.27 (c) The amount to be added to the original net tax capacity of the district as a result of  
 23.28 previously tax exempt real property within the district becoming taxable equals the net tax  
 23.29 capacity of the real property as most recently assessed pursuant to ~~section 273.18~~ information  
 23.30 reported to the commissioner under section 270C.85, subdivision 2, clause (4), or, if that  
 23.31 assessment was made more than one year prior to the date of title transfer rendering the  
 23.32 property taxable, the net tax capacity assessed by the assessor at the time of the transfer. If  
 23.33 improvements are made to tax exempt property after the municipality approves the district

24.1 and before the parcel becomes taxable, the assessor shall, at the request of the authority,  
24.2 separately assess the estimated market value of the improvements. If the property becomes  
24.3 taxable, the county auditor shall add to original net tax capacity, the net tax capacity of the  
24.4 parcel, excluding the separately assessed improvements. If substantial taxable improvements  
24.5 were made to a parcel after certification of the district and if the property later becomes tax  
24.6 exempt, in whole or part, as a result of the authority acquiring the property through  
24.7 foreclosure or exercise of remedies under a lease or other revenue agreement or as a result  
24.8 of tax forfeiture, the amount to be added to the original net tax capacity of the district as a  
24.9 result of the property again becoming taxable is the amount of the parcel's value that was  
24.10 included in original net tax capacity when the parcel was first certified. The amount to be  
24.11 added to the original net tax capacity of the district as a result of enlargements equals the  
24.12 net tax capacity of the added real property as most recently certified by the commissioner  
24.13 of revenue as of the date of modification of the tax increment financing plan pursuant to  
24.14 section 469.175, subdivision 4.

24.15 (d) If the net tax capacity of a property increases because the property no longer qualifies  
24.16 under the Minnesota Agricultural Property Tax Law, section 273.111; the Minnesota Open  
24.17 Space Property Tax Law, section 273.112; or the Metropolitan Agricultural Preserves Act,  
24.18 chapter 473H, the Rural Preserve Property Tax Program under section 273.114, or because  
24.19 platted, unimproved property is improved or market value is increased after approval of the  
24.20 plat under section 273.11, subdivision 14a or 14b, the increase in net tax capacity must be  
24.21 added to the original net tax capacity. If the net tax capacity of a property increases because  
24.22 the property no longer qualifies for the homestead market value exclusion under section  
24.23 273.13, subdivision 35, the increase in net tax capacity must be added to original net tax  
24.24 capacity if the original construction of the affected home was completed before the date the  
24.25 assessor certified the original net tax capacity of the district.

24.26 (e) The amount to be subtracted from the original net tax capacity of the district as a  
24.27 result of previously taxable real property within the district becoming tax exempt or  
24.28 qualifying in whole or part for an exclusion from taxable market value, or a reduction in  
24.29 the geographic area of the district, shall be the amount of original net tax capacity initially  
24.30 attributed to the property becoming tax exempt, being excluded from taxable market value,  
24.31 or being removed from the district. If the net tax capacity of property located within the tax  
24.32 increment financing district is reduced by reason of a court-ordered abatement, stipulation  
24.33 agreement, voluntary abatement made by the assessor or auditor or by order of the  
24.34 commissioner of revenue, the reduction shall be applied to the original net tax capacity of  
24.35 the district when the property upon which the abatement is made has not been improved

25.1 since the date of certification of the district and to the captured net tax capacity of the district  
25.2 in each year thereafter when the abatement relates to improvements made after the date of  
25.3 certification. The county auditor may specify reasonable form and content of the request  
25.4 for certification of the authority and any modification thereof pursuant to section 469.175,  
25.5 subdivision 4.

25.6 (f) If a parcel of property contained a substandard building or improvements described  
25.7 in section 469.174, subdivision 10, paragraph (e), that were demolished or removed and if  
25.8 the authority elects to treat the parcel as occupied by a substandard building under section  
25.9 469.174, subdivision 10, paragraph (b), or by improvements under section 469.174,  
25.10 subdivision 10, paragraph (e), the auditor shall certify the original net tax capacity of the  
25.11 parcel using the greater of (1) the current net tax capacity of the parcel, or (2) the estimated  
25.12 market value of the parcel for the year in which the building or other improvements were  
25.13 demolished or removed, but applying the classification rates for the current year.

25.14 (g) For a redevelopment district qualifying under section 469.174, subdivision 10,  
25.15 paragraph (a), clause (4), as a qualified disaster area, the auditor shall certify the value of  
25.16 the land as the original tax capacity for any parcel in the district that contains a building  
25.17 that suffered substantial damage as a result of the disaster or emergency.

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

25.19 Sec. 20. **REPEALER.**

25.20 Minnesota Statutes 2018, section 275.29, is repealed.

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

APPENDIX  
Repealed Minnesota Statutes: 19-2908

**275.29 ABSTRACTS TO COMMISSIONER OF REVENUE.**

Not later than March 31, in each year, the county auditor shall make and transmit to the commissioner of revenue, in such form as may be prescribed by the commissioner of revenue, complete abstracts of the tax lists of the county, showing the number of acres of land assessed; its value, including the structures thereon; the value of town and city lots, including structures; the total value of all taxable personal property in the several assessment districts; the aggregate amount of all taxable property in the county, and the total amount of taxes levied therein for state, county, town, and all other purposes for that year.