

SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION

S.F. No. 2233

(SENATE AUTHORS: WEBER)

DATE
03/22/2021

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Introduction and first reading
Referred to Taxes

OFFICIAL STATUS

1.1 A bill for an act
 1.2 relating to taxation; property; modifying the first tier valuation limit for agricultural
 1.3 homestead property; amending Minnesota Statutes 2020, section 273.11,
 1.4 subdivision 23.

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

1.6 Section 1. Minnesota Statutes 2020, section 273.11, subdivision 23, is amended to read:

1.7 Subd. 23. **First tier valuation limit; agricultural homestead property.** (a) The
 1.8 commissioner of revenue shall annually certify the first tier limit for agricultural homestead
 1.9 property. For assessment year ~~2010~~ 2022, the limit is ~~\$1,140,000~~ \$2,000,000. Beginning
 1.10 with assessment year ~~2011~~ 2023, the limit is the product of (i) the first tier limit for the
 1.11 preceding assessment year, and (ii) the ratio of the statewide average taxable market value
 1.12 of agricultural property per acre of deeded farm land in the preceding assessment year to
 1.13 the statewide average taxable market value of agricultural property per acre of deeded farm
 1.14 land for the second preceding assessment year. The limit shall be rounded to the nearest
 1.15 \$10,000.

1.16 (b) For the purposes of this subdivision, "agricultural property" means all class 2a
 1.17 property under section 273.13, subdivision 23, except for property consisting of the house,
 1.18 garage, and immediately surrounding one acre of land of an agricultural homestead.

1.19 (c) The commissioner shall certify the limit by January 2 of each assessment year.

1.20 **EFFECTIVE DATE.** This section is effective beginning with assessment year 2022
 1.21 and thereafter.