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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 3262

03/21/2014 Authored by Green
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; extending the time period for refunds of overpaid
1.3 property taxes; amending Minnesota Statutes 2012, section 375.192, subdivision
1.4 2.

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

1.6 Section 1. Minnesota Statutes 2012, section 375.192, subdivision 2, is amended to read:

1.7 Subd. 2. **Procedure, conditions.** Upon written application by the owner of any
1.8 property, the county board may grant the reduction or abatement of estimated market
1.9 valuation or taxes and of any costs, penalties, or interest on them as the board deems just
1.10 and equitable and order the refund in whole or part of any taxes, costs, penalties, or interest
1.11 which have been erroneously or unjustly paid. Except as provided in sections 469.1812 to
1.12 469.1815, no reduction or abatement may be granted on the basis of providing an incentive
1.13 for economic development or redevelopment. Except as provided in section 375.194, the
1.14 county board may consider and grant reductions or abatements on applications only as
1.15 they relate to taxes payable in the current year and (1) up to ten prior years, in the case of
1.16 homestead and agricultural property, or (2) the two prior years, in the case of all other
1.17 types of property; provided that reductions or abatements for ~~the two~~ prior years shall be
1.18 considered or granted only for (i) clerical errors, or (ii) when the taxpayer fails to file for
1.19 a reduction or an adjustment due to hardship, as determined by the county board. The
1.20 application must include the Social Security number of the applicant. The Social Security
1.21 number is private data on individuals as defined by section 13.02, subdivision 12. All
1.22 applications must be approved by the county assessor, or, if the property is located in a city
1.23 of the first or second class having a city assessor, by the city assessor, and by the county
1.24 auditor before consideration by the county board, except that the part of the application

2.1 which is for the abatement of penalty or interest must be approved by the county treasurer
2.2 and county auditor. Approval by the county or city assessor is not required for abatements
2.3 of penalty or interest. No reduction, abatement, or refund of any special assessments
2.4 made or levied by any municipality for local improvements shall be made unless it is also
2.5 approved by the board of review or similar taxing authority of the municipality. On any
2.6 reduction or abatement when the reduction of taxes, costs, penalties, and interest exceed
2.7 \$10,000, the county board shall give notice within 20 days to the school board and the
2.8 municipality in which the property is located. The notice must describe the property
2.9 involved, the actual amount of the reduction being sought, and the reason for the reduction.

2.10 An appeal may not be taken to the Tax Court from any order of the county board
2.11 made in the exercise of the discretionary authority granted in this section.

2.12 The county auditor shall notify the commissioner of revenue of all abatements
2.13 resulting from the erroneous classification of real property, for tax purposes, as
2.14 nonhomestead property. For the abatements relating to the current year's tax processed
2.15 through June 30, the auditor shall notify the commissioner on or before July 31 of that
2.16 same year of all abatement applications granted. For the abatements relating to the current
2.17 year's tax processed after June 30 through the balance of the year, the auditor shall notify
2.18 the commissioner on or before the following January 31 of all applications granted. The
2.19 county auditor shall submit a form containing the Social Security number of the applicant
2.20 and such other information the commissioner prescribes.

2.21 **EFFECTIVE DATE.** This section is effective July 1, 2014.