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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. **69**

01/14/2013 Authored by Dettmer and Torkelson

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 limited market value; amending
1.3 Minnesota Statutes 2012, section 273.11, subdivision 1a.

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

1.5 Section 1. Minnesota Statutes 2012, section 273.11, subdivision 1a, is amended to read:

1.6 Subd. 1a. **Limited market value.** In the case of all property classified as
1.7 agricultural homestead or nonhomestead, residential homestead or nonhomestead, timber,
1.8 or noncommercial seasonal residential recreational, the assessor shall compare the value
1.9 with the taxable portion of the value determined in the preceding assessment.

1.10 ~~For assessment years 2004, 2005, and 2006, the amount of the increase shall not~~
1.11 ~~exceed the greater of (1) 15 percent of the value in the preceding assessment, or (2) 25~~
1.12 ~~percent of the difference between the current assessment and the preceding assessment.~~

1.13 ~~For assessment year 2007, the amount of the increase shall not exceed the greater of~~
1.14 ~~(1) 15 percent of the value in the preceding assessment, or (2) 33 percent of the difference~~
1.15 ~~between the current assessment and the preceding assessment.~~

1.16 ~~For assessment year 2008, the amount of the increase shall not exceed the greater of~~
1.17 ~~(1) 15 percent of the value in the preceding assessment, or (2) 50 percent of the difference~~
1.18 ~~between the current assessment and the preceding assessment.~~

1.19 For assessment years 2013 and thereafter, the amount of the increase shall not
1.20 exceed the greater of:

1.21 (1) 15 percent of the value of the preceding assessment; or

1.22 (2) 25 percent of the difference between the current assessment and the preceding
1.23 assessment.

2.1 This limitation shall not apply to increases in value due to improvements. For
2.2 purposes of this subdivision, the term "assessment" means the value prior to any exclusion
2.3 under subdivision 16.

2.4 ~~The provisions of this subdivision shall be in effect through assessment year 2008~~
2.5 ~~as provided in this subdivision.~~

2.6 For purposes of the assessment/sales ratio study conducted under section 127A.48,
2.7 and the computation of state aids paid under chapters 122A, 123A, 123B, 124D, 125A,
2.8 126C, 127A, and 477A, market values and net tax capacities determined under this
2.9 subdivision and subdivision 16, shall be used.

2.10 **EFFECTIVE DATE.** This section is effective for taxes payable in 2014 and
2.11 thereafter.