

SENATE

STATE OF MINNESOTA

EIGHTY-SEVENTH LEGISLATURE

S.F. No. 1102

(SENATE AUTHORS: SPARKS and Miller)

DATE	D-PG	OFFICIAL STATUS
04/05/2011	1189	Introduction and first reading Referred to Judiciary and Public Safety

A bill for an act
relating to taxation; providing for payment of costs and attorney fees in certain
tax court actions; amending Minnesota Statutes 2010, section 271.19.
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2010, section 271.19, is amended to read:

271.19 COSTS AND DISBURSEMENTS.

(a) Except as provided in paragraph (b), upon the determination of any appeal under
this chapter before the Tax Court, or of any review hereunder by the Supreme Court,
the costs and disbursements shall be taxed and allowed in favor of the prevailing party
and against the losing party as in civil actions or, if there has been an offer of judgment
or settlement by a party prior to ten days before the court hears the appeal, pursuant to
Minnesota Rules of Civil Procedure, rule 68. In any case where a person liable for a tax
or other obligation has lost an appeal or review instituted by the person, and the Tax
Court or court shall determine that the person instituted the same merely for the purposes
of delay, or that the taxpayer's position in the proceedings is frivolous, additional costs,
commensurate with the expense incurred and services performed by the agencies of the
state in connection with the appeal, but not exceeding \$5,000 in any case, may be allowed
against the taxpayer, in the discretion of the Tax Court or court. Costs and disbursements
allowed against any such person shall be added to the tax or other obligation determined
to be due, and shall be payable therewith. To the extent described in section 15.471,
where an award of costs and attorney fees is authorized under section 15.472, the costs
and fees shall be allowed against the state, including expenses incurred by the taxpayer
to administratively protest or appeal to the department of revenue the order, decision, or
report of the commissioner that is the subject of the Tax Court proceedings. Costs and

disbursements allowed against the state or other public agencies shall be paid out of funds received from taxes or other obligations of the kind involved in the proceeding, or other funds of the agency concerned appropriated and available therefor. Witnesses in proceedings under this chapter shall receive like fees as in the district court, to be paid in the first instance by the parties by whom the witnesses were called, and to be taxed and allowed as herein provided.

(b) In an appeal in which the petitioner claims that the property has been partially, unfairly, or unequally assessed or that the property has been assessed at a valuation greater than its real or actual value, costs and disbursements, including the reasonable cost of appraisals and attorney fees, are allowed in favor of the petitioner, if the final judgment provides for a reduction in the value of ten percent or more in the assessor's taxable market value of the property. The provisions of this paragraph govern the allocation of costs between the parties, notwithstanding the provisions of section 278.05, subdivision 5.

EFFECTIVE DATE. This section is effective for petitions filed after the day following final enactment.