

**SENATE
STATE OF MINNESOTA
EIGHTY-NINTH SESSION**

S.F. No. 1559

(SENATE AUTHORS: SKOE, Rest, Eaton, Gazelka and Dziedzic)

DATE	D-PG	OFFICIAL STATUS
03/11/2015	671	Introduction and first reading Referred to Taxes

A bill for an act

relating to taxation; making policy changes to individual income and corporate franchise taxes, estate taxes, excise taxes, special taxes, property taxes, and other miscellaneous taxes and tax provisions; amending Minnesota Statutes 2014, sections 13.51, subdivision 2; 270.071, subdivisions 2, 7, 8, by adding a subdivision; 270.072, subdivisions 2, 3, by adding a subdivision; 270.12, by adding a subdivision; 270.82, subdivision 1; 270B.14, subdivision 1; 270C.30; 270C.33, subdivision 5; 270C.34, subdivision 2; 270C.347, subdivision 1; 270C.35, subdivision 3; 270C.445, by adding a subdivision; 270C.446, subdivision 5; 270C.89, subdivision 1; 271.06, subdivisions 2, 7; 272.02, subdivision 10; 272.0211, subdivision 1; 272.025, subdivision 1; 272.029, subdivisions 2, 4, by adding a subdivision; 272.0295, subdivision 4; 272.115, subdivision 2; 273.061, subdivision 7; 273.08; 273.121, by adding a subdivision; 273.124, subdivision 13; 273.371; 273.372, subdivisions 2, 4, by adding subdivisions; 274.13, subdivision 1; 275.62, subdivision 2; 278.01, subdivision 1; 287.2205; 289A.08, subdivision 16, by adding a subdivision; 289A.09, subdivisions 1, 2; 289A.11, subdivision 1; 289A.12, subdivision 14; 289A.38, subdivision 6; 289A.50, subdivision 7; 289A.60, subdivision 28; 290A.19; 290C.03; 290C.13, subdivision 3; 291.03, subdivision 10; 295.54, subdivision 2; 295.55, subdivision 6; 296A.01, subdivision 33, by adding a subdivision; 296A.02, by adding a subdivision; 296A.22, subdivision 9; 296A.26; 297D.02; 297E.02, subdivisions 3, 7; 297E.04, subdivision 1; 297E.05, subdivision 4; 297E.06, subdivision 1; 297F.09, subdivision 1; 297F.23; 297G.09, subdivision 1; 297G.22; 297I.30, by adding a subdivision; 297I.60, subdivision 2; 469.319, subdivision 5; 477A.013, by adding a subdivision; 477A.19, by adding subdivisions; 559.202, subdivision 2; Laws 2014, chapter 308, article 1, section 14, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 290B; 290C; 293; repealing Minnesota Statutes 2014, sections 290C.02, subdivisions 5, 9; 290C.06.

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

2.1 **ARTICLE 1**

2.2 **INDIVIDUAL INCOME, CORPORATE FRANCHISE, AND ESTATE TAXES**

2.3 Section 1. Minnesota Statutes 2014, section 289A.08, subdivision 16, is amended to
2.4 read:

2.5 Subd. 16. **Tax refund or return preparers; electronic filing; paper filing fee**
2.6 **imposed.** (a) A "tax refund or return preparer," as defined in section 289A.60, subdivision
2.7 13, paragraph (f), who is a tax return preparer for purposes of section 6011(e) of the
2.8 Internal Revenue Code, and who reasonably expects to prepare more than ten Minnesota
2.9 individual income, corporate franchise, S corporation, partnership, or fiduciary income tax
2.10 returns for the prior calendar year must file all Minnesota individual income, corporate
2.11 franchise, S corporation, partnership, or fiduciary income tax returns prepared for that
2.12 calendar year by electronic means.

2.13 (b) Paragraph (a) does not apply to a return if the taxpayer has indicated on the return
2.14 that the taxpayer did not want the return filed by electronic means.

2.15 (c) For each return that is not filed electronically by a tax refund or return preparer
2.16 under this subdivision, including returns filed under paragraph (b), a paper filing fee
2.17 of \$5 is imposed upon the preparer. The fee is collected from the preparer in the same
2.18 manner as income tax. The fee does not apply to returns that the commissioner requires
2.19 to be filed in paper form.

2.20 **EFFECTIVE DATE.** This section is effective for taxable years beginning after
2.21 December 31, 2014.

2.22 Sec. 2. Minnesota Statutes 2014, section 289A.09, subdivision 2, is amended to read:

2.23 Subd. 2. **Withholding statement.** (a) A person required to deduct and withhold
2.24 from an employee a tax under section 290.92, subdivision 2a or 3, or 290.923, subdivision
2.25 2, or who would have been required to deduct and withhold a tax under section 290.92,
2.26 subdivision 2a or 3, or persons required to withhold tax under section 290.923, subdivision
2.27 2, determined without regard to section 290.92, subdivision 19, if the employee or payee
2.28 had claimed no more than one withholding exemption, or who paid wages or made
2.29 payments not subject to withholding under section 290.92, subdivision 2a or 3, or 290.923,
2.30 subdivision 2, to an employee or person receiving royalty payments in excess of \$600,
2.31 or who has entered into a voluntary withholding agreement with a payee under section
2.32 290.92, subdivision 20, must give every employee or person receiving royalty payments in
2.33 respect to the remuneration paid by the person to the employee or person receiving royalty
2.34 payments during the calendar year, on or before January 31 of the succeeding year, or, if

employment is terminated before the close of the calendar year, within 30 days after the date of receipt of a written request from the employee if the 30-day period ends before January 31, a written statement showing the following:

(1) name of the person;

(2) the name of the employee or payee and the employee's or payee's Social Security account number;

(3) the total amount of wages as that term is defined in section 290.92, subdivision 1, paragraph (1); the total amount of remuneration subject to withholding under section 290.92, subdivision 20; the amount of sick pay as required under section 6051(f) of the Internal Revenue Code; and the amount of royalties subject to withholding under section 290.923, subdivision 2; and

(4) the total amount deducted and withheld as tax under section 290.92, subdivision 2a or 3, or 290.923, subdivision 2.

(b) The statement required to be furnished by paragraph (a) with respect to any remuneration must be furnished at those times, must contain the information required, and must be in the form the commissioner prescribes.

(c) The commissioner may prescribe rules providing for reasonable extensions of time, not in excess of 30 days, to employers or payers required to give the statements to their employees or payees under this subdivision.

(d) A duplicate of any statement made under this subdivision and in accordance with rules prescribed by the commissioner, along with a reconciliation in the form the commissioner prescribes of the statements for the calendar year, including a reconciliation of the quarterly returns required to be filed under subdivision 1, must be filed with the commissioner on or before February 28 of the year after the payments were made.

(e) If an employer cancels the employer's Minnesota withholding account number required by section 290.92, subdivision 24, the information required by paragraph (d), must be filed with the commissioner within 30 days of the end of the quarter in which the employer cancels its account number.

(f) The employer must submit the statements required to be sent to the commissioner ~~in the same manner required to satisfy the federal reporting requirements of section 6011(c) of the Internal Revenue Code and the regulations issued under it. An employer must submit statements to the commissioner required by this section by electronic means if the employer is required to send more than 25 statements to the commissioner, even though the employer is not required to submit the returns federally by electronic means. For statements issued for wages paid in 2011 and after, the threshold is ten. All statements issued for withholding required under section 290.92 are aggregated for purposes of~~

determining whether the electronic submission threshold is met. The commissioner shall prescribe the content, format, and manner of the statement pursuant to section 270C.30.

(g) A "third-party bulk filer" as defined in section 290.92, subdivision 30, paragraph (a), clause (2), must submit the returns required by this subdivision and subdivision 1, paragraph (a), with the commissioner by electronic means.

EFFECTIVE DATE. This section is effective for statements required to be sent to the commissioner after December 31, 2015.

Sec. 3. Minnesota Statutes 2014, section 289A.12, subdivision 14, is amended to read:

Subd. 14. **Regulated investment companies; Reporting exempt interest and exempt-interest dividends.** (a) A regulated investment company paying \$10 or more in exempt-interest dividends to an individual who is a resident of Minnesota, or any person receiving \$10 or more of exempt interest or exempt-interest dividends and paying as nominee to an individual who is a resident of Minnesota, must make a return indicating the amount of the exempt interest or exempt-interest dividends, the name, address, and Social Security number of the recipient, and any other information that the commissioner specifies. The return must be provided to the shareholder recipient by February 15 of the year following the year of the payment. The return provided to the shareholder recipient must include a clear statement, in the form prescribed by the commissioner, that the exempt interest or exempt-interest dividends must be included in the computation of Minnesota taxable income. By June 1 of each year, the ~~regulated investment company~~ payor must file a copy of the return with the commissioner.

(b) For purposes of this subdivision, the following definitions apply.

(1) "Exempt-interest dividends" mean exempt-interest dividends as defined in section 852(b)(5) of the Internal Revenue Code, but does not include the portion of exempt-interest dividends that are not required to be added to federal taxable income under section 290.01, subdivision 19a, clause (1)(ii).

(2) "Regulated investment company" means regulated investment company as defined in section 851(a) of the Internal Revenue Code or a fund of the regulated investment company as defined in section 851(g) of the Internal Revenue Code.

(3) "Exempt interest" means income on obligations of any state other than Minnesota, or a political or governmental subdivision, municipality, or governmental agency or instrumentality of any state other than Minnesota, and exempt from federal income taxes under the Internal Revenue Code or any other federal statute.

EFFECTIVE DATE. This section is effective for reports required to be filed after December 31, 2015.

Sec. 4. Minnesota Statutes 2014, section 289A.60, subdivision 28, is amended to read:

Subd. 28. **Preparer identification number.** Any Minnesota ~~individual~~ income tax return or claim for refund prepared by a "tax refund or return preparer" as defined in subdivision 13, paragraph (f), shall bear the identification number the preparer is required to use federally under section 6109(a)(4) of the Internal Revenue Code. A tax refund or return preparer who prepares a Minnesota tax return for an individual income tax return, corporation, S corporation, partnership, fiduciary, or claim for refund and fails to include the required number on the return or claim is subject to a penalty of \$50 for each failure.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2014.

Sec. 5. Minnesota Statutes 2014, section 290A.19, is amended to read:

**290A.19 OWNER OR MANAGING AGENT TO FURNISH RENT
CERTIFICATE.**

(a) The owner or managing agent of any property for which rent is paid for occupancy as a homestead must furnish a certificate of rent paid to a person who is a renter on December 31, in the form prescribed by the commissioner. If the renter moves before December 31, the owner or managing agent may give the certificate to the renter at the time of moving, or mail the certificate to the forwarding address if an address has been provided by the renter. The certificate must be made available to the renter before February 1 of the year following the year in which the rent was paid. The owner or managing agent must retain a duplicate of each certificate or an equivalent record showing the same information for a period of three years. The duplicate or other record must be made available to the commissioner upon request.

(b) The commissioner may require the owner or managing agent to furnish to the commissioner on or before February 1 a copy of each certificate of rent paid furnished to a renter for rent paid in the prior year, in the content, format, and manner prescribed by the commissioner pursuant to section 270C.30.

(c) For the purposes of this section, "owner" includes a park owner as defined under section 327C.01, subdivision 6, and "property" includes a lot as defined under section 327C.01, subdivision 3.

6.1 **EFFECTIVE DATE.** This section is effective for certificates of rent paid for rent
6.2 paid after December 31, 2014.

6.3 Sec. 6. Minnesota Statutes 2014, section 291.03, subdivision 10, is amended to read:

6.4 Subd. 10. **Qualified farm property.** Property satisfying all of the following
6.5 requirements is qualified farm property:

6.6 (1) The value of the property was included in the federal adjusted taxable estate.

6.7 (2) The property consists of agricultural land and is owned by a person or entity that
6.8 is either not subject to or is in compliance with section 500.24.

6.9 (3) For property taxes payable in the taxable year of the decedent's death, the
6.10 property is classified as class 2a property under section 273.13, subdivision 23, and is
6.11 classified as agricultural homestead, agricultural relative homestead, or special agricultural
6.12 homestead under section 273.124.

6.13 (4) The decedent continuously owned the property, including property the decedent
6.14 is deemed to own under sections 2036, 2037, and 2038 of the Internal Revenue Code, for
6.15 the three-year period ending on the date of death of the decedent either by ownership of
6.16 the agricultural land or pursuant to holding an interest in an entity that is not subject to
6.17 or is in compliance with section 500.24.

6.18 (5) The property is classified for property tax purposes as class 2a property under
6.19 section 273.13, subdivision 23, for three years following the date of death of the decedent.
6.20 No property shall cease to be qualified farm property solely because a residence existing at
6.21 the time of the decedent's death is reclassified as class 4bb property under section 273.13,
6.22 subdivision 25, during the three-year period.

6.23 (6) The estate and the qualified heir elect to treat the property as qualified farm
6.24 property and agree, in a form prescribed by the commissioner, to pay the recapture tax
6.25 under subdivision 11, if applicable.

6.26 **EFFECTIVE DATE.** This section is effective retroactively for estates of decedents
6.27 dying after June 30, 2011.

6.28 ARTICLE 2

6.29 SPECIAL TAXES

6.30 Section 1. Minnesota Statutes 2014, section 289A.38, subdivision 6, is amended to read:

6.31 Subd. 6. **Omission in excess of 25 percent.** Additional taxes may be assessed
6.32 within 6-1/2 years after the due date of the return or the date the return was filed,
6.33 whichever is later, if:

(1) the taxpayer omits from gross income an amount properly includable in it that is in excess of 25 percent of the amount of gross income stated in the return;

(2) the taxpayer omits from a sales, use, or withholding tax return, or a return for a tax imposed under section 295.52, an amount of taxes in excess of 25 percent of the taxes reported in the return; or

(3) the taxpayer omits from the gross estate assets in excess of 25 percent of the gross estate reported in the return.

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

Sec. 2. Minnesota Statutes 2014, section 295.54, subdivision 2, is amended to read:

Subd. 2. **Pharmacy refund.** A pharmacy may claim an annual refund against the total amount of tax, if any, the pharmacy owes during that calendar year under section 295.52, subdivision 4. The refund shall equal the amount paid by the pharmacy to a wholesale drug distributor subject to tax under section 295.52, subdivision 3, for legend drugs delivered by the pharmacy outside of Minnesota, multiplied by the tax percentage specified in section 295.52, subdivision 3. If the amount of the refund exceeds the tax liability of the pharmacy under section 295.52, subdivision 4, the commissioner shall provide the pharmacy with a refund equal to the excess amount. Each qualifying pharmacy must apply for the refund on the annual return as ~~provided under section 295.55, subdivision 5~~ prescribed by the commissioner, on or before March 15 of the year following the calendar year the legend drugs were delivered outside Minnesota. The ~~refund must be claimed within 18 months from the date the drugs were delivered outside of Minnesota~~ shall not be allowed if the initial claim for refund is filed more than one year after the original due date of the return. Interest on refunds paid under this subdivision will begin to accrue 60 days after the date a claim for refund is filed. For purposes of this subdivision, the date a claim is filed is the due date of the return if a return is due or the date of the actual claim for refund, whichever is later.

EFFECTIVE DATE. This section is effective for qualifying legend drugs delivered outside Minnesota after December 31, 2014.

Sec. 3. Minnesota Statutes 2014, section 296A.01, is amended by adding a subdivision to read:

Subd. 9a. **Bulk storage or bulk storage facility.** "Bulk storage" or "bulk storage facility" means a single property, or contiguous or adjacent properties used for a common purpose and owned or operated by the same person, on or in which are located one or more

stationary tanks that are used singularly or in combination for the storage or containment of more than 1,100 gallons of petroleum.

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

Sec. 4. Minnesota Statutes 2014, section 296A.01, subdivision 33, is amended to read:

Subd. 33. **Motor fuel.** "Motor fuel" means a liquid or gaseous form of fuel, regardless of its composition or properties, used to propel a motor vehicle.

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

Sec. 5. Minnesota Statutes 2014, section 297E.02, subdivision 7, is amended to read:

Subd. 7. **Untaxed gambling product.** (a) In addition to penalties or criminal sanctions imposed by this chapter, a person, organization, or business entity possessing or selling a pull-tab, electronic pull-tab game, or tipboard upon which the tax imposed by this chapter has not been paid is liable for a tax of six percent of the ideal gross of each pull-tab, electronic pull-tab game, or tipboard. The tax on a partial deal must be assessed as if it were a full deal.

(b) In addition to penalties and criminal sanctions imposed by this chapter, a person (1) not licensed by the board who conducts bingo, linked bingo, electronic linked bingo, raffles, or paddlewheel games, or (2) who conducts gambling prohibited under sections 609.75 to 609.763, other than activities subject to tax under section 297E.03, is liable for a tax of six percent of the gross receipts from that activity.

(c) The tax ~~must~~ may be assessed by the commissioner. An assessment must be considered a jeopardy assessment or jeopardy collection as provided in section 270C.36. The commissioner shall assess the tax based on personal knowledge or information available to the commissioner. The commissioner shall mail to the taxpayer at the taxpayer's last known address, or serve in person, a written notice of the amount of tax, demand its immediate payment, and, if payment is not immediately made, collect the tax by any method described in chapter 270C, except that the commissioner need not await the expiration of the times specified in chapter 270C. The tax assessed by the commissioner is presumed to be valid and correctly determined and assessed. The burden is upon the taxpayer to show its incorrectness or invalidity. The tax imposed under this subdivision does not apply to gambling that is exempt from taxation under subdivision 2.

(d) A person, organization, or business entity conducting gambling activity under this subdivision must file monthly tax returns with the commissioner, in the form required by the commissioner. The returns must be filed on or before the 20th day of the month

following the month in which the gambling activity occurred. The tax imposed by this section is due and payable at the time when the returns are required to be filed.

(e) Notwithstanding any law to the contrary, neither the commissioner nor a public employee may reveal facts contained in a tax return filed with the commissioner of revenue as required by this subdivision, nor can any information contained in the report or return be used against the tax obligor in any criminal proceeding, unless independently obtained, except in connection with a proceeding involving taxes due under this section, or as provided in section 270C.055, subdivision 1. However, this paragraph does not prohibit the commissioner from publishing statistics that do not disclose the identity of tax obligors or the contents of particular returns or reports. Any person violating this paragraph is guilty of a gross misdemeanor.

EFFECTIVE DATE. This section is effective for games played or purchased after June 30, 2015.

ARTICLE 3

PROPERTY TAXES

Section 1. Minnesota Statutes 2014, section 13.51, subdivision 2, is amended to read:

Subd. 2. **Income property assessment data.** The following data collected by political subdivisions and the state from individuals or business entities concerning income properties are classified as private or nonpublic data pursuant to section 13.02, subdivisions 9 and 12:

- (a) detailed income and expense figures;
- (b) average vacancy factors;
- (c) verified net rentable areas or net usable areas, whichever is appropriate;
- (d) anticipated income and expenses;
- (e) projected vacancy factors; and
- (f) lease information.

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

Sec. 2. Minnesota Statutes 2014, section 270.071, subdivision 2, is amended to read:

Subd. 2. **Air commerce.** (a) "Air commerce" means the transportation by aircraft of persons or property for hire in interstate, intrastate, or international transportation on regularly scheduled flights or on intermittent or irregularly timed flights by airline companies and includes transportation by any airline company making three or more flights in or out of Minnesota, or within Minnesota, during a calendar year.

(b) "Air commerce" includes but is not limited to an intermittent or irregularly timed flight, a flight arranged at the convenience of an airline and the person contracting for the transportation, or a charter flight. It includes any airline company making three or more flights in or out of Minnesota during a calendar year.

(c) "Air commerce" does not include casual transportation for hire by aircraft commonly owned and used for private air flight purposes if the person furnishing the transportation does not hold out to be engaged regularly in transportation for hire.

EFFECTIVE DATE. This section is effective for assessment year 2016 and thereafter.

Sec. 3. Minnesota Statutes 2014, section 270.071, subdivision 7, is amended to read:

Subd. 7. **Flight property.** "Flight property" means all aircraft and flight equipment used in connection therewith, including spare flight equipment. Flight property also includes computers and computer software used in operating, controlling, or regulating aircraft and flight equipment. Flight property does not include aircraft with a maximum takeoff weight of less than 30,000 pounds.

EFFECTIVE DATE. This section is effective for assessment year 2016 and thereafter.

Sec. 4. Minnesota Statutes 2014, section 270.071, subdivision 8, is amended to read:

Subd. 8. **Person.** "Person" means any an individual, corporation, firm, copartnership, company, or association, and includes any guardian, trustee, executor, administrator, receiver, conservator, or any person acting in any fiduciary capacity therefor trust, estate, fiduciary, partnership, company, corporation, limited liability company, association, governmental unit or agency, public or private organization of any kind, or other legal entity.

EFFECTIVE DATE. This section is effective for assessment year 2016 and thereafter.

Sec. 5. Minnesota Statutes 2014, section 270.071, is amended by adding a subdivision to read:

Subd. 10. **Intermittent or irregularly timed flights.** "Intermittently or irregularly timed flights" means any flight in which the departure time, departure location, and arrival location are specifically negotiated with the customer or the customer's representative, including but not limited to charter flights.

11.1 **EFFECTIVE DATE.** This section is effective for assessment year 2016 and
11.2 thereafter.

11.3 Sec. 6. Minnesota Statutes 2014, section 270.072, subdivision 2, is amended to read:

11.4 Subd. 2. **Assessment of flight property.** Flight property that is owned by, or is
11.5 leased, loaned, or otherwise made available to an airline company operating in Minnesota
11.6 shall be assessed and appraised annually by the commissioner with reference to its value
11.7 on January 2 of the assessment year in the manner prescribed by sections 270.071 to
11.8 270.079. ~~Aircraft with a gross weight of less than 30,000 pounds and used on intermittent~~
11.9 ~~or irregularly timed flights shall be excluded from the provisions of sections 270.071 to~~
11.10 ~~270.079.~~

11.11 **EFFECTIVE DATE.** This section is effective for assessment year 2016 and
11.12 thereafter.

11.13 Sec. 7. Minnesota Statutes 2014, section 270.072, subdivision 3, is amended to read:

11.14 Subd. 3. **Report by airline company.** (a) Each year, on or before July 1, every
11.15 airline company engaged in air commerce in this state shall file with the commissioner a
11.16 report under oath setting forth specifically the information prescribed by the commissioner
11.17 to enable the commissioner to make the assessment required in sections 270.071 to
11.18 270.079, unless the commissioner determines that the airline company ~~or person should be~~
11.19 ~~excluded from~~ is exempt from filing because its activities do not constitute air commerce
11.20 ~~as defined herein.~~

11.21 (b) The commissioner shall prescribe the content, format, and manner of the report
11.22 pursuant to section 270C.30, except that a "law administered by the commissioner"
11.23 includes the property tax laws. If a report is made by electronic means, the taxpayer's
11.24 signature is defined pursuant to section 270C.304, except that a "law administered by the
11.25 commissioner" includes the property tax laws.

11.26 **EFFECTIVE DATE.** The amendment to paragraph (a) is effective for reports
11.27 filed in 2016 and thereafter. The amendment adding paragraph (b) is effective the day
11.28 following final enactment.

11.29 Sec. 8. Minnesota Statutes 2014, section 270.072, is amended by adding a subdivision
11.30 to read:

11.31 Subd. 3a. **Commissioner filed reports.** If an airline company fails to file a report
11.32 required by subdivision 3, the commissioner may, from information in the commissioner's

12.1 possession or obtainable by the commissioner, make and file a report for the airline
12.2 company, or may issue a notice of net tax capacity and tax under section 270.075,
12.3 subdivision 2.

12.4 **EFFECTIVE DATE.** This section is effective for assessment year 2016 and
12.5 thereafter.

12.6 Sec. 9. Minnesota Statutes 2014, section 270.12, is amended by adding a subdivision
12.7 to read:

12.8 Subd. 6. **Reassessment orders.** If the State Board of Equalization determines that a
12.9 considerable amount of property has been undervalued or overvalued compared to like
12.10 property such that the assessment is grossly unfair or inequitable, the State Board of
12.11 Equalization may, pursuant to its responsibilities under subdivisions 2 and 3, issue orders
12.12 to the county assessor to reassess all or any part of a parcel in a county.

12.13 **EFFECTIVE DATE.** This section is effective for assessment year 2016 and
12.14 thereafter.

12.15 Sec. 10. Minnesota Statutes 2014, section 270.82, subdivision 1, is amended to read:

12.16 Subdivision 1. **Annual report required.** Every railroad company doing business
12.17 in Minnesota shall annually file with the commissioner on or before March 31 a report
12.18 under oath setting forth the information prescribed by the commissioner to enable the
12.19 commissioner to make the valuation and equalization required by sections 270.80 to
12.20 270.87. The commissioner shall prescribe the content, format, and manner of the report
12.21 pursuant to section 270C.30, except that a "law administered by the commissioner"
12.22 includes the property tax laws. If a report is made by electronic means, the taxpayer's
12.23 signature is defined pursuant to section 270C.304, except that a "law administered by the
12.24 commissioner" includes the property tax laws.

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

12.26 Sec. 11. Minnesota Statutes 2014, section 270C.89, subdivision 1, is amended to read:

12.27 Subdivision 1. **Initial report.** Each county assessor shall file by April 1 with the
12.28 commissioner a copy of the abstract that will be acted upon by the local and county
12.29 boards of review. The abstract must list the real and personal property in the county
12.30 itemized by assessment districts. The assessor of each county in the state shall file with
12.31 the commissioner, within ten working days following final action of the local board of
12.32 review or equalization and within five days following final action of the county board of

13.1 equalization, any changes made by the local or county board. The information must be
13.2 filed in the manner prescribed by the commissioner. ~~It must be accompanied by a printed~~
13.3 ~~or typewritten copy of the proceedings of the appropriate board.~~

13.4 **EFFECTIVE DATE.** This section is effective for county boards of appeal and
13.5 equalization meetings held in 2016 and thereafter.

13.6 Sec. 12. Minnesota Statutes 2014, section 272.029, subdivision 2, is amended to read:

13.7 Subd. 2. **Definitions.** (a) For the purposes of this section, the term:

13.8 (1) "wind energy conversion system" has the meaning given in section 216C.06,
13.9 subdivision 19, and also includes a substation that is used and owned by one or more
13.10 wind energy conversion facilities;

13.11 (2) "large scale wind energy conversion system" means a wind energy conversion
13.12 system of more than 12 megawatts, as measured by the nameplate capacity of the system
13.13 or as combined with other systems as provided in paragraph (b);

13.14 (3) "medium scale wind energy conversion system" means a wind energy conversion
13.15 system of over two and not more than 12 megawatts, as measured by the nameplate
13.16 capacity of the system or as combined with other systems as provided in paragraph (b); and

13.17 (4) "small scale wind energy conversion system" means a wind energy conversion
13.18 system of two megawatts and under, as measured by the nameplate capacity of the system
13.19 or as combined with other systems as provided in paragraph (b).

13.20 (b) For systems installed and contracted for after January 1, 2002, the total size of a
13.21 wind energy conversion system under this subdivision shall be determined according to
13.22 this paragraph. Unless the systems are interconnected with different distribution systems,
13.23 the nameplate capacity of one wind energy conversion system shall be combined with the
13.24 nameplate capacity of any other wind energy conversion system that is:

13.25 (1) located within five miles of the wind energy conversion system;

13.26 (2) constructed within the same ~~calendar year~~ 12-month period as the wind energy
13.27 conversion system; and

13.28 (3) under common ownership.

13.29 In the case of a dispute, the commissioner of commerce shall determine the total size
13.30 of the system, and shall draw all reasonable inferences in favor of combining the systems.

13.31 (c) In making a determination under paragraph (b), the commissioner of commerce
13.32 may determine that two wind energy conversion systems are under common ownership
13.33 when the underlying ownership structure contains similar persons or entities, even if the
13.34 ownership shares differ between the two systems. Wind energy conversion systems are

14.1 not under common ownership solely because the same person or entity provided equity
14.2 financing for the systems.

14.3 **EFFECTIVE DATE.** This section is effective for reports filed in 2016 and thereafter.

14.4 Sec. 13. Minnesota Statutes 2014, section 272.029, subdivision 4, is amended to read:

14.5 Subd. 4. **Reports.** (a) An owner of a wind energy conversion system subject to tax
14.6 under subdivision 3 shall file a report with the commissioner of revenue annually on
14.7 or before ~~February 1~~ January 15 detailing the amount of electricity in kilowatt-hours
14.8 that was produced by the wind energy conversion system for the previous calendar year.
14.9 The commissioner shall prescribe the form of the report. The report must contain the
14.10 information required by the commissioner to determine the tax due to each county under
14.11 this section for the current year. If an owner of a wind energy conversion system subject
14.12 to taxation under this section fails to file the report by the due date, the commissioner
14.13 of revenue shall determine the tax based upon the nameplate capacity of the system
14.14 multiplied by a capacity factor of 60 percent.

14.15 (b) On or before February 28, the commissioner of revenue shall notify the owner of
14.16 the wind energy conversion systems of the tax due to each county for the current year and
14.17 shall certify to the county auditor of each county in which the systems are located the tax
14.18 due from each owner for the current year.

14.19 **EFFECTIVE DATE.** This section is effective for reports filed in 2016 and thereafter.

14.20 Sec. 14. Minnesota Statutes 2014, section 272.029, is amended by adding a subdivision
14.21 to read:

14.22 Subd. 8. **Extension.** The commissioner may, for good cause, extend the time for
14.23 filing the report required by subdivision 4. The extension must not exceed 15 days.

14.24 **EFFECTIVE DATE.** This section is effective for reports filed in 2016 and thereafter.

14.25 Sec. 15. Minnesota Statutes 2014, section 273.061, subdivision 7, is amended to read:

14.26 Subd. 7. **Division of duties between local and county assessor.** The duty of the
14.27 duly appointed local assessor shall be to view and appraise the value of all property as
14.28 provided by law, but all the book work shall be done by the county assessor, or the
14.29 assessor's assistants, and the value of all property subject to assessment and taxation shall
14.30 be determined by the county assessor, except as otherwise hereinafter provided. If directed
14.31 by the county assessor, the local assessor ~~shall~~ must perform the duties enumerated in

15.1 subdivision 8, clause (16), and must enter construction and valuation data into the records
15.2 in the manner prescribed by the county auditor.

15.3 **EFFECTIVE DATE.** This section is effective for assessment year 2016 and
15.4 thereafter.

15.5 Sec. 16. Minnesota Statutes 2014, section 273.08, is amended to read:

15.6 **273.08 ASSESSOR'S DUTIES.**

15.7 The assessor shall actually view, and determine the market value of each tract or lot
15.8 of real property listed for taxation, including the value of all improvements and structures
15.9 thereon, at maximum intervals of five years and shall enter the value opposite each
15.10 description. When directed by the county assessor, local assessors must enter construction
15.11 and valuation data into the records in the manner prescribed by the county assessor.

15.12 **EFFECTIVE DATE.** This section is effective for assessment year 2016 and
15.13 thereafter.

15.14 Sec. 17. Minnesota Statutes 2014, section 273.121, is amended by adding a subdivision
15.15 to read:

15.16 Subd. 3. **Compliance.** A county assessor, or a city assessor having the powers
15.17 of a county assessor, who does not comply with the timely notice requirement under
15.18 subdivision 1 must:

15.19 (1) mail an additional valuation notice to each person who was not provided timely
15.20 notice; and

15.21 (2) convene a supplemental local board of appeal and equalization or local review
15.22 session no sooner than ten days after sending the additional notices required by clause (1).

15.23 **EFFECTIVE DATE.** This section is effective for valuation notices sent in 2016
15.24 and thereafter.

15.25 Sec. 18. Minnesota Statutes 2014, section 273.371, is amended to read:

15.26 **273.371 REPORTS OF UTILITY COMPANIES.**

15.27 Subdivision 1. **Report required.** Every electric light, power, gas, water, express,
15.28 stage, ~~and~~ transportation ~~company~~₂, and pipeline company doing business in Minnesota
15.29 shall annually file with the commissioner on or before March 31 a report under oath setting
15.30 forth the information prescribed by the commissioner to enable the commissioner to make
15.31 valuations, recommended valuations, and equalization required under sections 273.33,

273.35, 273.36, 273.37, and 273.3711. If all the required information is not available on March 31, the company or pipeline shall file the information that is available on or before March 31, and the balance of the information as soon as it becomes available.

Subd. 2. **Extension.** The commissioner for good cause may extend the time for filing the report required by subdivision 1. The extension ~~may~~ must not exceed 15 days.

Subd. 3. **Reports filed by the commissioner.** If a company fails to file a report required by subdivision 1, the commissioner may, from information in the commissioner's possession or obtainable by the commissioner, make and file a report for the company, or make the valuations, recommended valuations, and equalizations required under sections 273.33, 273.35 to 273.37, and 273.3711.

EFFECTIVE DATE. This section is effective for assessment year 2016 and thereafter.

Sec. 19. Minnesota Statutes 2014, section 273.372, subdivision 2, is amended to read:

Subd. 2. **Contents and filing of petition.** (a) In all appeals to court that are required to be brought against the commissioner under this section, the petition initiating the appeal must be served on the commissioner and must be filed with the Tax Court in Ramsey County, as provided in paragraph (b) or (c).

(b) If the appeal to court is from an order of the commissioner, it must be brought under chapter 271 and filed within the time period prescribed in section 271.06, subdivision 2, except that when the provisions of this section conflict with chapter 271 or 278, this section prevails. In addition, the petition must include all the parcels encompassed by that order which the petitioner claims have been partially, unfairly, or unequally assessed, assessed at a valuation greater than their real or actual value, misclassified, or are exempt. For this purpose, an order of the commissioner is either (1) a certification or notice of value by the commissioner for property described in subdivision 1, or (2) the final determination by the commissioner of either an administrative appeal conference or informal administrative appeal described in subdivision 4.

(c) If the appeal is from the tax that results from implementation of the commissioner's order, certification, or recommendation, it must be brought under chapter 278, and the provisions in that chapter apply, except that service shall be on the commissioner only and not on the local officials specified in section 278.01, subdivision 1, and if any other provision of this section conflicts with chapter 278, this section prevails. In addition, the petition must include either all the utility parcels or all the railroad parcels in the state in which the petitioner claims an interest and which the petitioner claims have

17.1 been partially, unfairly, or unequally assessed, assessed at a valuation greater than their
17.2 real or actual value, misclassified, or are exempt.

17.3 **EFFECTIVE DATE.** This section is effective for assessment year 2016 and
17.4 thereafter.

17.5 Sec. 20. Minnesota Statutes 2014, section 273.372, subdivision 4, is amended to read:

17.6 Subd. 4. **Administrative appeals.** (a) Companies that submit the reports under
17.7 section 270.82 or 273.371 by the date specified in that section, or by the date specified
17.8 by the commissioner in an extension, may appeal administratively to the commissioner
17.9 prior to bringing an action in court.

17.10 (b) Companies ~~that must submit reports under section 270.82 must submit~~ file a
17.11 written request to for an appeal with the commissioner ~~for a conference~~ within ~~ten~~ 30
17.12 days after the notice date of the commissioner's valuation certification or other notice
17.13 to the company, ~~or by June 15, whichever is earlier.~~ For purposes of this section, the
17.14 term "notice date" means the date of the valuation certification, commissioner's order,
17.15 recommendation, or other notice.

17.16 (c) ~~Companies that submit reports under section 273.371 must submit a written~~
17.17 ~~request to the commissioner for a conference within ten days after the date of the~~
17.18 ~~commissioner's valuation certification or notice to the company, or by July 1, whichever~~
17.19 ~~is earlier.~~ The appeal need not be in any particular form but must contain the following
17.20 information:

- 17.21 (1) name and address of the company;
17.22 (2) the date;
17.23 (3) its Minnesota identification number;
17.24 (4) the assessment year or period involved;
17.25 (5) the findings in the valuation that the company disputes;
17.26 (6) a summary statement specifying its reasons for disputing each item; and
17.27 (7) the signature of the company's duly authorized agent or representative.

17.28 (d) When requested in writing and within the time allowed for filing an
17.29 administrative appeal, the commissioner may extend the time for filing an appeal for a
17.30 period of not more than 15 days from the expiration of the time for filing the appeal.

17.31 ~~(d)~~ (e) The commissioner shall conduct the conference either in person or by
17.32 telephone upon the commissioner's entire files and records and such further information as
17.33 may be offered. The conference must be held no later than 20 days after the date of the
17.34 ~~commissioner's valuation certification or notice to the company, or by the date specified~~
17.35 ~~by the commissioner in an extension request for an appeal.~~ Within ~~60~~ 30 days after the

18.1 conference the commissioner shall make a final determination of the matter and shall
18.2 notify the company promptly of the determination. The conference is not a contested
18.3 case hearing subject to chapter 14.

18.4 ~~(e) In addition to the opportunity for a conference under paragraph (a), the~~
18.5 ~~commissioner shall also provide the railroad and utility companies the opportunity to~~
18.6 ~~discuss any questions or concerns relating to the values established by the commissioner~~
18.7 ~~through certification or notice in a less formal manner. This does not change or modify~~
18.8 ~~the deadline for requesting a conference under paragraph (a), the deadline in section~~
18.9 ~~271.06 for appealing an order of the commissioner, or the deadline in section 278.01 for~~
18.10 ~~appealing property taxes in court.~~

18.11 **EFFECTIVE DATE.** This section is effective for assessment year 2016 and
18.12 thereafter.

18.13 Sec. 21. Minnesota Statutes 2014, section 273.372, is amended by adding a subdivision
18.14 to read:

18.15 Subd. 5. **Agreement determining valuation.** When it appears to be in the best
18.16 interest of the state, the commissioner may settle any matter under consideration regarding
18.17 an appeal filed under this section. The agreement must be in writing and signed by
18.18 the commissioner and the company or the company's authorized representative. The
18.19 agreement is final and conclusive, and except upon a showing of fraud, malfeasance,
18.20 or misrepresentation of a material fact, the case may not be reopened as to the matters
18.21 agreed upon.

18.22 **EFFECTIVE DATE.** This section is effective for assessment year 2016 and
18.23 thereafter.

18.24 Sec. 22. Minnesota Statutes 2014, section 273.372, is amended by adding a subdivision
18.25 to read:

18.26 Subd. 6. **Dismissal of administrative appeal.** If a taxpayer files an administrative
18.27 appeal from an order of the commissioner and also files an appeal to the tax court for
18.28 that same order of the commissioner, the administrative appeal is dismissed and the
18.29 commissioner is no longer required to make the determination of appeal under subdivision
18.30 4.

18.31 **EFFECTIVE DATE.** This section is effective beginning with assessment year 2015.

18.32 Sec. 23. Minnesota Statutes 2014, section 274.13, subdivision 1, is amended to read:

Subdivision 1. **Members; meetings; rules for equalizing assessments.** The county commissioners, or a majority of them, with the county auditor, or, if the auditor cannot be present, the deputy county auditor, or, if there is no deputy, the court administrator of the district court, shall form a board for the equalization of the assessment of the property of the county, including the property of all cities whose charters provide for a board of equalization. This board shall be referred to as the county board of appeal and equalization. The board shall meet annually, on the date specified in section 274.14, at the office of the auditor. Each member shall take an oath to fairly and impartially perform duties as a member. Members shall not participate in any actions of the board which result in market value adjustments or classification changes to property owned by the board member, the spouse, parent, stepparent, child, stepchild, grandparent, grandchild, brother, sister, uncle, aunt, nephew, or niece of a board member, or property in which a board member has a financial interest. The relationship may be by blood or marriage. The board shall examine and compare the returns of the assessment of property of the towns or districts, and equalize them so that each tract or lot of real property and each article or class of personal property is entered on the assessment list at its market value, subject to the following rules:

(1) The board shall raise the valuation of each tract or lot of real property which in its opinion is returned below its market value to the sum believed to be its market value. The board must first give notice of intention to raise the valuation to the person in whose name it is assessed, if the person is a resident of the county. The notice must fix a time and place for a hearing.

(2) The board shall reduce the valuation of each tract or lot which in its opinion is returned above its market value to the sum believed to be its market value.

(3) The board shall raise the valuation of each class of personal property which in its opinion is returned below its market value to the sum believed to be its market value. It shall raise the aggregate value of the personal property of individuals, firms, or corporations, when it believes that the aggregate valuation, as returned, is less than the market value of the taxable personal property possessed by the individuals, firms, or corporations, to the sum it believes to be the market value. The board must first give notice to the persons of intention to do so. The notice must set a time and place for a hearing.

(4) The board shall reduce the valuation of each class of personal property that is returned above its market value to the sum it believes to be its market value. Upon complaint of a party aggrieved, the board shall reduce the aggregate valuation of the individual's personal property, or of any class of personal property for which the individual is assessed, which in its opinion has been assessed at too large a sum, to the sum it believes was the market value of the individual's personal property of that class.

(5) The board must not reduce the aggregate value of all the property of its county, as submitted to the county board of equalization, with the additions made by the auditor under this chapter, by more than one percent of its whole valuation. The board may raise the aggregate valuation of real property, and of each class of personal property, of the county, or of any town or district of the county, when it believes it is below the market value of the property, or class of property, to the aggregate amount it believes to be its market value.

(6) The board shall change the classification of any property which in its opinion is not properly classified.

(7) The board does not have the authority to grant an exemption or to order property removed from the tax rolls.

(8) The board may not make an individual market value adjustment or classification change that would benefit property if the owner or other person having control over the property has refused the assessor access to inspect the property and the interior of any buildings or structures as provided in section 273.20.

EFFECTIVE DATE. This section is effective for county board of appeal and equalization meetings in 2016 and thereafter.

Sec. 24. Minnesota Statutes 2014, section 275.62, subdivision 2, is amended to read:

Subd. 2. **Local governments required to report.** For purposes of this section, "local governmental unit" means a county, home rule charter or statutory city with a population greater than 2,500, ~~a town with a population greater than 5,000, or a home rule charter or statutory city or town that receives a distribution from the taconite municipal aid account in the levy year.~~

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

Sec. 25. Minnesota Statutes 2014, section 278.01, subdivision 1, is amended to read:

Subdivision 1. **Determination of validity.** (a) Any person having personal property, or any estate, right, title, or interest in or lien upon any parcel of land, who claims that such property has been partially, unfairly, or unequally assessed in comparison with other property in the (1) city, or (2) county, or (3) in the case of a county containing a city of the first class, the portion of the county excluding the first class city, or that the parcel has been assessed at a valuation greater than its real or actual value, or that the tax levied against the same is illegal, in whole or in part, or has been paid, or that the property is exempt from the tax so levied, may have the validity of the claim, defense, or objection determined by the district court of the county in which the tax is levied or by the Tax

21.1 Court by serving one copy of a petition for such determination upon the county auditor,
21.2 one copy on the county attorney, one copy on the county treasurer, and three copies on the
21.3 county assessor. The county assessor shall immediately forward one copy of the petition
21.4 to the appropriate governmental authority in a home rule charter or statutory city or town
21.5 in which the property is located if that city or town employs its own certified assessor.
21.6 A copy of the petition shall also be forwarded by the assessor to the school board of the
21.7 school district in which the property is located.

21.8 (b) In counties where the office of county treasurer has been combined with the
21.9 office of county auditor, the county may elect to require the petitioner to serve the number
21.10 of copies as determined by the county. The county assessor shall immediately forward one
21.11 copy of the petition to the appropriate governmental authority in a home rule charter or
21.12 statutory city or town in which the property is located if that city or town employs its own
21.13 certified assessor. A list of petitioned properties, including the name of the petitioner, the
21.14 identification number of the property, and the estimated market value, shall be sent on
21.15 or before the first day of July by the county auditor/treasurer to the school board of the
21.16 school district in which the property is located.

21.17 (c) For all counties, the petitioner must file the copies with proof of service, in the
21.18 office of the court administrator of the district court on or before April 30 of the year in
21.19 which the tax becomes payable. A petition for determination under this section may be
21.20 transferred by the district court to the Tax Court. An appeal may also be taken to the Tax
21.21 Court under chapter 271 at any time following receipt of the valuation notice that county
21.22 assessors are required by section 273.121 to send to persons whose property is to be
21.23 included on the assessment roll that year, but prior to May 1 of the year in which the
21.24 taxes are payable.

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

21.26 Sec. 26. Minnesota Statutes 2014, section 290C.03, is amended to read:

21.27 **290C.03 ELIGIBILITY REQUIREMENTS.**

21.28 (a) Land may be enrolled in the sustainable forest incentive program under this
21.29 chapter if all of the following conditions are met:

21.30 (1) the land consists of at least 20 contiguous acres and at least 50 percent of the
21.31 land must meet the definition of forest land in section 88.01, subdivision 7, during the
21.32 enrollment;

22.1 (2) a forest management plan for the land must be (i) prepared by an approved plan
22.2 writer and implemented during the period in which the land is enrolled, and (ii) registered
22.3 with the Department of Natural Resources;

22.4 (3) timber harvesting and forest management guidelines must be used in conjunction
22.5 with any timber harvesting or forest management activities conducted on the land during
22.6 the period in which the land is enrolled;

22.7 (4) the land must be enrolled for a minimum of eight years;

22.8 (5) there are no delinquent property taxes on the land; ~~and~~

22.9 (6) claimants enrolling more than 1,920 acres in the sustainable forest incentive
22.10 program must allow year-round, nonmotorized access to fish and wildlife resources and
22.11 motorized access on established and maintained roads and trails, unless the road or trail is
22.12 temporarily closed for safety, natural resource, or road damage reasons on enrolled land
22.13 except within one-fourth mile of a permanent dwelling or during periods of high fire
22.14 hazard as determined by the commissioner of natural resources; and

22.15 (7) the land is not classified as 2c managed forest land.

22.16 (b) Claimants required to allow access under paragraph (a), clause (6), do not by
22.17 that action:

22.18 (1) extend any assurance that the land is safe for any purpose;

22.19 (2) confer upon the person the legal status of an invitee or licensee to whom a duty
22.20 of care is owed; or

22.21 (3) assume responsibility for or incur liability for any injury to the person or property
22.22 caused by an act or omission of the person.

22.23 (c) A minimum of three acres must be excluded from enrolled land when the land is
22.24 improved with a structure that is not a minor, ancillary, or nonresidential structure. If land
22.25 does not meet the definition of forest land in section 290C.02, subdivision 6, because the
22.26 land is (1) enrolled in the reinvest in Minnesota program, (2) enrolled in a state or federal
22.27 conservation reserve or easement program under sections 103F.501 to 103F.531, (3)
22.28 subject to the Minnesota agricultural property tax under section 273.111, or (4) subject
22.29 to agricultural land preservation controls or restrictions as defined in section 40A.02, or
22.30 the Metropolitan Agricultural Preserves Act under chapter 473H, the entire parcel that
22.31 contains the land is not eligible to be enrolled in the program.

22.32 **EFFECTIVE DATE.** The amendment to paragraph (a), clause (2), is effective for
22.33 certifications filed after July 1, 2016. The amendment adding paragraph (a), clause (7), is
22.34 effective for certifications and applications due in 2015 and thereafter. The amendment
22.35 adding paragraph (c) is effective the day following final enactment.

23.1 Sec. 27. **[290C.051] VERIFICATION OF FOREST MANAGEMENT PLAN.**

23.2 On request of the commissioner, the commissioner of natural resources must
23.3 annually provide verification that the claimant has a current forest management plan on
23.4 file with the Department of Natural Resources.

23.5 **EFFECTIVE DATE.** This section is effective for certifications filed after July
23.6 1, 2016.

23.7 Sec. 28. Minnesota Statutes 2014, section 477A.013, is amended by adding a
23.8 subdivision to read:

23.9 Subd. 14. **Communication by electronic mail.** Prior to receiving aid pursuant to
23.10 this section, a city must register an official electronic mail address with the commissioner,
23.11 which the commissioner may use as an exclusive means to communicate with the city.

23.12 **EFFECTIVE DATE.** This section is effective for aids payable in 2016 and thereafter.

23.13 Sec. 29. Minnesota Statutes 2014, section 477A.19, is amended by adding a
23.14 subdivision to read:

23.15 Subd. 3a. **Certification.** On or before June 1 of each year, the commissioner of
23.16 natural resources shall certify to the commissioner of revenue the number of watercraft
23.17 launches and the number of watercraft trailer parking spaces in each county.

23.18 **EFFECTIVE DATE.** This section is effective for transition aid payable in 2016
23.19 and thereafter.

23.20 Sec. 30. Minnesota Statutes 2014, section 477A.19, is amended by adding a
23.21 subdivision to read:

23.22 Subd. 3b. **Certification.** On or before June 1 of each year, the commissioner of
23.23 natural resources shall certify to the commissioner of revenue the counties that complied
23.24 with the requirements of subdivision 3 the prior year and are eligible to receive aid
23.25 under this section.

23.26 **EFFECTIVE DATE.** This section is effective for transition aid payable in 2016
23.27 and thereafter.

23.28 Sec. 31. Minnesota Statutes 2014, section 559.202, subdivision 2, is amended to read:

23.29 Subd. 2. **Exception.** This section does not apply to sales made under chapter 282 or
23.30 if the purchaser is represented throughout the transaction by either:

24.1 (1) a person licensed to practice law in this state; or
24.2 (2) a person licensed as a real estate broker or salesperson under chapter 82,
24.3 provided that the representation does not create a dual agency, as that term is defined
24.4 in section 82.55, subdivision 6.

24.5 **EFFECTIVE DATE.** This section is effective for sales of tax-forfeited land
24.6 occurring after the day following final enactment.

24.7 Sec. 32. Laws 2014, chapter 308, article 1, section 14, subdivision 2, is amended to read:

24.8 Subd. 2. **Payment of supplemental credit.** (a) The commissioner must pay
24.9 supplemental credit amounts to each qualifying taxpayer by October 15, 2014.

24.10 (b) If the commissioner cannot locate the qualifying taxpayer by October 15, 2016,
24.11 or if a qualifying taxpayer to whom a warrant was issued does not cash that warrant within
24.12 two years from the date the warrant was issued, the right to the credit shall lapse and the
24.13 warrant shall be deposited in the general fund.

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

24.15 Sec. 33. **REPEALER.**

24.16 Minnesota Statutes 2014, sections 290C.02, subdivisions 5 and 9; and 290C.06, are
24.17 repealed.

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

24.19 **ARTICLE 4**

24.20 **MISCELLANEOUS**

24.21 Section 1. Minnesota Statutes 2014, section 270.82, subdivision 1, is amended to read:

24.22 Subdivision 1. **Annual report required.** Every railroad company doing business
24.23 in Minnesota shall annually file with the commissioner on or before March 31 a report
24.24 under oath setting forth the information prescribed by the commissioner to enable the
24.25 commissioner to make the valuation and equalization required by sections 270.80 to
24.26 270.87. The commissioner shall prescribe the content, format, and manner of the report
24.27 pursuant to section 270C.30, except that a "law administered by the commissioner"
24.28 includes the property tax laws. If a report is made by electronic means, the taxpayer's
24.29 signature is defined pursuant to section 270C.304, except that a "law administered by the
24.30 commissioner" includes the property tax laws.

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

25.1 Sec. 2. Minnesota Statutes 2014, section 270B.14, subdivision 1, is amended to read:

25.2 Subdivision 1. **Disclosure to commissioner of human services.** (a) On the request
25.3 of the commissioner of human services, the commissioner shall disclose return information
25.4 regarding taxes imposed by chapter 290, and claims for refunds under chapter 290A, to
25.5 the extent provided in paragraph (b) and for the purposes set forth in paragraph (c).

25.6 (b) Data that may be disclosed are limited to data relating to the identity,
25.7 whereabouts, employment, income, and property of a person owing or alleged to be owing
25.8 an obligation of child support.

25.9 (c) The commissioner of human services may request data only for the purposes of
25.10 carrying out the child support enforcement program and to assist in the location of parents
25.11 who have, or appear to have, deserted their children. Data received may be used only
25.12 as set forth in section 256.978.

25.13 (d) The commissioner shall provide the records and information necessary to
25.14 administer the supplemental housing allowance to the commissioner of human services.

25.15 (e) At the request of the commissioner of human services, the commissioner of
25.16 revenue shall electronically match the Social Security numbers and names of participants
25.17 in the telephone assistance plan operated under sections 237.69 to 237.71, with those of
25.18 property tax refund filers, and determine whether each participant's household income is
25.19 within the eligibility standards for the telephone assistance plan.

25.20 (f) The commissioner may provide records and information collected under sections
25.21 295.50 to 295.59 to the commissioner of human services for purposes of the Medicaid
25.22 Voluntary Contribution and Provider-Specific Tax Amendments of 1991, Public Law
25.23 102-234. Upon the written agreement by the United States Department of Health and
25.24 Human Services to maintain the confidentiality of the data, the commissioner may provide
25.25 records and information collected under sections 295.50 to 295.59 to the Centers for
25.26 Medicare and Medicaid Services section of the United States Department of Health and
25.27 Human Services for purposes of meeting federal reporting requirements.

25.28 (g) The commissioner may provide records and information to the commissioner of
25.29 human services as necessary to administer the early refund of refundable tax credits.

25.30 (h) The commissioner may disclose information to the commissioner of human
25.31 services as necessary to verify income for welfare income verification for eligibility and
25.32 premium payment under the MinnesotaCare program, under section 256L.05, subdivision
25.33 2, as well as the medical assistance program under section 256B.

25.34 (i) The commissioner may disclose information to the commissioner of human
25.35 services necessary to verify whether applicants or recipients for the Minnesota family
25.36 investment program, general assistance, food support, Minnesota supplemental aid

program, and child care assistance have claimed refundable tax credits under chapter 290 and the property tax refund under chapter 290A, and the amounts of the credits.

(j) The commissioner may disclose information to the commissioner of human services necessary to verify income for purposes of calculating parental contribution amounts under section 252.27, subdivision 2a.

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

Sec. 3. Minnesota Statutes 2014, section 270C.30, is amended to read:

270C.30 RETURNS AND OTHER DOCUMENTS; FORMAT; FURNISHING.

The commissioner shall prescribe the content ~~and~~ format, and manner of all returns and other forms required to be filed under a law administered by the commissioner, and may furnish them subject to charge on application.

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

Sec. 4. Minnesota Statutes 2014, section 270C.33, subdivision 5, is amended to read:

Subd. 5. **Prohibition against collection during appeal period of an order.** No collection action can be taken on an order of assessment, or any other order imposing a liability, including the filing of liens under section 270C.63, and no late payment penalties may be imposed when a return has been filed for the tax type and period upon which the order is based, during the appeal period of an order. The appeal period of an order ends: (1) 60 days after the ~~order has been mailed to the taxpayer~~ notice date designated by the commissioner on the order; (2) if an administrative appeal is filed under section 270C.35, 60 days after the notice date designated by the commissioner on the written determination of the administrative appeal; (3) if an appeal to Tax Court is filed under chapter 271, when the decision of the Tax Court is made; or (4) if an appeal to Tax Court is filed and the appeal is based upon a constitutional challenge to the tax, 60 days after final determination of the appeal. This subdivision does not apply to a jeopardy assessment under section 270C.36, or a jeopardy collection under section 270C.36.

EFFECTIVE DATE. This section is effective for orders dated after September 30, 2015.

Sec. 5. Minnesota Statutes 2014, section 270C.34, subdivision 2, is amended to read:

Subd. 2. **Procedure.** (a) A request for abatement of penalty under subdivision 1 or section 289A.60, subdivision 4, or a request for abatement of interest or additional tax

27.1 charge, must be filed with the commissioner within 60 days of the notice date of the notice
27.2 ~~was mailed to the taxpayer's last known address, stating that a~~ penalty has been imposed
27.3 or additional tax charge. For purposes of this section, the term "notice date" means the
27.4 notice date designated by the commissioner on the order or other notice that a penalty or
27.5 additional tax charge has been imposed.

27.6 (b) If the commissioner issues an order denying a request for abatement of penalty,
27.7 interest, or additional tax charge, the taxpayer may file an administrative appeal as
27.8 provided in section 270C.35 or appeal to Tax Court as provided in section 271.06.

27.9 (c) If the commissioner does not issue an order on the abatement request within
27.10 60 days from the date the request is received, the taxpayer may appeal to Tax Court as
27.11 provided in section 271.06.

27.12 **EFFECTIVE DATE.** This section is effective for orders and notices dated after
27.13 September 30, 2015.

27.14 Sec. 6. Minnesota Statutes 2014, section 270C.347, subdivision 1, is amended to read:

27.15 Subdivision 1. **Checks and warrants, authority to reissue.** Notwithstanding any
27.16 other provision of law, the commissioner may, based on a showing of reasonable cause,
27.17 reissue an uncashed rebate, supplemental agricultural credit, or property tax refund warrant
27.18 or check that has lapsed under any provision of law relating to rebates or under section
27.19 290A.18, subdivision 2. The authority to reissue warrants or checks under this subdivision
27.20 is limited to five years after the date of issuance of the original warrant or check.

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

27.22 Sec. 7. Minnesota Statutes 2014, section 270C.35, subdivision 3, is amended to read:

27.23 Subd. 3. **Notice date.** For purposes of this section, the term "notice date" means the
27.24 date of designated by the commissioner on the order adjusting the tax or order denying a
27.25 request for abatement, or, in the case of a denied refund, the notice date of designated by
27.26 the commissioner on the notice of denial.

27.27 **EFFECTIVE DATE.** This section is effective for orders and notices dated after
27.28 September 30, 2015.

27.29 Sec. 8. Minnesota Statutes 2014, section 270C.445, is amended by adding a
27.30 subdivision to read:

27.31 **Subd. 9. Enforcement; limitations.** (a) Notwithstanding any other law, the
27.32 imposition of a penalty or any other action against a tax return preparer authorized by

28.1 subdivision 6 with respect to a return may be taken by the commissioner within the period
28.2 provided by section 289A.38 to assess tax on that return.

28.3 (b) Imposition of a penalty or other action against a tax return preparer authorized
28.4 by subdivision 6 other than with respect to a return must be taken by the commissioner
28.5 within five years of the violation of statute.

28.6 **EFFECTIVE DATE.** This section is effective for tax preparation services provided
28.7 after the day following final enactment.

28.8 Sec. 9. Minnesota Statutes 2014, section 270C.446, subdivision 5, is amended to read:

28.9 Subd. 5. **Removal from list.** The commissioner shall remove the name of a tax
28.10 preparer from the list of tax preparers published under this section:

28.11 (1) when the commissioner determines that the name was included on the list in error;

28.12 (2) within ~~90 days~~ three years after the preparer has demonstrated to the commissioner
28.13 that the preparer fully paid all fines or penalties imposed, served any suspension, satisfied
28.14 any sentence imposed, successfully completed any probationary period imposed, and
28.15 successfully completed any remedial actions required by the commissioner, the State
28.16 Board of Accountancy, or the Lawyers Board of Professional Responsibility; or

28.17 (3) when the commissioner has been notified that the tax preparer is deceased.

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

28.19 Sec. 10. Minnesota Statutes 2014, section 271.06, subdivision 2, is amended to read:

28.20 Subd. 2. **Time; notice; intervention.** Except as otherwise provided by law, within
28.21 60 days after the notice of the making and filing date of an order of the commissioner of
28.22 revenue, the appellant, or the appellant's attorney, shall serve a notice of appeal upon
28.23 the commissioner and file the original, with proof of such service, with the Tax Court
28.24 administrator or with the court administrator of district court acting as court administrator
28.25 of the Tax Court; provided, that the Tax Court, for cause shown, may by written order
28.26 extend the time for appealing for an additional period not exceeding 30 days. For purposes
28.27 of this section, the term "notice date" means the notice date designated by the commissioner
28.28 on the order. The notice of appeal shall be in the form prescribed by the Tax Court. Within
28.29 five days after receipt, the commissioner shall transmit a copy of the notice of appeal to
28.30 the attorney general. The attorney general shall represent the commissioner, if requested,
28.31 upon all such appeals except in cases where the attorney general has appealed in behalf of
28.32 the state, or in other cases where the attorney general deems it against the interests of the

state to represent the commissioner, in which event the attorney general may intervene or be substituted as an appellant in behalf of the state at any stage of the proceedings.

Upon a final determination of any other matter over which the court is granted jurisdiction under section 271.01, subdivision 5, the taxpayer or the taxpayer's attorney shall file a petition or notice of appeal as provided by law with the court administrator of district court, acting in the capacity of court administrator of the Tax Court, with proof of service of the petition or notice of appeal as required by law and within the time required by law. As used in this subdivision, "final determination" includes a notice of assessment and equalization for the year in question received from the local assessor, an order of the local board of equalization, or an order of a county board of equalization.

The Tax Court shall prescribe a filing system so that the notice of appeal or petition filed with the district court administrator acting as court administrator of the Tax Court is forwarded to the Tax Court administrator. In the case of an appeal or a petition concerning property valuation for which the assessor, a local board of equalization, a county board of equalization or the commissioner of revenue has issued an order, the officer issuing the order shall be notified of the filing of the appeal. The notice of appeal or petition shall be in the form prescribed by the Tax Court.

EFFECTIVE DATE. This section is effective for orders dated after September 30, 2015.

Sec. 11. Minnesota Statutes 2014, section 271.06, subdivision 7, is amended to read:

Subd. 7. **Rules.** Except as provided in section 278.05, subdivision 6, the Rules of Evidence and Civil Procedure for the district court of Minnesota shall govern the procedures in the Tax Court, where practicable. The Rules of Civil Procedure do not apply to alter the 60-day period of time to file a notice of appeal provided in subdivision 2. The Tax Court may adopt rules under chapter 14. The rules in effect on January 1, 1989, apply until superseded.

EFFECTIVE DATE. This section is effective for orders dated after September 30, 2015.

Sec. 12. Minnesota Statutes 2014, section 272.02, subdivision 10, is amended to read:

Subd. 10. **Personal property used for pollution control.** Personal property used primarily for the abatement and control of air, water, or land pollution is exempt to the extent that it is so used, and real property is exempt if it is used primarily for abatement and control of air, water, or land pollution as part of an agricultural operation, as a part

of a centralized treatment and recovery facility operating under a permit issued by the Minnesota Pollution Control Agency pursuant to chapters 115 and 116 and Minnesota Rules, parts 7001.0500 to 7001.0730, and 7045.0020 to 7045.1260, as a wastewater treatment facility and for the treatment, recovery, and stabilization of metals, oils, chemicals, water, sludges, or inorganic materials from hazardous industrial wastes, or as part of an electric generation system. For purposes of this subdivision, personal property includes ponderous machinery and equipment used in a business or production activity that at common law is considered real property.

Any taxpayer requesting exemption of all or a portion of any real property or any equipment or device, or part thereof, operated primarily for the control or abatement of air, water, or land pollution shall file an application with the commissioner of revenue. The commissioner shall develop an electronic means to notify interested parties when electric power generation facilities have filed an application. The commissioner shall prescribe the content, format, and manner of the application pursuant to section 270C.30, except that a "law administered by the commissioner" includes the property tax laws, and if an application is made by electronic means, the taxpayer's signature is defined pursuant to section 270C.304, except that a "law administered by the commissioner" includes the property tax laws. The Minnesota Pollution Control Agency shall upon request of the commissioner furnish information and advice to the commissioner.

The information and advice furnished by the Minnesota Pollution Control Agency must include statements as to whether the equipment, device, or real property meets a standard, rule, criteria, guideline, policy, or order of the Minnesota Pollution Control Agency, and whether the equipment, device, or real property is installed or operated in accordance with it. On determining that property qualifies for exemption, the commissioner shall issue an order exempting the property from taxation. The commissioner shall develop an electronic means to notify interested parties when the commissioner has issued an order exempting property from taxation under this subdivision. The equipment, device, or real property shall continue to be exempt from taxation as long as the order issued by the commissioner remains in effect.

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

Sec. 13. Minnesota Statutes 2014, section 272.0211, subdivision 1, is amended to read:

Subdivision 1. **Efficiency determination and certification.** An owner or operator of a new or existing electric power generation facility, excluding wind energy conversion systems, may apply to the commissioner of revenue for a market value exclusion on the property as provided for in this section. This exclusion shall apply only to the market

31.1 value of the equipment of the facility, and shall not apply to the structures and the land
31.2 upon which the facility is located. The commissioner of revenue shall prescribe the ~~forms~~
31.3 content, format, manner, and procedures for this application pursuant to section 270C.30,
31.4 except that a "law administered by the commissioner" includes the property tax laws. If
31.5 an application is made by electronic means, the taxpayer's signature is defined pursuant
31.6 to section 270C.304, except that a "law administered by the commissioner" includes the
31.7 property tax laws. Upon receiving the application, the commissioner of revenue shall: (1)
31.8 request the commissioner of commerce to make a determination of the efficiency of the
31.9 applicant's electric power generation facility; and (2) shall develop an electronic means to
31.10 notify interested parties when electric power generation facilities have filed an application.
31.11 The commissioner of commerce shall calculate efficiency as the ratio of useful energy
31.12 outputs to energy inputs, expressed as a percentage, based on the performance of the
31.13 facility's equipment during normal full load operation. The commissioner must include in
31.14 this formula the energy used in any on-site preparation of materials necessary to convert
31.15 the materials into the fuel used to generate electricity, such as a process to gasify petroleum
31.16 coke. The commissioner shall use the Higher Heating Value (HHV) for all substances in
31.17 the commissioner's efficiency calculations, except for wood for fuel in a biomass-eligible
31.18 project under section 216B.2424; for these instances, the commissioner shall adjust the
31.19 heating value to allow for energy consumed for evaporation of the moisture in the wood.
31.20 The applicant shall provide the commissioner of commerce with whatever information the
31.21 commissioner deems necessary to make the determination. Within 30 days of the receipt
31.22 of the necessary information, the commissioner of commerce shall certify the findings of
31.23 the efficiency determination to the commissioner of revenue and to the applicant. The
31.24 commissioner of commerce shall determine the efficiency of the facility and certify the
31.25 findings of that determination to the commissioner of revenue every two years thereafter
31.26 from the date of the original certification.

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

31.28 Sec. 14. Minnesota Statutes 2014, section 272.025, subdivision 1, is amended to read:

31.29 Subdivision 1. **Statement of exemption.** (a) Except in the case of property owned
31.30 by the state of Minnesota or any political subdivision thereof, and property exempt from
31.31 taxation under section 272.02, subdivisions 9, 10, 13, 15, 18, 20, and 22 to 25, and at
31.32 the times provided in subdivision 3, a taxpayer claiming an exemption from taxation
31.33 on property described in section 272.02, subdivisions 2 to 33, must file a statement of
31.34 exemption with the assessor of the assessment district in which the property is located.

(b) A taxpayer claiming an exemption from taxation on property described in section 272.02, subdivision 10, must file a statement of exemption with the commissioner of revenue, on or before February 15 of each year for which the taxpayer claims an exemption.

(c) In case of sickness, absence or other disability or for good cause, the assessor or the commissioner may extend the time for filing the statement of exemption for a period not to exceed 60 days.

(d) The commissioner of revenue shall prescribe the ~~form and contents~~ content, format, and manner of the statement of exemption pursuant to section 270C.30, except that a "law administered by the commissioner" includes the property tax laws.

(e) If a statement is made by electronic means, the taxpayer's signature is defined pursuant to section 270C.304, except that a "law administered by the commissioner" includes the property tax laws.

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

Sec. 15. Minnesota Statutes 2014, section 272.029, subdivision 4, is amended to read:

Subd. 4. **Reports.** (a) An owner of a wind energy conversion system subject to tax under subdivision 3 shall file a report with the commissioner of revenue annually on or before February 1 detailing the amount of electricity in kilowatt-hours that was produced by the wind energy conversion system for the previous calendar year. The commissioner shall prescribe the ~~form~~ content, format, and manner of the report pursuant to section 270C.30, except that a "law administered by the commissioner" includes the property tax laws. The report must contain the information required by the commissioner to determine the tax due to each county under this section for the current year. If an owner of a wind energy conversion system subject to taxation under this section fails to file the report by the due date, the commissioner of revenue shall determine the tax based upon the nameplate capacity of the system multiplied by a capacity factor of 60 percent.

(b) If a report is made by electronic means, the taxpayer's signature is defined pursuant to section 270C.304, except that a "law administered by the commissioner" includes the property tax laws.

~~(b)~~ (c) On or before February 28, the commissioner of revenue shall notify the owner of the wind energy conversion systems of the tax due to each county for the current year and shall certify to the county auditor of each county in which the systems are located the tax due from each owner for the current year.

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

33.1 Sec. 16. Minnesota Statutes 2014, section 272.0295, subdivision 4, is amended to read:

33.2 Subd. 4. **Reports.** An owner of a solar energy generating system subject to tax
33.3 under this section shall file a report with the commissioner of revenue annually on or
33.4 before January 15 detailing the amount of electricity in megawatt-hours that was produced
33.5 by the system in the previous calendar year. The commissioner shall prescribe the ~~form~~
33.6 content, format, and manner of the report pursuant to section 270C.30. The report must
33.7 contain the information required by the commissioner to determine the tax due to each
33.8 county under this section for the current year. If an owner of a solar energy generating
33.9 system subject to taxation under this section fails to file the report by the due date, the
33.10 commissioner of revenue shall determine the tax based upon the nameplate capacity of
33.11 the system multiplied by a capacity factor of 30 percent.

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

33.13 Sec. 17. Minnesota Statutes 2014, section 272.115, subdivision 2, is amended to read:

33.14 Subd. 2. **Form; information required.** The certificate of value shall require
33.15 such facts and information as may be determined by the commissioner to be reasonably
33.16 necessary in the administration of the state education aid formulas. The ~~form~~
33.17 commissioner shall prescribe the content, format, and manner of the certificate of value
33.18 ~~shall be prescribed by the Department of Revenue which shall provide an adequate~~
33.19 ~~supply of forms to each county auditor pursuant to section 270C.30, except that a "law~~
33.20 administered by the commissioner" includes the property tax laws.

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

33.22 Sec. 18. Minnesota Statutes 2014, section 273.124, subdivision 13, is amended to read:

33.23 Subd. 13. **Homestead application.** (a) A person who meets the homestead
33.24 requirements under subdivision 1 must file a homestead application with the county
33.25 assessor to initially obtain homestead classification.

33.26 (b) ~~The format and contents of a uniform homestead application shall be prescribed~~
33.27 ~~by the commissioner of revenue.~~ The commissioner shall prescribe the content, format,
33.28 and manner of the homestead application required to be filed under this chapter pursuant
33.29 to section 270C.30. The application must clearly inform the taxpayer that this application
33.30 must be signed by all owners who occupy the property or by the qualifying relative and
33.31 returned to the county assessor in order for the property to receive homestead treatment.

33.32 (c) Every property owner applying for homestead classification must furnish to the
33.33 county assessor the Social Security number of each occupant who is listed as an owner

of the property on the deed of record, the name and address of each owner who does not occupy the property, and the name and Social Security number of each owner's spouse who occupies the property. The application must be signed by each owner who occupies the property and by each owner's spouse who occupies the property, or, in the case of property that qualifies as a homestead under subdivision 1, paragraph (c), by the qualifying relative.

If a property owner occupies a homestead, the property owner's spouse may not claim another property as a homestead unless the property owner and the property owner's spouse file with the assessor an affidavit or other proof required by the assessor stating that the property qualifies as a homestead under subdivision 1, paragraph (e).

Owners or spouses occupying residences owned by their spouses and previously occupied with the other spouse, either of whom fail to include the other spouse's name and Social Security number on the homestead application or provide the affidavits or other proof requested, will be deemed to have elected to receive only partial homestead treatment of their residence. The remainder of the residence will be classified as nonhomestead residential. When an owner or spouse's name and Social Security number appear on homestead applications for two separate residences and only one application is signed, the owner or spouse will be deemed to have elected to homestead the residence for which the application was signed.

(d) If residential real estate is occupied and used for purposes of a homestead by a relative of the owner and qualifies for a homestead under subdivision 1, paragraph (c), in order for the property to receive homestead status, a homestead application must be filed with the assessor. The Social Security number of each relative and spouse of a relative occupying the property shall be required on the homestead application filed under this subdivision. If a different relative of the owner subsequently occupies the property, the owner of the property must notify the assessor within 30 days of the change in occupancy. The Social Security number of a relative or relative's spouse occupying the property is private data on individuals as defined by section 13.02, subdivision 12, but may be disclosed to the commissioner of revenue, or, for the purposes of proceeding under the Revenue Recapture Act to recover personal property taxes owing, to the county treasurer.

(e) The homestead application shall also notify the property owners that if the property is granted homestead status for any assessment year, that same property shall remain classified as homestead until the property is sold or transferred to another person, or the owners, the spouse of the owner, or the relatives no longer use the property as their homestead. Upon the sale or transfer of the homestead property, a certificate of value must be timely filed with the county auditor as provided under section 272.115. Failure to notify the assessor within 30 days that the property has been sold, transferred, or that the

owner, the spouse of the owner, or the relative is no longer occupying the property as a homestead, shall result in the penalty provided under this subdivision and the property will lose its current homestead status.

(f) If a homestead application has not been filed with the county by December 15, the assessor shall classify the property as nonhomestead for the current assessment year for taxes payable in the following year, provided that the owner may be entitled to receive the homestead classification by proper application under section 375.192.

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

Sec. 19. Minnesota Statutes 2014, section 273.371, subdivision 1, is amended to read:

Subdivision 1. **Report required.** Every electric light, power, gas, water, express, stage, and transportation company and pipeline doing business in Minnesota shall annually file with the commissioner on or before March 31 a report under oath setting forth the information prescribed by the commissioner to enable the commissioner to make valuations, recommended valuations, and equalization required under sections 273.33, 273.35, 273.36, 273.37, and 273.3711. The commissioner shall prescribe the content, format, and manner of the report pursuant to section 270C.30, except that a "law administered by the commissioner" includes the property tax laws. If all the required information is not available on March 31, the company or pipeline shall file the information that is available on or before March 31, and the balance of the information as soon as it becomes available. If a report is made by electronic means, the taxpayer's signature is defined pursuant to section 270C.304, except that a "law administered by the commissioner" includes the property tax laws.

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

Sec. 20. Minnesota Statutes 2014, section 287.2205, is amended to read:

287.2205 TAX-FORFEITED LAND.

Before a state deed for tax-forfeited land may be issued, the deed tax must be paid by the purchaser of tax-forfeited land whether the purchase is the result of a public auction or private sale or a repurchase of tax-forfeited land. State agencies and local units of government that acquire tax-forfeited land by purchase or any other means are subject to this section. The deed tax is \$1.65 for a conveyance of tax-forfeited lands to a governmental subdivision for an authorized public use under section 282.01, subdivision 1a, for a school forest under section 282.01, subdivision 1a, or for redevelopment purposes under section 282.01, subdivision 1b.

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

36.2 Sec. 21. Minnesota Statutes 2014, section 289A.08, is amended by adding a
36.3 subdivision to read:

36.4 Subd. 17. **Format.** The commissioner shall prescribe the content, format, and
36.5 manner of the returns and other documents pursuant to section 270C.30.

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

36.7 Sec. 22. Minnesota Statutes 2014, section 289A.09, subdivision 1, is amended to read:

36.8 Subdivision 1. **Returns.** (a) An employer who is required to deduct and withhold tax
36.9 under section 290.92, subdivision 2a or 3, and a person required to deduct and withhold
36.10 tax under section 290.923, subdivision 2, must file a return with the commissioner for each
36.11 quarterly period unless otherwise prescribed by the commissioner.

36.12 (b) A person or corporation required to make deposits under section 290.9201,
36.13 subdivision 8, must file an entertainer withholding tax return with the commissioner.

36.14 (c) A person required to withhold an amount under section 290.9705, subdivision 1,
36.15 must file a return.

36.16 (d) A partnership required to deduct and withhold tax under section 290.92,
36.17 subdivision 4b, must file a return.

36.18 (e) An S corporation required to deduct and withhold tax under section 290.92,
36.19 subdivision 4c, must also file a return.

36.20 (f) ~~Returns must be filed in the form and manner, and contain the information~~
36.21 ~~prescribed by the commissioner~~ The commissioner shall prescribe the content, format,
36.22 and manner of the returns pursuant to section 270C.30. Every return for taxes withheld
36.23 must be signed by the employer, entertainment entity, contract payor, partnership, or S
36.24 corporation, or a designee.

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

36.26 Sec. 23. Minnesota Statutes 2014, section 289A.11, subdivision 1, is amended to read:

36.27 Subdivision 1. **Return required.** (a) Except as provided in section 289A.18,
36.28 subdivision 4, for the month in which taxes imposed by chapter 297A are payable, or for
36.29 which a return is due, a return for the preceding reporting period must be filed with the
36.30 commissioner ~~in the form and manner the commissioner prescribes.~~ The commissioner
36.31 shall prescribe the content, format, and manner of the returns pursuant to section 270C.30.
36.32 A person making sales at retail at two or more places of business may file a consolidated

return subject to rules prescribed by the commissioner. In computing the dollar amount of items on the return, the amounts are rounded off to the nearest whole dollar, disregarding amounts less than 50 cents and increasing amounts of 50 cents to 99 cents to the next highest dollar.

(b) Notwithstanding this subdivision, a person who is not required to hold a sales tax permit under chapter 297A and who makes annual purchases, for use in a trade or business, of less than \$18,500, or a person who is not required to hold a sales tax permit and who makes purchases for personal use, that are subject to the use tax imposed by section 297A.63, may file an annual use tax return ~~on a form prescribed by the commissioner.~~ The commissioner shall prescribe the content, format, and manner of the return pursuant to section 270C.30. If a person who qualifies for an annual use tax reporting period is required to obtain a sales tax permit or makes use tax purchases, for use in a trade or business, in excess of \$18,500 during the calendar year, the reporting period must be considered ended at the end of the month in which the permit is applied for or the purchase in excess of \$18,500 is made and a return must be filed for the preceding reporting period.

(c) Notwithstanding ~~paragraph~~ paragraphs (a) and (b), a person prohibited by the person's religious beliefs from using electronics shall be allowed to file by mail, without any additional fees. The filer must notify the commissioner of revenue of the intent to file by mail on a form prescribed by the commissioner. A return filed under this paragraph must be postmarked no later than the day the return is due in order to be considered filed on a timely basis.

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

Sec. 24. Minnesota Statutes 2014, section 289A.50, subdivision 7, is amended to read:

Subd. 7. **Remedies.** (a) If the taxpayer is notified by the commissioner that the refund claim is denied in whole or in part, the taxpayer may:

(1) file an administrative appeal as provided in section 270C.35, or an appeal with the Tax Court, within 60 days after ~~issuance~~ the notice date of the commissioner's notice of denial; or

(2) file an action in the district court to recover the refund.

(b) An action in the district court on a denied claim for refund must be brought within 18 months of the notice date of the denial of the claim by the commissioner. For the purposes of this section, "notice date" is defined in section 270C.35, subdivision 3.

(c) No action in the district court or the Tax Court shall be brought within six months of the filing of the refund claim unless the commissioner denies the claim within that period.

(d) If a taxpayer files a claim for refund and the commissioner has not issued a denial of the claim, the taxpayer may bring an action in the district court or the Tax Court at any time after the expiration of six months from the time the claim was filed.

(e) The commissioner and the taxpayer may agree to extend the period for bringing an action in the district court.

(f) An action for refund of tax by the taxpayer must be brought in the district court of the district in which lies the county of the taxpayer's residence or principal place of business. In the case of an estate or trust, the action must be brought at the principal place of its administration. Any action may be brought in the district court for Ramsey County.

EFFECTIVE DATE. This section is effective for claims for refund denied after September 30, 2015.

Sec. 25. **[290B.11] FORMS.**

The commissioner shall prescribe the content, format, and manner of all forms and other documents required to be filed under this chapter pursuant to section 270C.30.

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

Sec. 26. Minnesota Statutes 2014, section 290C.13, subdivision 3, is amended to read:

Subd. 3. **Notice date.** For purposes of this section, the term "notice date" means the notice date designated by the commissioner on the order or notice of the determination removing enrolled land or the notice date of designated by the commissioner on the notice denying an application to enroll land or denying part or all of an incentive payment.

EFFECTIVE DATE. This section is effective for orders and notices dated after September 30, 2015.

Sec. 27. **[293.15] FORMS.**

The commissioner shall prescribe the content, format, and manner of all forms and other documents required to be filed under this chapter pursuant to section 270C.30.

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

Sec. 28. Minnesota Statutes 2014, section 295.55, subdivision 6, is amended to read:

Subd. 6. **Form of returns.** ~~The estimated payments and annual return must contain the information and be in the form prescribed by the commissioner.~~ The commissioner

39.1 shall prescribe the content, format, and manner of the estimated payment forms and annual
39.2 return pursuant to section 270C.30.

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

39.4 Sec. 29. Minnesota Statutes 2014, section 296A.02, is amended by adding a
39.5 subdivision to read:

39.6 **Subd. 5. Forms.** The commissioner shall prescribe the content, format, and manner
39.7 of all forms and other documents required to be filed under this chapter pursuant to section
39.8 270C.30.

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

39.10 Sec. 30. Minnesota Statutes 2014, section 296A.22, subdivision 9, is amended to read:

39.11 **Subd. 9. Abatement of penalty.** (a) The commissioner may by written order
39.12 abate any penalty imposed under this section, if in the commissioner's opinion there is
39.13 reasonable cause to do so.

39.14 (b) A request for abatement of penalty must be filed with the commissioner within
39.15 60 days of the notice date of the notice stating that a penalty has been imposed was mailed
39.16 to the taxpayer's last known address. For purposes of this section, the term "notice date"
39.17 means the notice date designated by the commissioner on the order or other notice that a
39.18 penalty has been imposed.

39.19 (c) If the commissioner issues an order denying a request for abatement of penalty,
39.20 the taxpayer may file an administrative appeal as provided in section 270C.35 or appeal to
39.21 Tax Court as provided in section 271.06. If the commissioner does not issue an order on
39.22 the abatement request within 60 days from the date the request is received, the taxpayer
39.23 may appeal to Tax Court as provided in section 271.06.

39.24 **EFFECTIVE DATE.** This section is effective for orders and notices dated after
39.25 September 30, 2015.

39.26 Sec. 31. Minnesota Statutes 2014, section 296A.26, is amended to read:

39.27 **296A.26 JUDICIAL REVIEW; APPEAL TO TAX COURT.**

39.28 In lieu of an administrative appeal under section 270C.35, any person aggrieved by
39.29 an order of the commissioner fixing a tax, penalty, or interest under this chapter may, within
39.30 60 days from the notice date of ~~the notice~~ of the order, appeal to the Tax Court in the manner

provided under section 271.06. For purposes of this section, the term "notice date" means the notice date designated by the commissioner on the order fixing a tax, penalty, or interest.

EFFECTIVE DATE. This section is effective for orders dated after September 30, 2015.

Sec. 32. Minnesota Statutes 2014, section 297D.02, is amended to read:

297D.02 ADMINISTRATION.

The commissioner of revenue shall administer this chapter. The commissioner shall prescribe the content, format, and manner of all forms and other documents required to be filed under this chapter pursuant to section 270C.30. Payments required by this chapter must be made to the commissioner on the form provided by the commissioner. Tax obligors are not required to give their name, address, Social Security number, or other identifying information on the form. The commissioner shall collect all taxes under this chapter.

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

Sec. 33. Minnesota Statutes 2014, section 297E.02, subdivision 3, is amended to read:

Subd. 3. **Collection; disposition.** (a) Taxes imposed by this section are due and payable to the commissioner when the gambling tax return is required to be filed. Distributors must file their monthly sales figures with the commissioner on a form prescribed by the commissioner. Returns covering the taxes imposed under this section must be filed with the commissioner on or before the 20th day of the month following the close of the previous calendar month. ~~The commissioner may require that the returns be filed via magnetic media or electronic data transfer.~~ The commissioner shall prescribe the content, format, and manner of returns or other documents pursuant to section 270C.30. The proceeds, along with the revenue received from all license fees and other fees under sections 349.11 to 349.191, 349.211, and 349.213, must be paid to the commissioner of management and budget for deposit in the general fund.

(b) The sales tax imposed by chapter 297A on the sale of pull-tabs and tipboards by the distributor is imposed on the retail sales price. The retail sale of pull-tabs or tipboards by the organization is exempt from taxes imposed by chapter 297A and is exempt from all local taxes and license fees except a fee authorized under section 349.16, subdivision 8.

(c) One-half of one percent of the revenue deposited in the general fund under paragraph (a), is appropriated to the commissioner of human services for the compulsive gambling treatment program established under section 245.98. One-half of one percent of the revenue deposited in the general fund under paragraph (a), is appropriated to

the commissioner of human services for a grant to the state affiliate recognized by the National Council on Problem Gambling to increase public awareness of problem gambling, education and training for individuals and organizations providing effective treatment services to problem gamblers and their families, and research relating to problem gambling. Money appropriated by this paragraph must supplement and must not replace existing state funding for these programs.

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

Sec. 34. Minnesota Statutes 2014, section 297E.04, subdivision 1, is amended to read:

Subdivision 1. **Reports of sales.** A manufacturer who sells gambling product for use or resale in this state, or for receipt by a person or entity in this state, shall file with the commissioner, on a form prescribed by the commissioner, a report of gambling product sold to any person in the state, including the established governing body of an Indian tribe recognized by the United States Department of the Interior. The report must be filed monthly on or before the 20th day of the month succeeding the month in which the sale was made. ~~The commissioner may require that the report be submitted via magnetic media or electronic data transfer.~~ The commissioner shall prescribe the content, format, and manner of returns or other documents pursuant to section 270C.30. The commissioner may inspect the premises, books, records, and inventory of a manufacturer without notice during the normal business hours of the manufacturer. A person violating this section is guilty of a misdemeanor.

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

Sec. 35. Minnesota Statutes 2014, section 297E.05, subdivision 4, is amended to read:

Subd. 4. **Reports.** A distributor shall report monthly to the commissioner, on a form the commissioner prescribes, its sales of each type of gambling product. This report must be filed monthly on or before the 20th day of the month succeeding the month in which the sale was made. ~~The commissioner may require that a distributor submit the monthly report and invoices required in this subdivision via magnetic media or electronic data transfer.~~ The commissioner shall prescribe the content, format, and manner of returns or other documents pursuant to section 270C.30.

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

Sec. 36. Minnesota Statutes 2014, section 297E.06, subdivision 1, is amended to read:

Subdivision 1. **Reports.** An organization must file with the commissioner, on a form prescribed by the commissioner, a report showing all gambling activity conducted by that organization for each month. Gambling activity includes all gross receipts, prizes, all gambling taxes owed or paid to the commissioner, all gambling expenses, and all lawful purpose and board-approved expenditures. The report must be filed with the commissioner on or before the 20th day of the month following the month in which the gambling activity takes place. ~~The commissioner may require that the reports be filed via magnetic media or electronic data transfer.~~ The commissioner shall prescribe the content, format, and manner of returns or other documents pursuant to section 270C.30.

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

Sec. 37. Minnesota Statutes 2014, section 297F.09, subdivision 1, is amended to read:

Subdivision 1. **Monthly return; cigarette distributor.** On or before the 18th day of each calendar month, a distributor with a place of business in this state shall file a return with the commissioner showing the quantity of cigarettes manufactured or brought in from outside the state or purchased during the preceding calendar month and the quantity of cigarettes sold or otherwise disposed of in this state and outside this state during that month. A licensed distributor outside this state shall in like manner file a return showing the quantity of cigarettes shipped or transported into this state during the preceding calendar month. ~~Returns must be made in the form and manner prescribed by~~ The commissioner shall prescribe the content, format, and manner of returns pursuant to section 270C.30, and the returns must contain any other information required by the commissioner. The return must be accompanied by a remittance for the full unpaid tax liability shown by it. For distributors subject to the accelerated tax payment requirements in subdivision 10, the return for the May liability is due two business days before June 30th of the year and the return for the June liability is due on or before August 18th of the year.

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

Sec. 38. Minnesota Statutes 2014, section 297F.23, is amended to read:

297F.23 JUDICIAL REVIEW.

In lieu of an administrative appeal under section 270C.35, a person aggrieved by an order of the commissioner fixing a tax, penalty, or interest under this chapter may, within 60 days from the notice date of the order, appeal to the Tax Court in the manner provided under section 271.06. For purposes of this section, the term "notice date" means the notice date designated by the commissioner on the order fixing a tax, penalty, or interest.

43.1 **EFFECTIVE DATE.** This section is effective for orders dated after September
43.2 30, 2015.

43.3 Sec. 39. Minnesota Statutes 2014, section 297G.09, subdivision 1, is amended to read:

43.4 Subdivision 1. **Monthly returns; manufacturers, wholesalers, brewers, or**
43.5 **importers.** On or before the 18th day of each calendar month following the month in
43.6 which a licensed manufacturer or wholesaler first sells wine and distilled spirits within
43.7 the state, or a brewer or importer first sells or imports fermented malt beverages, or a
43.8 wholesaler knowingly acquires title to or possession of untaxed fermented malt beverages,
43.9 the licensed manufacturer, wholesaler, brewer, or importer liable for the excise tax must
43.10 file a return with the commissioner, and in addition must keep records and render reports
43.11 as required by the commissioner. ~~Returns must be made in a form and manner prescribed~~
43.12 ~~by the commissioner, and~~ The commissioner shall prescribe the content, format, and
43.13 manner of returns pursuant to section 270C.30. The returns must contain any other
43.14 information required by the commissioner. Returns must be accompanied by a remittance
43.15 for the full unpaid tax liability. Returns must be filed regardless of whether a tax is due.

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

43.17 Sec. 40. Minnesota Statutes 2014, section 297G.22, is amended to read:

43.18 **297G.22 JUDICIAL REVIEW.**

43.19 In lieu of an administrative appeal under this chapter, a person aggrieved by an order
43.20 of the commissioner fixing a tax, penalty, or interest under this chapter may, within 60 days
43.21 from ~~the date of the notice~~ date of the order, appeal to the Tax Court in the manner provided
43.22 under section 271.06. For purposes of this section, the term "notice date" means the notice
43.23 date designated by the commissioner on the order fixing a tax, penalty, or interest.

43.24 **EFFECTIVE DATE.** This section is effective for orders dated after September
43.25 30, 2015.

43.26 Sec. 41. Minnesota Statutes 2014, section 297I.30, is amended by adding a subdivision
43.27 to read:

43.28 Subd. 11. **Format.** The commissioner shall prescribe the content, format, and
43.29 manner of returns or other documents pursuant to section 270C.30.

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

44.1 Sec. 42. Minnesota Statutes 2014, section 297I.60, subdivision 2, is amended to read:

44.2 Subd. 2. **Remedies.** (a) If the taxpayer is notified that the refund claim is denied in
44.3 whole or in part, the taxpayer may contest the denial by:

44.4 (1) filing an administrative appeal with the commissioner under section 270C.35;

44.5 (2) filing an appeal in Tax Court within 60 days of the notice date of the ~~notice of~~
44.6 denial; or

44.7 (3) filing an action in the district court to recover the refund.

44.8 (b) An action in the district court must be brought within 18 months ~~following~~ of the
44.9 notice date of the notice of denial. For purposes of this section, "notice date" is defined in
44.10 section 270C.35, subdivision 3. An action for refund of tax or surcharge must be brought
44.11 in the district court of the district in which lies the taxpayer's principal place of business or
44.12 in the District Court for Ramsey County. If a taxpayer files a claim for refund and the
44.13 commissioner has not issued a denial of the claim, the taxpayer may bring an action in
44.14 the district court or the Tax Court at any time after the expiration of six months from the
44.15 time the claim was filed.

44.16 **EFFECTIVE DATE.** This section is effective for claims for refund denied after
44.17 September 30, 2015.

44.18 Sec. 43. Minnesota Statutes 2014, section 469.319, subdivision 5, is amended to read:

44.19 Subd. 5. **Waiver authority.** (a) The commissioner may waive all or part of a
44.20 repayment required under subdivision 1, if the commissioner, in consultation with
44.21 the commissioner of employment and economic development and appropriate officials
44.22 from the local government units in which the qualified business is located, determines
44.23 that requiring repayment of the tax is not in the best interest of the state or the local
44.24 government units and the business ceased operating as a result of circumstances beyond
44.25 its control including, but not limited to:

44.26 (1) a natural disaster;

44.27 (2) unforeseen industry trends; or

44.28 (3) loss of a major supplier or customer.

44.29 (b)(1) The commissioner shall waive repayment required under subdivision 1a if
44.30 the commissioner has waived repayment by the operating business under subdivision 1,
44.31 unless the person that received benefits without having to operate a business in the zone
44.32 was a contributing factor in the qualified business becoming subject to repayment under
44.33 subdivision 1;

44.34 (2) the commissioner shall waive the repayment required under subdivision 1a, even
44.35 if the repayment has not been waived for the operating business if:

45.1 (i) the person that received benefits without having to operate a business in the zone
45.2 and the business that operated in the zone are not related parties as defined in section
45.3 267(b) of the Internal Revenue Code of 1986, as amended through December 31, 2007; and

45.4 (ii) actions of the person were not a contributing factor in the qualified business
45.5 becoming subject to repayment under subdivision 1.

45.6 (c) Requests for waiver must be made no later than 60 days after the earlier of the
45.7 notice date of an order issued under subdivision 4, paragraph (d), or the date of a tax
45.8 statement issued under subdivision 4, paragraph (c). For purposes of this section, the term
45.9 "notice date" means the notice date designated by the commissioner on the order.

45.10 **EFFECTIVE DATE.** This section is effective for orders of the commissioner of
45.11 revenue dated after September 30, 2015.

APPENDIX
Article locations in 15-0073

	INDIVIDUAL INCOME, CORPORATE FRANCHISE, AND	
ARTICLE 1	ESTATE TAXES	Page.Ln 2.1
ARTICLE 2	SPECIAL TAXES	Page.Ln 6.28
ARTICLE 3	PROPERTY TAXES	Page.Ln 9.14
ARTICLE 4	MISCELLANEOUS	Page.Ln 24.19

APPENDIX
Repealed Minnesota Statutes: 15-0073

290C.02 DEFINITIONS.

Subd. 5. **Current use value.** "Current use value" means the statewide average annual income per acre, multiplied by 90 percent and divided by the capitalization rate determined under subdivision 9. The statewide net annual income shall be a weighted average based on the most recent data as of July 1 of the computation year on stumpage prices and annual tree growth rates and acreage by cover type provided by the Department of Natural Resources and the United States Department of Agriculture Forest Service North Central Research Station.

Subd. 9. **Capitalization rate.** By July 1 of each year, the commissioner shall determine a statewide capitalization rate for use under this chapter. The rate shall be the average annual effective interest rate for St. Paul on new loans under the Farm Credit Bank system calculated under section 2032A(e)(7)(A) of the Internal Revenue Code.

**290C.06 CALCULATION OF AVERAGE ESTIMATED MARKET VALUE;
MANAGED FOREST LAND.**

The commissioner shall annually calculate a statewide average estimated market value per acre for class 2c managed forest land under section 273.13, subdivision 23.