

SENATE
STATE OF MINNESOTA
EIGHTY-SEVENTH LEGISLATURE

S.F. No. 1974

(SENATE AUTHORS: REST)

DATE	D-PG	OFFICIAL STATUS
02/20/2012	3857	Introduction and first reading Referred to Judiciary and Public Safety

A bill for an act
relating to taxation; modifying withdrawal of lien notice requirements; amending
Minnesota Statutes 2010, section 270C.63, subdivision 15.
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2010, section 270C.63, subdivision 15, is amended to
read:

Subd. 15. **Erroneous liens; withdrawal of liens and notice to credit agencies in
certain circumstances.** (a) After the filing of a notice of lien under this section on the
property or rights to property of a person, the person may appeal to the commissioner, in
the form and at the time prescribed by the commissioner, alleging an error in the filing of
the lien and requesting its release. If the commissioner determines that the filing of the
notice of any lien was erroneous, within 14 days after the determination, the commissioner
must issue a certificate of release of the lien. The certificate must include a statement that
the filing of the lien was erroneous. In the event that the lien is erroneous and is not
released within the 14-day period, reasonable attorney fees shall be paid. Damages must
be paid in accordance with section 3.736, subdivision 7.

(b) In the case of a lien filed by the commissioner or a county lien filed by the county
treasurer, even if a the lien is not erroneous, the commissioner or county treasurer may
withdraw the lien if the commissioner or county treasurer determines that:

(1) the filing of the lien was premature or not in accordance with administrative
procedures of the commissioner; or county treasurer;

(2) withdrawal of the lien will facilitate the collection of the tax liability;

(3) in the case of a lien filed under this section, the taxpayer has entered into an
agreement under section 270C.52, subdivision 2, to satisfy the tax liability for which

the lien was imposed by means of installment payments, unless the agreement provides otherwise, or, in the case of a county lien filed by the county treasurer, the taxpayer has entered into an agreement with the county treasurer to satisfy the tax liability for which the lien was imposed by means of installment payments, unless the agreement provides otherwise; or

(4) upon consent of the taxpayer and the taxpayer's rights advocate, the withdrawal of the lien would be in the best interests of the taxpayer and the state or, in the case of a county lien, upon consent of the taxpayer and the county treasurer that the withdrawal of the lien would be in the best interests of the taxpayer and the county. The county treasurer must apply the standards used by the taxpayer's rights advocate in determining whether the withdrawal of a county lien is in the best interests of the taxpayer and the county. A taxpayer's payment in full of the amount of the lien, including any interest and penalty, shall be considered to be in the best interests of the taxpayer and the state or county.

(c) Any withdrawal shall be applied as if the notice of lien under this section had not been filed. A withdrawal shall be made by issuing a notice of withdrawal of the lien to the same office where the notice of lien was filed. A copy of the notice of withdrawal shall be provided to the taxpayer.

(d) Upon written request by the taxpayer with respect to whom a lien was withdrawn under paragraph (b), the commissioner or county treasurer, whichever is applicable, shall promptly make reasonable efforts to notify credit reporting agencies, and any financial institution or creditor whose name and address is specified in the request, of the withdrawal of the lien. The written request shall be made on a form as the commissioner or county treasurer may prescribe.

EFFECTIVE DATE. This section is effective for liens filed after the date of final enactment.