

of insurance not resident, located or expressly to be performed in this state at the time of issuance and which transactions are subsequent to the issuance of ~~such~~ the policy; (d) transactions in this state involving group or blanket insurance and group annuities where the master policy of such groups was lawfully issued and delivered in a state in which the company was authorized to do an insurance business where, except for group annuities, the insurer complies with section 72A.13. The commissioner may require the insurer which has issued such master policy to submit any information as the commissioner reasonably requires in order to determine if probable cause exists to convene a hearing to determine whether the total charges for the insurance to the persons insured are unreasonable in relation to the benefits provided under the policy; (e) transactions in this state involving a policy of insurance or annuity issued prior to July 1, 1967; or (f) contract of insurance procured under the authority of section 60A.19, subdivision 8; or (g) transactions in this state involving contracts of insurance covering property or risks not located in this state.

Sec. 4. This act is effective the day following final enactment.

Approved April 3, 1980

CHAPTER 437—S.F.No. 1764

An act relating to taxation; property tax; providing for uncontested hearings for property valuation; clarifying the definition of family farm corporation; information to be included on valuation notices; clarifying the computation of agricultural aid credit; clarifying acreage available for homestead credit; changing date for county board of equalization meeting and transfer of books to treasurer; changing penalty and interest rates; clarifying the role of administrative auditor in fiscal disparities; amending Minnesota Statutes 1978, Sections 270.11, Subdivision 6; 273.111, Subdivision 3; 273.121; 273.13, Subdivision 6a; 273.135, Subdivision 1; 274.13, Subdivision 1; 274.14; 276.01; 279.01; 279.37, Subdivision 2; 282.01, Subdivisions 1 and 4; 282.222, Subdivision 4; 282.261; and 473F.08, by adding a subdivision; Minnesota Statutes, 1979 Supplement, Sections 273.13, Subdivision 6; 279.03 and 282.15; repealing Minnesota Statutes 1978, Sections 275.31; 275.32; 275.33; 275.34; 275.35; and 473F.08, Subdivisions 7 and 8.

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

Section 1. Minnesota Statutes 1978, Section 270.11, Subdivision 6, is amended to read:

Subd. 6. **CHANGE OF ASSESSED VALUATIONS.** The commissioner of revenue shall raise or lower the assessed valuation of any real or personal property, including the power to raise or lower the assessed valuation of the real or personal property of any individual, copartnership, company, association, or corporation; provided, that before any such assessment against the property of any individual, copartnership, company, association, or corporation is so raised,

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notice of his intention to raise such assessed valuation and of the time and place at which a hearing thereon will be held shall be given to such person, by mail, addressed to him at his place of residence as the same appears upon the assessment book, at least five days before the day of such hearing.

All relevant and material evidence concerning the assessed valuation of the real or personal property shall be submitted at the hearing, and the hearing shall not be a "contested case" within the meaning of section 15.0411, subdivision 4. The person notified of the hearing, or any other person having an interest in the property, may present evidence and argument bearing upon the assessed valuation of the property.

Sec. 2. Minnesota Statutes 1978, Section 273.111, Subdivision 3, is amended to read:

Subd. 3. Real estate consisting of ten acres or more shall be entitled to valuation and tax deferment under this section only if it is actively and exclusively devoted to agricultural use as defined in subdivision 6 and either (1) is the homestead or thereafter becomes the homestead of a surviving spouse, child, or sibling of the said owner or is real estate which is farmed with the real estate which contains the homestead property, or (2) has been in possession of the applicant, his spouse, parent, or sibling, or any combination thereof, for a period of at least seven years prior to application for benefits under the provisions of Laws 1969, Chapter 1039, or (3) is the homestead of a shareholder in a family farm corporation as defined in section 500.24, notwithstanding the fact that legal title to the real estate may be held in the name of the family farm corporation. ~~"Family farm corporation"~~ for the purpose of this subdivision means a corporation founded for the purpose of farming and owning agricultural land, in which all of the stockholders are members of a family related to each other within the third degree of kindred according to the rules of civil law.

Sec. 3. Minnesota Statutes 1978, Section 273.121, is amended to read:

273.121 VALUATION OF REAL PROPERTY, NOTICE. Any county assessor or city assessor having the powers of a county assessor, valuing or classifying taxable real property shall in each year notify those persons whose property is to be assessed or reclassified that year if the person's address is known to the assessor, otherwise the occupant of the property. The notice shall be in writing and shall be sent by ordinary mail at least ten days before the meeting of the local board of review or equalization. It shall contain the amount of the valuation in terms of market value, the new classification, the assessor's office address, and the dates, places, and times set for the meetings of the local board of review or equalization and the county board of equalization. ~~If such valuation is limited by section 273.11, the notice shall also contain the valuation as limited therein and an explanation, in terms prescribed by the commissioner, of the annual increase in the assessed valuation which may take place pursuant to valuation according to that section.~~ If the assessment roll is not complete, the notice shall be sent by ordinary mail at least ten days prior to the date on which the board of review has adjourned. The assessor shall attach to the assessment roll a statement that the notices required by this section have been mailed. Any such assessor who is not

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provided sufficient funds from his governing body to provide such notices, may make application to the commissioner of revenue to finance such notices. The commissioner of revenue shall conduct an investigation and if he is satisfied that the assessor does not have the necessary funds, issue his certification to the commissioner of finance of the amount necessary to provide such notices. The commissioner of finance shall issue a warrant for such amount and shall deduct such amount from any state payment to such county or municipality. The necessary funds to make such payments are hereby appropriated. Failure to receive the notice shall in no way affect the validity of the assessment, the resulting tax, the procedures of any board of review or equalization, or the enforcement of delinquent taxes by statutory means.

Sec. 4. Minnesota Statutes, 1979 Supplement, Section 273.13, Subdivision 6, is amended to read:

Subd. 6. **CLASS 3B.** Agricultural land, except as provided by class 1 hereof, and which is used for the purposes of a homestead shall constitute class 3b and shall be valued and assessed at 12 percent of its market value in 1979, for taxes payable in 1980 and thereafter. The property tax to be paid on class 3b property as otherwise determined by law less any reduction received pursuant to ~~section~~ sections 273.132 and 273.135, regardless of whether or not the market value is in excess of the homestead base value, shall be reduced by ~~50~~ 55 percent of the tax for taxes payable in ~~1980, 1981~~ and 55 percent thereafter; provided that the amount of said reduction shall not exceed ~~\$550~~ \$600 for taxes payable in ~~1980, 1981~~ and \$600 thereafter. Valuation subject to relief shall be limited to 240 acres of land, most contiguous surrounding, bordering, or closest to the house occupied by the owner as his dwelling place, and such other structures as may be included thereon utilized by the owner in an agricultural pursuit, provided that noncontiguous land shall constitute class 3b only if the homestead is classified as class 3b and the detached land is located in the same township or city or not farther than two townships or cities or combination thereof from the homestead. If the market value is in excess of the homestead base value, the amount in excess of that sum shall be valued and assessed at 25 22 percent of its market value in ~~1979 1980~~, for taxes payable in ~~1980, 1981~~ and at 22 percent thereafter. The first \$12,000 market value of each tract of real estate which is rural in character and devoted or adaptable to rural but not necessarily agricultural use, used for the purpose of a homestead shall be exempt from taxation for state purposes; except as specifically provided otherwise by law.

Agricultural land as used herein, and in section 273.132, shall mean contiguous acreage of ten acres or more, primarily used during the preceding year for agricultural purposes. Agricultural use may include pasture, timber, waste, unusable wild land and land included in federal farm programs.

Real estate of less than ten acres used principally for raising poultry, livestock, fruit, vegetables or other agricultural products, shall be considered as agricultural land, if it is not used primarily for residential purposes.

Sec. 5. Minnesota Statutes 1978, Section 273.13, Subdivision 6a, is amended to read:

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Subd. 6a. **HOMESTEAD OWNED BY FAMILY FARM CORPORATION OR PARTNERSHIP.** (a) Each family farm corporation and each partnership operating a family farm shall be entitled to class 3b assessment and shall be eligible for the credit provided in subdivision 6 for one homestead occupied by a shareholder or partner thereof who is residing on the land and actively engaged in farming of the land owned by the corporation or partnership. Such a homestead shall not exceed ~~460~~ 240 acres, and shall be assessed as provided in subdivision 6, notwithstanding the fact that legal title to the property may be in the name of the corporation or partnership and not in the name of the person residing thereon. "Family farm corporation" and "family farm" shall mean as defined in section 500.24.

(b) In addition to property specified in paragraph (a), any other residences owned by corporations or partnerships described in paragraph (a) which are located on agricultural land and occupied as homesteads by shareholders or partners who are actively engaged in farming on behalf of the corporation or partnership shall also be assessed as class 3b property, and be entitled to the credit provided in subdivision 6, but the property eligible shall be limited to the residence itself and as much of the land surrounding the homestead, not exceeding one acre, as is reasonably necessary for the use of the dwelling as a home, and shall not include any other structures that may be located thereon.

Sec. 6. Minnesota Statutes 1978, Section 273.135, Subdivision 1, is amended to read:

273.135 **HOMESTEAD PROPERTY TAX RELIEF.** Subdivision 1. The property tax to be paid in respect to property taxable within a tax relief area on class 3b property not exceeding ~~460~~ 240 acres, on class 3c property, and on class 3cc property, as otherwise determined by law and regardless of the market value of the property, for all purposes shall be reduced in the amount prescribed by subdivision 2, subject to the limitations contained therein.

Sec. 7. Minnesota Statutes 1978, Section 274.13, Subdivision 1, is amended to read:

274.13 **COUNTY BOARD OF EQUALIZATION.** Subdivision 1. (a) The county commissioners, or a majority of them, with the county auditor, or, if he cannot be present, the deputy county auditor, or, if there be no such deputy, the clerk 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. The board shall meet annually, on ~~July 4~~ the date specified in section 274.14, at the office of the auditor and, each member having taken an oath fairly and impartially to perform his duties as such, shall examine and compare the returns of the assessment of property of the several towns or districts, and equalize the same so that each tract or lot of real property and each article or class of personal property shall be 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 such sum as is believed

to be the market value thereof: first, giving notice of intention to do so to the person in whose name it is assessed, if a resident of the county, which notice shall fix a time and place when and where a hearing will be had:

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

(3) The board shall raise the valuation of each class of personal property which in its opinion is returned below its market value to such sum as is believed to be the market value thereof; and shall raise the aggregate value of the personal property of individuals, firms, or corporations, when it believes that such aggregate valuation, as returned, is less than the market value of the taxable personal property possessed by such individuals, firms, or corporations, to such sum as it believes to be the market value thereof; first giving notice to such persons of intention to do so, which notice shall fix a time and place when and where a hearing will be had;

(4) The board shall reduce the valuation of each class of personal property enumerated in section 273.49 which is returned above its market value to such sum as it believes to be the market value thereof; and, upon complaint of any party aggrieved, the board shall reduce the aggregate valuation of the personal property of such individual, or of any class of personal property for which he is assessed, which in its opinion has been assessed at too large a sum, to such sum as it believes was the market value of his personal property of such class;

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

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

(b) If a person, other than a public utility, mining company or the metropolitan airport commission for which the original assessments are determined by the commissioner of revenue, fails to appear in person, by counsel, or by written communication before the county board after being duly notified of the board's intent to raise the assessment of his property, or if a person fails to appeal a decision of the board of review as described in section 274.01 subsequent to his appearance before the local board, he may not appear before the commissioner of revenue as provided for in section 270.11, subdivisions 5 and 6, to contest the valuation.

Sec. 8. Minnesota Statutes 1978, Section 274.14, is amended to read:

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274.14 LENGTH OF SESSION; RECORD. The county board of equalization or the special board of equalization appointed by it may continue in session and adjourn from time to time commencing on July 4 the first Monday following the fourth day of July or, if the first Monday following the fourth day of July is a legal holiday, the first Tuesday following the fourth day of July and ending on or before July 15 the tenth following working day, when it shall adjourn and no action taken subsequent to July 15 the day of adjournment shall be valid unless a longer session period is approved by the commissioner of revenue. The commissioner may extend the session period to July 31 August 10 but no action taken by the county board of review after the extended termination date shall be valid. The county auditor shall keep an accurate record of the proceedings and orders of the board, which record shall be published in the same manner as other proceedings of county commissioners. A copy of such published record shall be transmitted to the commissioner of revenue, with the abstract of assessment required by section 274.16.

Sec. 9. Minnesota Statutes 1978, Section 276.01, is amended to read:

276.01 DELIVERY OF LISTS TO TREASURER. On or before ~~December 15~~ the first Monday in January in each year, the county auditor shall deliver the lists of the several districts of the county to the county treasurer, taking therefor his receipt, showing the total amount of taxes due upon the lists and ~~showing, for qualified property, as defined in section 273.011, for which the credit provided for in section 273.012 is claimed, the base tax, as defined in section 273.011.~~ Where the names of taxpayers appear in the property tax lists, the county auditor shall show the addresses of such taxpayers. Such lists shall be authority for the treasurer to receive and collect taxes therein levied.

In counties in which the auditor has elected to come under the provisions of section 273.03, subdivision 2, he shall, during the year in which such lists as provided for in section 275.28, subdivision 3, are in the possession of the county treasurer, have access thereto for the purposes of changing market valuations and the classifications of real estate contained therein which he would have been required to change or otherwise amend in the assessment books provided for in section 273.03, subdivision 1, except for his election to discontinue the preparation of such assessment books. The county auditor shall be the official custodian of such lists after the year during which they are in the county treasurer's possession.

Sec. 10. Minnesota Statutes 1978, Section 279.01, is amended to read:

279.01 DUE DATE; PENALTIES; INTEREST. Subdivision 1. On June first, of each year, with respect to property actually occupied and used as a homestead by the owner of the property, a penalty of three percent shall accrue and thereafter be charged upon all unpaid taxes on real estate on the current lists in the hands of the county treasurer, and a penalty of seven percent on non-homestead property. Thereafter, for both homestead and non-homestead property, on the first day of each month, up to and including November first following, an additional penalty of one percent for each month shall accrue and be charged on all such unpaid taxes. When the taxes against any tract or lot exceed \$10, one-half

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thereof may be paid prior to June first; and, if so paid, no penalty shall attach; the remaining one-half shall be paid at any time prior to November first following, without penalty; but, if not so paid, then a penalty of ~~eight~~ four percent shall accrue thereon for homestead property and a penalty of ~~twelve~~ four percent on non-homestead property. Thereafter, for homestead property, on the first day of each month up to and including January 1 following, an additional penalty of two percent for each month shall accrue and be charged on all such unpaid taxes. Thereafter, for non-homestead property, on the first day of each month up to and including January 1 following, an additional penalty of four percent for each month shall accrue and be charged on all such unpaid taxes. If one-half of such taxes shall not be paid prior to June first, the same may be paid at any time prior to November first, with accrued penalties to the date of payment added, and thereupon no penalty shall attach to the remaining one-half until November first following; provided, also, that the same may be paid in installments as follows: One-fourth prior to April first; one-fourth prior to June first; one-fourth prior to September first; and the remaining one-fourth prior to November first, subject to the aforesaid penalties. Where the taxes delinquent after November first against any tract or parcel exceed \$40, they may be paid in installments of not less than 25 percent thereof, together with all accrued penalties and costs, up to the next tax judgment sale, and after such payment, penalties, interest, and costs shall accrue only on the sum remaining unpaid. Any county treasurer who shall make out and deliver or countersign any receipt for any such taxes without including all of the foregoing penalties therein, shall be liable to the county for the amount of such penalties.

Subd. 2. In the case of any tax on homestead property paid within 30 days after the due date specified in this section, the county board may, with the concurrence of the county treasurer, delegate to the county treasurer the power to abate the penalty provided for late payment. Notwithstanding section 270.07, if any county board so elects, the county treasurer may abate the penalty if in his judgment the imposition of the penalty would be unjust and unreasonable.

Sec. 11. Minnesota Statutes, 1979 Supplement, Section 279.03, is amended to read:

279.03 INTEREST ON DELINQUENT REAL ESTATE TAXES. The rate of interest on delinquent real estate taxes levied in 1979 and prior years is fixed at six percent per annum. The rate of interest on delinquent real estate taxes levied in 1980 and subsequent years is fixed at eight percent per annum. All provisions of law providing for the calculation of interest at any different rate on delinquent taxes in any notice or proceeding in connection with the payment, collection, sale, or assignment of delinquent taxes, or redemption from such sale or assignment are hereby amended to correspond herewith. In calculating such interest for any fractional part of a year, it shall be calculated on the basis of one-half of one percent for any month or major fraction thereof.

Such interest shall be calculated from the second Monday of May following the year in which the taxes became due, on the full amount of the taxes, penalties and costs accrued.

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The provisions of this section shall not apply to any taxes which have heretofore been bid in by an actual purchaser at a May tax sale or which have heretofore been assigned.

Sec. 12. Minnesota Statutes 1978, Section 279.37, Subdivision 2, is amended to read:

Subd. 2. The owner of any such parcel, or any person to whom the right to pay taxes has been given by statute, mortgage, or other agreement, may make and file with the county auditor of the county wherein said parcel is located a written offer to pay the current taxes each year before they become delinquent, or to contest such taxes under Minnesota Statutes 1941, Sections 278.01 to 278.13, and agree to confess judgment for the amount hereinbefore provided, as determined by the county auditor, and shall thereby waive all irregularities in connection with the tax proceedings affecting such parcel and any defense or objection which he may have thereto, and shall thereby waive the requirements of any notice of default in the payment of any instalment or interest to become due pursuant to the composite judgment to be so entered, and shall tender therewith one-tenth of the amount of such delinquent taxes, costs, penalty, and interest, and agree therein to pay the balance in nine equal instalments, with interest at the rate of ~~four~~ eight percent per annum, payable annually on instalments remaining unpaid from time to time, on or before December 31 of each year following the year in which judgment was confessed, which offer shall be substantially as follows:

“To the clerk of the district court of county, I, owner of the following described parcel of real estate situate in county, Minnesota, to-wit: upon which there are delinquent taxes for the year and prior years, as follows: (here insert year of delinquency and the total amount delinquent taxes, costs, interest, and penalty) do hereby offer to confess judgment in the sum of \$..... and hereby waive all irregularities in the tax proceedings affecting such taxes and any defense or objection which I may have thereto, and direct judgment to be entered for the amount hereby confessed, less the sum of \$....., hereby tendered, being one-tenth of the amount of said taxes, costs, penalty, and interest; I agree to pay the balance of said judgment in nine equal, annual instalments, with interest at the rate of ~~four~~ eight percent per annum, payable annually, on the instalments remaining unpaid from time to time, said instalments and interest to be paid on or before December 31 of each year following the year in which this judgment is confessed and current taxes each year before they become delinquent, or within 30 days after the entry of final judgment in proceedings to contest such taxes under Minnesota Statutes 1941, Sections 278.01 to 278.13. ”

Dated this 19.....”

Sec. 13. Minnesota Statutes 1978, Section 282.01, Subdivision 1, is amended to read:

282.01 TAX-FORFEITED LANDS. Subdivision 1. CLASSIFICATION; USE; EXCHANGE. Except as ownership of particular tracts of land should be

held by the state or its subdivisions for a recognized public purpose and public access, it is the general policy of this state to encourage return of tax-forfeited lands to private ownership and the tax rolls through sale, and classification of lands according to this chapter is not in contravention of this general policy. All parcels of land becoming the property of the state in trust under the provisions of any law now existing or hereafter enacted declaring the forfeiture of lands to the state for taxes, shall be classified by the county board of the county wherein such parcels lie as conservation or nonconservation. Such classification shall be made with consideration, among other things, to the present use of adjacent lands, the productivity of the soil, the character of forest or other growth, accessibility of lands to established roads, schools, and other public services, and their peculiar suitability or desirability for particular uses. Such classification, furthermore, shall aid: to encourage and foster a mode of land utilization that will facilitate the economical and adequate provision of transportation, roads, water supply, drainage, sanitation, education, and recreation; to facilitate reduction of governmental expenditures; to conserve and develop the natural resources; and to foster and develop agriculture and other industries in the districts and places best suited thereto. In making such classification the county board may make use of such data and information as may be made available by any office or department of the federal, state, or local governments, or by any other person or agency possessing information pertinent thereto at the time such classification is made. Such lands may be reclassified from time to time as the county board may deem necessary or desirable, except as to conservation lands held by the state free from any trust in favor of any taxing district. Provided that if any such lands are located within the boundaries of any organized town, with taxable valuation in excess of \$20,000, or incorporated municipality, the classification or reclassification and sale shall first be approved by the town board of such town or the governing body of such municipality insofar as the lands located therein are concerned. The town board of the town or the governing body of the municipality will be deemed to have approved the classification or reclassification and sale if the county board is not notified of the disapproval of the classification or reclassification and sale within 90 days of the date the request for approval was transmitted to the town board of the town or governing body of the municipality. If the town board or governing body desires to acquire any parcel lying in the town or municipality by procedures authorized in this subdivision, it shall, within 90 days of the request for classification or reclassification and sale, file a written application with the county board to withhold the parcel from public sale. The county board shall then withhold the parcel from public sale for one year. Any tax-forfeited lands may be sold by the county board to any organized or incorporated governmental subdivision of the state for any public purpose for which such subdivision is authorized to acquire property or may be released from the trust in favor of the taxing districts upon application of any state agency for any authorized use at not less than their value as determined by the county board. The commissioner of revenue shall have power to convey by deed in the name of the state any tract of tax-forfeited land held in trust in favor of the taxing districts, to any governmental subdivision for any authorized public use, provided that an application therefor shall be submitted to the commissioner with a statement of facts as to the use to be made of such tract and the need therefor and the recom-

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mentation of the county board. The deed of conveyance shall be upon a form approved by the attorney general and shall be conditioned upon continued use for the purpose stated in the application, provided, however, that if the governing body of such governmental subdivision by resolution determines that some other public use shall be made of such lands, and such change of use is approved by the county board and an application for such change of use is made to the commissioner, and approved by him, such changed use may be made of such lands without the necessity of the governing body conveying the lands back to the state and securing a new conveyance from the state to the governmental subdivision for such new public use.

Whenever any governmental subdivision to which any tax-forfeited land has been conveyed for a specified public use as provided in this section shall fail to put such land to such use, or to some other authorized public use as provided herein, or shall abandon such use, the governing body of the subdivision shall authorize the proper officers to convey the same, or such portion thereof not required for an authorized public use, to the state of Minnesota, and such officers shall execute a deed of such conveyance forthwith, which conveyance shall be subject to the approval of the commissioner and in form approved by the attorney general, provided, however, that a sale, lease, transfer or other conveyance of such lands by a housing and redevelopment authority as authorized by sections 462.411 to 462.711 shall not be an abandonment of such use and such lands shall not be reconveyed to the state nor shall they revert to the state. No vote of the people shall be required for such conveyance. In case any such land shall not be so conveyed to the state, the commissioner of revenue shall by written instrument, in form approved by the attorney general, declare the same to have reverted to the state, and shall serve a notice thereof, with a copy of the declaration, by certified mail upon the clerk or recorder of the governmental subdivision concerned, provided, that no declaration of reversion shall be made earlier than five years from the date of conveyance for failure to put such land to such use or from the date of abandonment of such use if such lands have been put to such use. The commissioner shall file the original declaration in his office, with verified proof of service as herein required. The governmental subdivision may appeal to the district court of the county in which the land lies by filing with the clerk of court a notice of appeal, specifying the grounds of appeal and the description of the land involved, mailing a copy thereof by certified mail to the commissioner of revenue, and filing a copy thereof for record with the county recorder or registrar of titles, all within 30 days after the mailing of the notice of reversion. The appeal shall be tried by the court in like manner as a civil action. If no appeal is taken as herein provided, the declaration of reversion shall be final. The commissioner of revenue shall file for record with the county recorder or registrar of titles, of the county within which the land lies, a certified copy of the declaration of reversion and proof of service.

Any city of the first class now or hereafter having a population of 450,000, or over, or its board of park commissioners, which has acquired tax-forfeited land for a specified public use pursuant to the terms of this section, may convey said land in exchange for other land of substantially equal worth located in said city of

the first class, provided that the land conveyed to said city of the first class now or hereafter having a population of 450,000, or over, or its board of park commissioners, in exchange shall be subject to the public use and reversionary provisions of this section: *the tax-forfeited land so conveyed shall thereafter be free and discharged from the public use and reversionary provisions of this section, provided that said exchange shall in no way affect the mineral or mineral rights of the state of Minnesota, if any, in the lands so exchanged.*

Sec. 14. Minnesota Statutes 1978, Section 282.01, Subdivision 4, is amended to read:

Subd. 4. **CONDUCT OF SALE.** Such sale shall be conducted by the county auditor at the county seat of the county in which such parcels lie, provided that, in St. Louis and Koochiching counties, the sale may be conducted in any county facility within the county, and such parcels shall be sold for cash only and at not less than the appraised value, unless the county board of the county shall have adopted a resolution providing for their sale on terms, in which event such resolution shall control with respect thereto. When the sale is made on terms other than for cash only a payment of at least ten percent of the purchase price must be made at the time of purchase, thereupon the balance shall be paid in not to exceed ten equal annual instalments. No standing timber or timber products shall be removed from these lands until an amount equal to the appraised value of all such timber or timber products as may have been standing on such lands at the time of purchase has been paid by the purchaser; provided, that in case any parcel of land bearing standing timber or timber products is sold at public auction for more than the appraised value, the amount bid in excess of the appraised value shall be allocated between the land and the timber in proportion to the respective appraised values thereof, and no standing timber or timber products shall be removed from such land until the amount of such excess bid allocated to timber or timber products shall have been paid in addition to the appraised value thereof. When sales are made on such terms the interest rate on the unpaid portion shall be ~~four~~ eight percent per annum. The purchaser at such sale shall be entitled to immediate possession, subject to the provisions of any existing valid lease made in behalf of the state.

Sec. 15. Minnesota Statutes, 1979 Supplement, Section 282.15, is amended to read:

282.15 SALES OF FORFEITED LANDS. Such sale shall be conducted by the auditor of the county wherein such parcels lie and shall be sold to the highest bidder but not for less than the appraised value. Such sales shall be for cash or on the following terms: The appraised value of all merchantable timber on such agricultural lands shall be paid for in full at the date of sale. At least 15 percent of the purchase price of the land shall be paid in cash at the time of purchase, and the balance in not to exceed 20 equal annual instalments, with interest at the rate of ~~four~~ eight percent per annum on the unpaid balance each year, both principal and interest to become due and payable on December 31 each year following that in which the purchase was made. The purchaser may pay any number of instalments of principal and interest on or before their due date. When the sale is on

terms other than for cash in full the purchaser shall receive from the county auditor a contract for deed, in such form as shall be prescribed by the attorney general. The county auditor shall make a report to the commissioner of natural resources not more than 30 days after each public sale, showing the lands sold at such sales, and submit a copy of each contract of sale.

All lands sold pursuant to the provisions hereof shall, on the second day of January following the date of such sale, be restored to the tax rolls and become subject to taxation in the same manner as the same were assessed and taxed before becoming the absolute property of the state.

Sec. 16. Minnesota Statutes 1978, Section 282.222, Subdivision 4, is amended to read:

Subd. 4. **TERMS OF SALE.** All sales under sections 282.221 to 282.226 shall be for cash or on the following terms: at least 15 percent of the purchase price shall be paid in cash at the time of the sale, and the balance thereof shall be paid in equal annual instalments over a period of 20 years, with interest at the rate of ~~four~~ eight percent per annum, payable annually, on the portion from time to time remaining unpaid, with privilege of prepayment of any instalment on any interest date. Sales on terms shall be evidenced by a certificate issued by the county auditor in such form as the attorney general shall prescribe, a copy of which shall be submitted to the commissioner of natural resources forthwith. The appraised value of all merchantable timber on such agricultural lands shall be paid for in cash in full at the time of sale. The county auditor shall report all sales to the commissioner of natural resources forthwith. Failure of the purchaser to make any payment of any instalment or of any interest required under any contract within six months from the date on which such payment shall become due, or to pay before they become delinquent all taxes that may be levied upon the land so purchased, shall constitute a default, and thereupon the contract shall be deemed canceled and all right, title, and interest of the purchaser, his heirs, representatives, or assigns in the premises shall terminate without the doing by the state of any act or thing whatsoever. A record of such default shall be made in the state land records kept by or under the direction of the commissioner of natural resources, and a certificate of such default may be made by or under the direction of the commissioner and filed with the county treasurer or recorded in the office of the county recorder of the county in which the premises are situated. Any such record or certificate shall be prima facie evidence of the facts therein stated, but the making of such record or certificate shall not be essential to the taking effect of such cancellation and termination, and thereupon the land described in the contract shall be subject to disposition as provided in this section, upon first having been reclassified and reappraised as provided by section 282.221. The county auditor shall report any such default to the commissioner of natural resources on or before June 30th of each year.

Sec. 17. Minnesota Statutes 1978, Section 282.261, is amended to read:

282.261 **DOWN PAYMENT.** A person repurchasing under section 282.241 shall pay at the time of repurchase not less than one-tenth of such repurchase price and shall pay the balance in ten equal annual instalments, with the privilege

Changes or additions indicated by underline deletions by ~~strikeout~~

of paying the unpaid balance in full at any time, with interest at the rate of ~~four~~ eight percent on the balance remaining unpaid each year, the first instalment of principal and interest to become due and payable on December 31 of the year following the year in which the repurchase was made, the remaining instalments to become due and payable on December 31 of each year thereafter until fully paid. He shall pay the current taxes each year thereafter before the same shall become delinquent up to the time when he shall pay the repurchase price in full.

Sec. 18. Minnesota Statutes 1978, Section 473F.08, is amended by adding a subdivision to read:

Subd. 7a. The administrative auditor shall determine for each county the difference between the total levy on distribution value pursuant to subdivision 3, clause (a), within the county and the total tax on contribution value pursuant to subdivision 6, within the county. On or before June 1 of each year, he shall certify the differences so determined to each county auditor. In addition, he shall certify to those county auditors for whose county the total tax on contribution value exceeds the total levy on distribution value the settlement the county is to make to the other counties of the excess of the total tax on contribution value over the total levy on distribution value in the county. On or before June 30 and November 30 of each year, each county treasurer in a county having a total tax on contribution value in excess of the total levy on distribution value shall pay one-half of the excess to the other counties in accordance with the administrative auditors certification.

Sec. 19. **REPEALER.** Minnesota Statutes 1978, Sections 275.31, 275.32, 275.33, 275.34, and 275.35 are repealed.

Sec. 20. **REPEALER.** Minnesota Statutes 1978, Section 473F.08, Subdivisions 7 and 8 are repealed.

Sec. 21. **EFFECTIVE DATES.** Sections 1, 7, 8, 9, 10, 18, and 20 are effective the day following final enactment. Sections 3 and 11 through 17 are effective July 1, 1980. The remainder of this act is effective for taxes levied in 1980 payable in 1981 and subsequent years.

Approved April 3, 1980

CHAPTER 438—S.F.No. 1772

An act relating to highway traffic regulations; authorizing an annual permit for certain oversize vehicles transporting implements of husbandry; prescribing limitations on the use of the vehicles; amending Minnesota Statutes 1978, Section 169.80, Subdivision 1.

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

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