

section 15.162, subdivision 9.

Subd. 3. Any insurance company required to file reports under this section which fails to file a report, containing the data and within the time prescribed by this section, shall be subject to a penalty of \$10 for each day in default.

Sec. 2. This act is effective July 1, 1978.

Approved March 28, 1978.

CHAPTER 672-H.F.No.2218

[Coded in Part]

An act relating to the tax court; providing for review of certain tax matters by the tax court; modifying procedures that condition the right to prosecute the tax matter; specifying qualifications of judges; providing for administration of the tax court; making judges members of the public employees' retirement association; amending Minnesota Statutes 1976, Sections 274.19, Subdivisions 4 and 5; 277.011, Subdivision 3; 278.03; 352.01, Subdivision 2A; and Minnesota Statutes, 1977 Supplement, Sections 271.01, by adding a subdivision; 271.02; 271.04; 271.06, Subdivision 2; 277.011, Subdivision 1; 278.01; 352.01, Subdivision 2B; and 490.121, Subdivision 2.

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

Section 1. Minnesota Statutes, 1977 Supplement, Section 271.01, is amended by adding a subdivision to read:

Subd. 6. PENDING CASES. A case arising under the tax laws of this state, as defined in subdivision 5, which was pending on July 1, 1977 may be transferred to the tax court by the district court in which it was pending.

Sec. 2. Minnesota Statutes, 1977 Supplement, Section 271.02, is amended to read:

271.02 **OFFICERS.** The judges of the tax court of ~~appeals~~ shall choose a chief judge of the tax court of ~~appeals~~. The chief judge of the tax court of ~~appeals~~ shall appoint one of the judges to serve as the administrator, who shall be custodian of the court's files and records; and shall coordinate and make hearing assignments. The administrator may appoint up to two employees who shall be in the unclassified service. The judge who is appointed the administrator may delegate his duties as administrator to the employees whom he has appointed and may select one employee to act in his place as the assistant administrator. The clerk of district court in each county shall be the clerk of the tax court in that county. Filing fees and library fees deposited with the clerk of district court in his capacity as clerk of the tax court and in cases originally commenced in district court and transferred to the tax court shall be retained by the clerk of district court. The tax court clerk in each county shall be subject to the supervision of the administrator in tax court matters.

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Sec. 3. Minnesota Statutes, 1977 Supplement, Section 271.04, is amended to read:

271.04 **HEARINGS.** The tax court shall hold hearings and meetings as may be prescribed by the rules of the tax court. The principal office of the tax court shall be at the capitol, but it shall hold hearings at any other place within the state, so that taxpayers may appear before the court with as little inconvenience and expense to the taxpayer as is practicable. The tax court shall be allowed to use the district court and county court court room in all of the counties. The administrator of the tax court shall consult with the district and county court judges involved before a schedule of court room to be used by the tax court is established. Each tax court judge may hear and decide cases. Upon petition by a party to a case, or upon a motion by a tax court judge, and approval by a majority of the tax court, a case may be tried before the entire tax court. When an appeal is taken by a resident taxpayer from an order of the commissioner, not involving property taxes, venue for the case shall be, at the election of the taxpayer, in Ramsey county or in the district court judicial district in which the taxpayer resides. Venue shall be in Ramsey county for an appeal taken by a non-resident taxpayer from an order of the commissioner. Venue for all other cases arising under the tax laws of the state shall be in the same judicial district as if the case was being tried in district court.

Sec. 4. Minnesota Statutes, 1977 Supplement, Section 271.06, Subdivision 2, is amended to read:

Subd. 2. **TIME; NOTICE; INTERVENTION.** Except as otherwise provided by law, within 60 days after notice of the making and filing of ~~such an~~ order of the commissioner ; ~~or upon the final determination of any matter concerning the tax laws listed in section 271.01, subdivision 5 of revenue,~~ the appellant, or his attorney, shall serve a notice of appeal upon the commissioner ~~or the appropriate unit of government~~ and file the original, with proof of such service, with the tax court ~~of appeals administrator or with the clerk of district court acting as clerk of the tax court;~~ provided, that a tax court of appeals judge, for cause shown, may by written order extend the time for appealing for an additional period; not exceeding 30 days. ~~In Ramsey county, notice of appeal may be filed with the tax court clerk or with the administrator. The tax court shall prescribe a filing system so that the notice of appeal filed with the tax court clerk is forwarded to the administrator. In any appeal concerning property valuation, for which the state board of equalization or commissioner of revenue has issued an order, the officer issuing the order shall be notified of the filing of an appeal.~~ The notice of appeal shall be in the form prescribed by the tax court. Within five days after receipt, the commissioner shall transmit a copy of the notice of appeal to the attorney general in all cases where the amount at issue exceeds \$100. The attorney general shall represent the commissioner, if requested, upon all such appeals except in cases where the attorney general has appealed in behalf of the state, or in other cases where he 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 concerning the tax laws listed in section 271.01, subdivision 5, the taxpayer or his attorney shall file a petition or notice of appeal as provided by law with the clerk of district court, acting in the capacity of clerk of the tax court, with proof of service of the petition or notice of appeal as required by law

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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 tax court clerk 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.

Sec. 5. Minnesota Statutes 1976, Section 274.19, Subdivision 4, is amended to read:

Subd. 4. Any person who claims that his class 2a property has been unfairly or unequally assessed, or that such property 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 his claim, defense or objection determined by the district court of the county in which the tax is levied or by the tax court by filing a petition for such determination, in the office of the clerk of the district court on or before the first day of September of the year in which such tax becomes payable. A petition for determination under this section may be transferred by the district court to the tax court.

Sec. 6. Minnesota Statutes 1976, Section 274.19, Subdivision 5, is amended to read:

Subd. 5. Payment of the tax shall be a condition precedent to the filing of a petition for review by the district court. The right to continue prosecution of the petition shall be conditioned upon the payment of the tax when due unless the court permits the petition to be filed, petitioner to continue prosecution of the petition without payment, or with a reduced payment, pursuant to section 277.011, subdivision 3. The petitioner, upon ten days notice to the county attorney and to the county auditor, given at least ten days prior to the last day of August, may apply to the court for permission to file the petition, continue prosecution of the petition without such payment or with a reduced payment.

Sec. 7. Minnesota Statutes, 1977 Supplement, Section 277.011, Subdivision 1, is amended to read:

277.011 DEFENSE OR OBJECTION TO TAX ON PERSONAL PROPERTY.
Subdivision 1. SERVICE AND FILING OF PETITION. Any person who claims that his personal property has been unfairly or unequally assessed, or that such property 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 his claim, defense or objection determined by the district court of the county in which the tax is levied or by the tax court by serving two copies of a petition for such determination upon the county auditor and one copy each on the county treasurer and the county attorney and filing the same, with proof of such service, in the office of the clerk of the district court on or before the first day of

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July of the year in which such tax becomes payable. The county auditor shall immediately forward one copy of the petition to the appropriate governmental authority in a home rule charter or statutory city or town in which the property is located, if that city or town employs its own certified assessor. A petition for determination under this section may be transferred by the district court to the tax court.

Sec. 8. Minnesota Statutes 1976, Section 277.011, Subdivision 3, is amended to read:

Subd. 3. **PAYMENT OF TAX.** ~~Before filing such petition, and as a condition precedent thereto~~ If the proceedings instituted by the filing of the petition have not been completed before July 1 next following the filing of the petition, the petitioner shall pay to the county treasurer 50 percent of the tax levied for ~~such~~ the year against the property involved, unless permission to file the petition without such payment is obtained as herein provided ; ~~which payment shall be endorsed by the county treasurer on the original petition before the same may be filed.~~ The petitioner, upon ten days notice to the county attorney and to the county auditor, given at least ten days prior to the first day of July, may apply to the court for permission to file the petition without such payment; and, if it is made to appear

(1) That the proposed review is to be taken in good faith;

(2) That there is probable cause to believe that the property may be held exempt from the tax levied or that the tax may be determined to be less than 50 percent of the amount levied; and

(3) That it would work a hardship upon petitioner to pay ~~such~~ 50 percent of the tax

The court may permit the ~~petition to be filed~~ petitioner to continue to prosecute the petition without ~~such~~ payment, or may fix a lesser amount to be paid as a condition ~~precedent~~ to the right to continue to prosecute the same. Payment of the amount so fixed shall be endorsed on the order by the county treasurer.

Sec. 9. Minnesota Statutes, 1977 Supplement, Section 278.01, is amended to read:

278.01 DEFENSE OR OBJECTION TO TAX ON LAND; SERVICE AND FILING. (a) Any person having 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, or that such 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 his claim, defense, or objection determined by the district court of the county in which the tax is levied or by the tax court by serving two copies of a petition for such determination upon the county auditor and one copy each on the county treasurer and the county attorney and filing the same, with proof of such service, in the office of the clerk of the district court ~~on or~~ before the first day of June of the year in which such tax becomes payable. The county auditor shall immediately forward one copy of the petition to the

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appropriate governmental authority in a home rule charter or statutory city or town in which the property is located if that city or town employs its own certified assessor. A petition for determination under this section may be transferred by the district court to the tax court.

(b) Any person having any estate, right, title or interest in or lien upon any parcel which is classified as homestead under the provisions of section 273.13, subdivisions 6, 6a, 7, 7b, 10 or 12, who claims that said parcel has been assessed at a valuation which exceeds by ten percent or more the valuation which the parcel would have if it were valued at the average assessment/sales ratio for real property in the same class, in that portion of the county in which that parcel is located, for which the commissioner is able to establish and publish a sales ratio study as determined by the applicable real estate assessment/sales ratio study published by the commissioner of revenue, may have the validity of his claim, defense, or objection determined by the district court of the county in which the tax is levied or by the tax court by serving two copies of a petition for such determination upon the county auditor and one copy each on the county treasurer and the county attorney and filing the same, with proof of such service, in the office of the clerk of the district court ~~on or~~ before the first day of June of the year in which such tax becomes payable. The county auditor shall immediately forward one copy of the petition to the appropriate governmental authority in a home rule charter or statutory city or town in which the property is located if that city or town employs its own certified assessor. A petition for determination under this section may be transferred by the district court to the tax court.

Sec. 10. Minnesota Statutes 1976, Section 278.03, is amended to read:

278.03 PAYMENT OF PORTION OF TAX. ~~Before filing such petition, and as a condition precedent thereto~~ If the proceedings instituted by the filing of the petition have not been completed before the first day of June next following the filing, the petitioner shall pay to the county treasurer at least 50 percent of the tax levied for such year against the property involved, unless permission to file continue prosecution of the petition without such payment is obtained as herein provided; ~~which payment shall be endorsed by the county treasurer on the original petition before the same may be filed. Permission to file such petition without such payment may be.~~ If the proceedings instituted by the filing of the petition have not been completed by the next November 1, the petitioner shall pay to the county treasurer 50 percent of the unpaid balance of the taxes levied for the year against the property involved, unless permission to continue prosecution of the petition without payment is obtained as herein provided. The petitioner, upon ten days notice to the county attorney and to the county auditor, given at least ten days prior to the first day of June or the first day of November, may apply to the court for permission to file continue prosecution of the petition without ~~such payments~~ payment; and, if it is made to appear

(1) That the proposed review is to be taken in good faith;

(2) That there is probable cause to believe that the property may be held exempt from the tax levied or that the tax may be determined to be less than 50 percent of the amount levied; and

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- (3) That it would work a hardship upon petitioner to pay 50 percent of such taxes,

The court may permit the petitioner to continue prosecution of the petition to be filed without such payment, or may fix a lesser amount to be paid as a condition precedent to the right to file the same. Payment of the amount so fixed shall be endorsed on the order by the county treasurer of continuing the prosecution of the petition.

If the court shall allow the filing of the petition without such payment or fix the amount to be paid, then the matter shall stand for trial without further payment. In all other cases, if the proceedings instituted by the filing of such petition have not been completed before November first, next following the filing of such petition, the petitioner shall pay 50 percent of the remaining unpaid taxes for the current year or 50 percent of the remaining unpaid taxes based upon the probable value of such property; if the value has been found by the court upon application as aforesaid. Failure to make payment of such additional the amount required when due shall operate automatically to dismiss the petition and all proceedings thereunder unless such the payment is waived by an order of the court upon application as hereinafter provided. The petitioner, upon ten days' notice to the county attorney and to the county auditor, given at least ten days prior to November first, may apply to the court for an order waiving the requirement of such additional payment, upon the same grounds as set forth herein, for relief from the requirement to pay the original 50 percent of such taxes, except that he must show that the tax may be determined to be less than 75 percent of the amount levied permitting the petitioner to continue prosecution of the petition without payment. The county treasurer shall, upon request of the petitioner, issue duplicate receipts for such additional the tax payment, one of which shall be filed by the petitioner in such the proceeding.

Sec. 11. Minnesota Statutes 1976, Section 352.01, Subdivision 2A, is amended to read:

Subd. 2A. **INCLUDED EMPLOYEES.** The following persons are included in the meaning of state employee:

- (1) Employees of the Minnesota Historical Society.
- (2) Employees of the State Horticultural Society.
- (3) *Employees of the Disabled American Veterans, Department of Minnesota, Veterans of Foreign Wars, Department of Minnesota, if employed prior to July 1, 1963.*
- (4) Employees of the Minnesota Crop Improvement Association.
- (5) Employees of the adjutant general who are paid from federal funds and who are not covered by any federal civilian employees retirement system.
- (6) Employees of the state universities employed under the university activities program.
- (7) Currently contributing employees covered by the system who are temporarily

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employed by the legislature during a legislative session or any currently contributing employee employed for any special service as defined in item (8) of subdivision 2B.

(8) Employees of the armory building commission.

(9) Permanent employees of the legislature and persons employed or designated by the legislature or by a legislative committee or commission or other competent authority to make or conduct a special inquiry, investigation, examination or installation including permanent employees of the legislative research committee.

(10) Trainees who are employed on a full time established training program performing the duties of the classified position for which they will be eligible to receive immediate appointment at the completion of the training period.

(11) Employees of the Minnesota Safety Council.

(12) Judges of the tax court.

Sec. 12. Minnesota Statutes, 1977 Supplement, Section 352.01, Subdivision 2B, is amended to read:

Subd. 2B. **EXCLUDED EMPLOYEES.** The following persons are excluded from the meaning of state employee:

(1) Elective state officers;

(2) Students employed by the University of Minnesota, the state universities, and community colleges unless approved for coverage by the board of regents, the state university board or the state board for community colleges, as the case may be;

(3) Employees who are eligible to membership in the state teachers retirement association except employees of the department of education who have elected or may elect to be covered by the Minnesota state retirement system instead of the teachers retirement association;

(4) Employees of the University of Minnesota who are excluded from coverage by action of the board of regents;

(5) Officers and enlisted men in the national guard and the naval militia and such as are assigned to permanent peacetime duty who pursuant to federal law are or are required to be members of a federal retirement system;

(6) Election officers;

(7) Persons engaged in public work for the state but employed by contractors when the performance of such contract is authorized by the legislature or other competent authority;

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(8) Officers and employees of the senate and house of representatives or a legislative committee or commission who are temporarily employed;

(9) All courts and all employees thereof, referees, receivers, jurors, and notaries public, except employees of the supreme court and referees and adjusters employed by the department of labor and industry;

(10) Patient and inmate help in state charitable, penal and correctional institutions including the Minnesota veterans home;

(11) Persons employed for professional services where such service is incidental to regular professional duties and whose compensation is paid on a per diem basis;

(12) Employees of the Sibley House Association;

(13) Employees of the Grand Army of the Republic and employees of the ladies of the G.A.R.;

(14) Operators and drivers employed pursuant to section 16.07, subdivision 4;

(15) Members of ~~the tax court~~, the personnel board, and the members of any other state board or commission who serve the state intermittently and are paid on a per diem basis; the secretary, secretary-treasurer, and treasurer of such boards if their compensation is \$500 or less per year, or, if they are legally prohibited from serving more than two consecutive terms and their total service therefor is required by law to be less than ten years; and the board of managers of the state agricultural society and its treasurer unless he is also its full time secretary;

(16) State highway patrolmen;

(17) Temporary employees of the Minnesota state fair employed on or after July 1 for a period not to extend beyond October 15 of the same year; also persons employed at any time or times by the state fair administration for special events held on the fairgrounds;

(18) Emergency employees in the classified service except emergency employees who within the same pay period become provisional or probationary employees on other than a temporary basis, shall be deemed "state employees" retroactively to the beginning of the pay period;

(19) Persons described in section 352B.01, subdivision 2, clauses (b) and (c) formerly defined as state police officers;

(20) All temporary employees in the classified service, all temporary employees in the unclassified service appointed for a definite period of not more than six months and employed less than six months in any one year period and all seasonal help in the unclassified service employed by the department of revenue;

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(21) Trainees paid under budget classification number 41, and other trainee employees, except those listed in subdivision 2A(10);

(22) Persons whose compensation is paid on a fee basis;

(23) State employees who in any year have credit for 12 months service as teachers in the public schools of the state and as such teachers are members of the teachers retirement association or a retirement system in St. Paul, Minneapolis, or Duluth;

(24) Employees of the adjutant general employed on an unlimited intermittent or temporary basis in the classified and unclassified service for the support of army and air national guard training facilities;

(25) Chaplains and nuns who have taken a vow of poverty as members of a religious order;

(26) Labor service employees employed as a laborer 1 on an hourly basis;

(27) Examination monitors employed by departments, agencies, commissions, and boards for the purpose of conducting examinations required by law;

(28) Members of appeal tribunals, exclusive of the chairman to which reference is made in section 268.10, subdivision 4;

(29) Persons appointed to serve as members of fact finding commissions, adjustment panels, arbitrators, or labor referees under the provisions of chapter 179;

(30) *Temporary employees employed for limited periods of time under any state or federal program for the purpose of training or rehabilitation including persons employed thereunder for limited periods of time from areas of economic distress except skilled and supervisory personnel and persons having civil service status covered by the system;*

(31) Full time students employed by the Minnesota historical society who are employed intermittently during part of the year and full time during the summer months;

(32) Temporary employees, appointed for not more than six months, of the Metropolitan council and of any of its statutory boards, the members of which board are appointed by the metropolitan council;

(33) Persons employed in positions designated by the department of personnel as student workers;

(34) Any person who is 65 years of age or older when appointed and who does not have allowable service credit for previous employment, unless such employee gives notice to the director within 60 days following his appointment that he desires coverage; and

(35) Tradesmen employed by the metropolitan waste control commission with trade union pension plan coverage pursuant to a collective bargaining agreement first employed

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after June 1, 1977.

Sec. 13. Minnesota Statutes, 1977 Supplement, Section 490.121, Subdivision 2, is amended to read:

Subd. 2. "Court" means any court of this state established by the Minnesota Constitution; ~~the tax court~~; and any municipal, county or probate court of record.

Sec. 14. The transfer of tax court judges to membership in the Minnesota state retirement system shall be retroactive to July 1, 1977. The director of the Minnesota state retirement system shall transfer to the state employees retirement fund the contributions made by these judges to the judges retirement fund since July 1, 1977 and shall refund any excess or collect from such judges any deficiency of contributions as would have been required by section 352.04, subdivision 2, had the judges been covered by the state employees retirement fund since July 1, 1977. The tax court shall pay the required employer contribution for such period as required by section 352.04, subdivision 3.

Sec. 15. Judges of the tax court who held such office on and prior to July 1, 1977 may obtain credit for their service as a tax court judge prior to July 1, 1977 by paying to the state employees retirement fund an amount equal to four percent of their current monthly salary rate multiplied by the number of months prior to July 1, 1977 for which the judge desires to obtain credit. The tax court as employer shall pay an amount equal to the employee contribution made hereunder.

Sec. 16. This act is effective July 1, 1977.

Approved March 28, 1978.

CHAPTER 673-H.F.No.2219

[Not Coded]

An act relating to the city of Eagan; volunteer firefighter's service pensions; amending Laws 1975, Chapter 43, Section 1.

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

Section 1. Laws 1975, Chapter 43, Section 1, is amended to read:

Section 1. EAGAN, CITY OF; FIREFIGHTER'S SERVICE PENSIONS.

Subdivision 1. The volunteer ~~firemen's~~ firefighter's relief association of the city of Eagan may pay ~~firemen's firefighter's~~ service pensions in excess of the amounts authorized by Minnesota Statutes, Section 69.06, but not in excess of ~~\$80~~ \$160 per month, except as authorized by subdivision 2, to each of its members who has retired or shall hereafter retire, who has reached or shall hereafter reach the age of 50 years and who has done or hereafter shall do active duty for 20 years or more as a member of the Eagan volunteer fire department, and who has been or shall hereafter be a member of the Eagan volunteer

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