

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

**S.F. No. 3517**

(SENATE AUTHORS: KOENEN)

DATE	D-PG	OFFICIAL STATUS
04/11/2016	5801	Introduction and first reading Referred to Taxes

1.1 A bill for an act  
 1.2 relating to taxation; property; modifying refunds of overpayments for  
 1.3 state-assessed property; appropriating money; amending Minnesota Statutes  
 1.4 2014, section 278.12.

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

1.6 Section 1. Minnesota Statutes 2014, section 278.12, is amended to read:

1.7 **278.12 REFUNDS OF OVERPAYMENT.**

1.8 Subdivision 1. Judgment. If upon final determination the petitioner has paid more  
 1.9 than the amount so determined to be due, judgment shall be entered in favor of the  
 1.10 petitioner for such excess, ~~and~~ In the case of a petition under section 273.372, relative to  
 1.11 property values determined by the commissioner of revenue, the petitioner may file a copy  
 1.12 of the judgment with the commissioner of revenue, who must issue a warrant for payment  
 1.13 thereof within 30 days. In the case of a judgment relative to any other property, upon filing  
 1.14 a copy thereof with the county auditor, the auditor shall forthwith draw a warrant upon the  
 1.15 county treasurer for the payment thereof; provided that, with the consent of the petitioner,  
 1.16 the county auditor may, in lieu of drawing such warrant, issue to the petitioner a certificate  
 1.17 stating the amount of such judgment, which amount may be used to apply upon any taxes  
 1.18 due or to become due for the taxing district or districts whose taxes or assessments are  
 1.19 reduced, or their successors in the event of a reorganization or reincorporation of any such  
 1.20 taxing district. In the event the auditor shall issue a warrant for refund or certificates,  
 1.21 the amount thereof shall be charged to the state and other taxing districts in proportion  
 1.22 to the amount of their respective taxes included in the levy and deduct the same in the  
 1.23 subsequent distribution of any tax proceeds to the state or such taxing districts, and  
 1.24 upon receiving any such certificate in payment of other taxes, the amount thereof shall

2.1 be distributed to the state and other taxing districts in proportion to the amount of their  
2.2 respective taxes included in the levy; provided that if in the judgment the levy of one or  
2.3 more of the districts be found to be illegal, to the extent that the tax so levied is reduced on  
2.4 account of the illegal levies, the amount to be charged back shall be charged to the districts  
2.5 and the amount thereof deducted from any distributions thereafter made to them.

2.6 Subd. 2. **Reimbursement.** Before June 30 of each year, the commissioner of  
2.7 revenue must notify each taxing jurisdiction of the amount of judgments paid by the  
2.8 commissioner for taxes that were paid to the jurisdiction in the previous 12-month period.  
2.9 Each jurisdiction must reimburse the commissioner in equal annual installments over the  
2.10 succeeding ten calendar years. The jurisdiction must make payment to the commissioner  
2.11 of revenue before July 1 of the year succeeding the notification.

2.12 Subd. 3. **Appropriation.** An amount sufficient to make the payments by the  
2.13 commissioner of revenue, as required under subdivision 1, is annually appropriated from  
2.14 the general fund to the commissioner of revenue.

2.15 **EFFECTIVE DATE.** This section is effective for judgments entered after May  
2.16 31, 2016.