

SENATE
STATE OF MINNESOTA
NINETY-FIRST SESSION

S.F. No. 2131

(SENATE AUTHORS: CHAMBERLAIN)

DATE
03/07/2019

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698 Introduction and first reading
Referred to Taxes

OFFICIAL STATUS

1.1 A bill for an act
 1.2 relating to taxation; property; modifying procedure for appeals of utility and railroad
 1.3 valuations; amending Minnesota Statutes 2018, section 273.372, subdivisions 2,
 1.4 3.

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

1.6 Section 1. Minnesota Statutes 2018, section 273.372, subdivision 2, is amended to read:

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

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

1.20 (c) If the appeal is from the tax that results from implementation of the commissioner's
 1.21 order, certification, or recommendation, it must be brought under chapter 278, and the
 1.22 provisions in that chapter apply, except that service shall be on the commissioner only and
 1.23 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 been partially, unfairly, or unequally assessed, assessed at a valuation greater than their real or actual value, misclassified, or are exempt.

(d) Notwithstanding any provision of chapter 271 or 278 to the contrary, in all appeals that are brought under this section, the petitioner must pay the disputed taxes when they become due, and the county must place the disputed amount into an escrow account pending final resolution of the appeal. Upon final resolution of the appeal, the amount in the escrow account must be used to satisfy the judgment. Any additional amount due from the petitioner or the county pursuant to the judgment, including interest, must also be paid.

Sec. 2. Minnesota Statutes 2018, section 273.372, subdivision 3, is amended to read:

Subd. 3. **Notice; escrow.** (a) Upon filing of any appeal in court by a utility company or railroad against the commissioner pursuant to this section, the commissioner shall give notice by first class mail to the county auditor of each county where property included in the petition is located.

(b) Upon receiving notice under paragraph (a), the county treasurer must establish an escrow account for the purpose of holding the disputed amount of tax paid pursuant to subdivision 2, paragraph (d). Any amount contained in a county's escrow account shall not be counted for purposes of calculating state aid to the county, including but not limited to aid under chapter 477A.