

**2810.3800 APPORTIONMENT OF TAXES.****Subpart 1. Subdivider's duties.**

A. In a transaction for the sale of land under the act in which taxes are to be paid by either party, a subdivider shall:

(1) certify that there are no taxes, other than current taxes, owing on the property involved at the date of filing the statement of record, a consolidated statement of record, or an amendment to either; and

(2) provide a form of escrow satisfactory to the commissioner in accord with subpart 2 if part of the purchasers' funds paid in or payable by the terms of the instruments disposing of the land are to be used for payment of taxes.

B. In order that a purchaser will receive the interest in lands contracted for, a subdivider shall place in an escrow satisfactory to the commissioner sufficient funds to pay reasonably anticipated tax bills on the property of a subdivision. If the subdivider apportions real property taxes and requires a purchaser to pay such taxes in a lump sum or on a periodic basis, the subdivider shall place in the escrow 100 percent of the sum due.

Subp. 2. **Responsibilities not to be imposed on purchaser.** A purchaser is not responsible for payment of taxes or assessments levied before the effective date of the purchaser's agreement with a subdivider or agent, and the instruments evidencing the sale or disposition of an interest in a land shall so state.

A purchaser shall not be assessed a service fee or be required to pay a consideration for the assessment or allocation of taxes on the land involved in the transaction.

**Statutory Authority:** *MS s 83.38*

**History:** *17 SR 1279*

**Published Electronically:** *September 14, 2007*