

## CHAPTER 287

## MORTGAGE REGISTRY TAX; DEED TAX

287.02	Repealed.	287.10	Prepayment of tax; evidence; notice.
287.05	Tax on recordation or registration; supplemental mortgages.	287.12	Taxes, how apportioned.
287.09	Mortgage on exempt property; property not directly taxed; receipt; apportionment of tax.	287.21	Imposition of tax; determination of tax.
		287.22	Exceptions.

**287.02** [Repealed, 1987 c 268 art 14 s 25]

**287.05 TAX ON RECORDATION OR REGISTRATION; SUPPLEMENTAL MORTGAGES.**

Subdivision 1. A tax of 23 cents is imposed upon each \$100, or fraction thereof, of the principal debt or obligation which is or may be secured by any mortgage of real property situated within the state executed, delivered, and recorded or registered; provided, however, that the tax shall be imposed but once upon any mortgage and extension thereof. If the mortgage describes real estate situated outside of this state, the tax shall be imposed upon that proportion of the whole debt secured thereby as the value of the real estate therein described situated in this state bears to the value of the whole of the real estate described therein. The tax imposed by this section shall not apply to a contract for the conveyance of any interest in real estate.

*[For text of subds 2 to 5, see M.S.1986]*

**History:** 1987 c 268 art 14 s 13; 1987 c 403 art 2 s 147

**287.09 MORTGAGE ON EXEMPT PROPERTY; PROPERTY NOT DIRECTLY TAXED; RECEIPT; APPORTIONMENT OF TAX.**

When real estate described in a mortgage is exempt from taxation under the Constitution of the state of Minnesota, article X; section 1, the mortgage registry tax shall be paid to the treasurer of the county in which the real estate is located in the same manner as if the real estate were not exempt from taxation. When any real estate described in a mortgage is not exempt from taxation under that section, but is not taxed by direct tax upon the assessed valuation thereof, the mortgage registry tax shall be paid to the county; this sentence does not apply to real estate taxed under sections 298.23 to 298.28.

**History:** 1987 c 268 art 9 s 10

**NOTE:** The amendments to this section by Laws 1987, chapter 268, article 9, section 10 are effective for taxable years beginning after December 31, 1989. See Laws 1987, chapter 268, article 9, section 44.

**287.10 PREPAYMENT OF TAX; EVIDENCE; NOTICE.**

A mortgage or papers relating to its foreclosure, assignment, or satisfaction, must not be recorded or registered unless the tax has been paid. A document or any record of the mortgage may not be received in evidence in any court, and is not valid notice, unless the tax has been paid. If the tax is paid, an error in computation or ascertainment of the amount does not affect the validity of the mortgage or the record or foreclosure. This section does not apply to a mortgage that is exempt from taxation under section 287.04 or 287.05, subdivision 1.

**History:** 1987 c 268 art 14 s 14

**287.12 TAXES, HOW APPORTIONED.**

All taxes paid to the county treasurer under the provisions of sections 287.01 to 287.12 shall be credited to the county revenue fund.

On or before the tenth day of each month the county treasurer shall determine the

receipts from the mortgage registration tax during the preceding month. The treasurer shall report to the county welfare agency on or before the tenth day of each month 97 percent of the receipts attributable to the statutory rate in section 287.05. That amount, in addition to 97 percent of the amount determined under section 287.29, must be shown as a deduction from the report filed with the department of human services as required by section 256.82. The net receipts from the preceding month must be credited to the county welfare fund by the tenth day of each month.

**History:** 1987 c 403 art 2 s 148

### 287.21 IMPOSITION OF TAX; DETERMINATION OF TAX.

Subdivision 1. There is hereby imposed on each deed, instrument, or writing by which any lands, tenements, or other realty in this state shall be granted, assigned, transferred or otherwise conveyed, a tax determined in the following manner. When transfers are made by instruments pursuant to mergers, consolidations, sales or transfers of substantially all of the assets of corporations pursuant to plans of reorganization or there is no consideration or when the consideration, exclusive of the value of any lien or encumbrance remaining thereon at the time of sale, is \$500 or less, the tax shall be \$1.65. When the consideration, exclusive of the value of any lien or encumbrance remaining thereon at the time of sale, exceeds \$500, the tax shall be \$1.65 plus \$1.65 for each additional \$500 or fraction of that amount.

The tax applies against the total consideration, including the fair market value consideration for any personal property located on the real property conveyed by the deed and transferred as part of the total consideration, but excluding the value of any lien or encumbrance remaining on the property at the time of sale.

*[For text of subd 2, see M.S.1986]*

**History:** 1987 c 268 art 14 s 15; 1987 c 403 art 2 s 149

### 287.22 EXCEPTIONS.

The tax imposed by section 287.21 shall not apply to:

- A. Any executory contract for the sale of land under which the vendee is entitled to or does take possession thereof, or any assignment or cancellation thereof.
- B. Any mortgage or any assignment, extension, partial release, or satisfaction thereof.
- C. Any will.
- D. Any plat.
- E. Any lease.
- F. Any deed, instrument, or writing in which the United States or any agency or instrumentality thereof is the grantor, assignor, transferor, conveyor, grantee or assignee.
- G. Deeds for cemetery lots.
- H. Deeds of distribution by personal representatives.
- I. Deeds to or from coowners partitioning undivided interests in the same piece of property.

**History:** 1987 c 268 art 14 s 16