

## CHAPTER 290A

### PROPERTY TAX REFUND ACT

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#### 290A.03 DEFINITIONS.

*[For text of subds 1 to 11, see M.S.1988]*

**Subd. 12. Gross rent.** "Gross rent" means rental paid for the right of occupancy, at arms-length, of a homestead, exclusive of charges for any medical services furnished by the landlord as a part of the rental agreement, whether expressly set out in the rental agreement or not. If the landlord and tenant have not dealt with each other at arms-length and the commissioner determines that the gross rent charged was excessive, the commissioner may adjust the gross rent to a reasonable amount for purposes of this chapter.

Any amount paid by a claimant residing in property assessed pursuant to section 273.124, subdivision 3, 4, 5, or 6 for occupancy in that property shall be excluded from gross rent for purposes of this chapter. However, property taxes imputed to the homestead of the claimant or the dwelling unit occupied by the claimant that qualifies for homestead treatment pursuant to section 273.124, subdivision 3, 4, 5, or 6 shall be included within the term "property taxes payable" as defined in subdivision 13, notwithstanding the fact that ownership is not in the name of the claimant.

*[For text of subd 13, see M.S.1988]*

**Subd. 14. Net tax.** "Net tax" means

(a) the property tax, exclusive of special assessments, interest, and penalties, and after reduction for any state paid property tax credits as required in subdivision 13 except for the reduction under section 273.13, subdivisions 22 and 23, or

(b) the payments made in lieu of ad valorem taxes, including payments of special assessments imposed in lieu of ad valorem taxes,

for the calendar year in which the rent was paid. If a portion of the property is occupied as a homestead or is used for other than rental purposes, the net tax shall be the amount of tax reduced by the percentage that the nonrental use comprises of the total square footage of the building. If a portion of the property is used for purposes other than for residential rental and none of the property is occupied as a homestead, the net tax shall be the amount of the tax of the parcel multiplied by a fraction, the numerator of which is the net tax capacity of the residential rental portion and the denominator of which is the total net tax capacity of the parcel. If a portion of the property is used for other than rental residential purposes, the county treasurer shall list on the property tax statement the amount of net tax pertaining to the rental residential portion of the property.

The amount of the net tax shall not be reduced by an abatement or a court ordered reduction in the property tax on the property made after the certificate of rent constituting property tax has been provided to the renter.

*[For text of subd 15, see M.S.1988]*

**History:** 1989 c 277 art 2 s 46; 1989 c 329 art 13 s 20

#### 290A.04 REFUND ALLOWABLE.

*[For text of subds 1 to 3, see M.S.1988]*

Subd. 5. **Combined renter and homeowner refund.** In the case of a claimant who is entitled to a refund in a calendar year for claims based both on rent constituting property taxes and property taxes payable, the refund allowable equals the sum of the refunds allowable, except that the sum may not exceed the higher of the maximum refund payable either based on rent constituting property taxes or property taxes payable.

**History:** 1989 c 356 s 37

## 290A.11 OBJECTIONS TO CLAIMS.

*[For text of subd 1, see M.S.1988]*

Subd. 1a. **Reduction in net tax capacity, redetermination of claims.** If the commissioner is notified pursuant to section 375.192, subdivision 1, that a reduction in net tax capacity was granted and the claimant's property taxes were decreased, the department shall redetermine the claim and notify the claimant of the redetermination and the reasons therefor. The redetermination shall be final unless appealed to the Minnesota tax court within 60 days of notice thereof.

*[For text of subds 2 to 5, see M.S.1988]*

**History:** 1989 c 329 art 13 s 20

## 290A.112 OVERSTATEMENT OF TAXPAYER'S CLAIM BY PROPERTY TAX REFUND RETURN PREPARER.

Subdivision 1. **Willful overstatement of claim.** If any part of an excessive claim with respect to any property tax refund return is due to a willful attempt in any manner to overstate the claim for relief allowed under this chapter by a person who is a property tax refund return preparer with respect to the return, the person shall pay to the commissioner a penalty of \$500 with respect to the return. The penalty under this section may not be assessed against the employer of a property tax refund return preparer unless the employer was actively involved in the willful attempt to overstate the claim for property tax refund. This penalty shall be considered to be an income tax liability and may be assessed at any time as provided in section 290.49, subdivision 6. In any proceeding involving the issue of whether or not a property tax refund return preparer has willfully attempted in any manner to overstate the property tax refund claim, the burden of proof in respect of the issue shall be upon the commissioner and the claim of the claimant may be disclosed to the property tax refund return preparer.

*[For text of subd 2, see M.S.1988]*

**History:** 1989 c 184 art 2 s 26

**290A.17** [Repealed, 1989 c 184 art 1 s 20]