

## CHAPTER 278

## REAL ESTATE TAXES; OBJECTIONS, DEFENSES

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**278.01 DEFENSE OR OBJECTION TO REAL AND PERSONAL PROPERTY TAXES; SERVICE AND FILING.**

**Subdivision 1. Determination of validity.** Any person having personal property, or any estate, right, title, or interest in or lien upon any parcel of land, who claims that such property has been partially, unfairly, or unequally assessed in comparison with other property in the (1) city, or (2) county, or (3) in the case of a county containing a city of the first class, the portion of the county excluding the first class city, or that the parcel has been assessed at a valuation greater than its real or actual value, or that the tax levied against the same is illegal, in whole or in part, or has been paid, or that the property is exempt from the tax so levied, may have the validity of the claim, defense, or objection determined by the district court of the county in which the tax is levied or by the tax court by serving one copy of a petition for such determination upon the county auditor, one copy on the county attorney, one copy on the county treasurer, and three copies on the county assessor. The county assessor shall immediately forward one copy of the petition to the appropriate governmental authority in a home rule charter or statutory city or town in which the property is located if that city or town employs its own certified assessor. A copy of the petition shall also be forwarded by the assessor to the school board of the school district in which the property is located.

In counties where the office of county treasurer has been combined with the office of county auditor, the county may elect to require the petitioner to serve the number of copies as determined by the county. The county assessor shall immediately forward one copy of the petition to the appropriate governmental authority in a home rule charter or statutory city or town in which the property is located if that city or town employs its own certified assessor. A list of petitioned properties, including the name of the petitioner, the identification number of the property, and the estimated market value, shall be sent on or before the first day of July by the county auditor/treasurer to the school board of the school district in which the property is located.

For all counties, the petitioner must file the copies with proof of service, in the office of the court administrator of the district court before the 16th day of May of the year in which the tax becomes payable. A petition for determination under this section may be transferred by the district court to the tax court. An appeal may also be taken to the tax court under chapter 271 at any time following receipt of the valuation notice required by section 273.121 but prior to May 16 of the year in which the taxes are payable.

*[For text of subd 3, see M.S.1992]*

**History:** 1993 c 375 art 3 s 32

**278.02 PETITION MAY INCLUDE SEVERAL ITEMS OR PARCELS.**

Such petition need not be in any particular form, but shall clearly identify the items of personal property, or the land involved, the assessment date, and shall set forth in concise language the claim, defense, or objection asserted. No petition shall include more than one assessment date. Several items of personal property and several parcels of land in or upon which the petitioner has an estate, right, title, interest, or lien may be included in the same petition, but only if they are in the same city or town, except

that contiguous property overlapping city or town boundaries may be included in one petition.

**History:** 1993 c 375 art 3 s 33

### 278.03 PAYMENT OF TAX.

**Subdivision 1. Real property.** In the case of real property, if the proceedings instituted by the filing of the petition have not been completed before the 16th day of May next following the filing, the petitioner shall pay to the county treasurer 50 percent of the tax levied for such year against the property involved, unless permission to continue prosecution of the petition without such payment is obtained as herein provided. If the proceedings instituted by the filing of the petition have not been completed by the next October 16, or, in the case of class 1b agricultural homestead, class 2a agricultural homestead, and class 2b(2) agricultural nonhomestead property, November 16, the petitioner shall pay to the county treasurer 50 percent of the unpaid balance of the taxes levied for the year against the property involved if the unpaid balance is \$2,000 or less and 80 percent of the unpaid balance if the unpaid balance is over \$2,000, unless permission to continue prosecution of the petition without payment is obtained as herein provided. The petitioner, upon ten days notice to the county attorney and to the county auditor, given at least ten days prior to the 16th day of May or the 16th day of October, or, in the case of class 1b agricultural homestead, class 2a agricultural homestead, and class 2b(2) agricultural nonhomestead property, the 16th day of November, may apply to the court for permission to continue prosecution of the petition without payment; and, if it is made to appear

(1) that the proposed review is to be taken in good faith;

(2) that there is probable cause to believe that the property may be held exempt from the tax levied or that the tax may be determined to be less than 50 percent of the amount levied; and

(3) that it would work a hardship upon petitioner to pay the taxes due,

the court may permit the petitioner to continue prosecution of the petition without payment, or may fix a lesser amount to be paid as a condition of continuing the prosecution of the petition.

Failure to make payment of the amount required when due shall operate automatically to dismiss the petition and all proceedings thereunder unless the payment is waived by an order of the court permitting the petitioner to continue prosecution of the petition without payment. The petition shall be automatically reinstated upon payment of the entire tax plus interest and penalty if the payment is made within one year of the dismissal. The county treasurer shall, upon request of the petitioner, issue duplicate receipts for the tax payment, one of which shall be filed by the petitioner in the proceeding.

**Subd. 2. Personal property.** In the case of personal property, if the proceedings instituted by the filing of the petition have not been completed before May 16 next following the filing of the petition, the petitioner shall pay to the county treasurer 50 percent of the tax levied for the year against the property involved, unless permission to file the petition without payment is obtained as provided in this subdivision. The petitioner, upon ten days' notice to the county attorney and to the county auditor, given at least ten days before May 16, may apply to the court for permission to file the petition without such payment; and, if it is made to appear:

(1) that the proposed review is to be taken in good faith;

(2) that there is probable cause to believe that the property may be held exempt from the tax levied or that the tax may be determined to be less than 50 percent of the amount levied; and

(3) that it would work a hardship upon petitioner to pay 50 percent of the tax.

The court may permit the petitioner to continue to prosecute the petition without payment, or may fix a lesser amount to be paid as a condition to the right to continue to prosecute the same. Payment of the amount so fixed shall be endorsed on the order by the county treasurer.

**History:** 1993 c 375 art 3 s 34

**278.04 TREASURER MUST STAMP TAX LISTS.**

Upon the filing of such petition, the county treasurer shall write or stamp opposite the description of such items of personal property or parcel on the tax list the notation, "Petition for review filed," and such parcel shall not be included in the delinquent tax list for such year.

**History:** 1993 c 375 art 3 s 35

**278.08 INTEREST.**

Subdivision 1. **Interest; penalty.** In the case of real property, the judgment must include the following interest:

(1) if the tax is sustained in full, interest on the unpaid part of the tax computed under section 279.03;

(2) if the tax is increased, interest on the unpaid part of the tax as originally assessed computed under section 279.03;

(3) if the tax is reduced, interest on the difference between the tax as recomputed and the amount previously paid computed under section 279.03.

If the tax is sustained or increased, penalty on the unpaid part of the tax as originally assessed computed under section 279.01 must be included in the judgment.

Subd. 2. **Refund.** In the case of real property, if the petitioner has overpaid the tax determined or stipulated to be due, the county auditor shall compute interest on the overpayment from the date of the filing of the petition for review or from the date of payment of the tax, whichever is later, until the date of issuance of the refund warrant. Interest shall be calculated on the overpayment at the rate provided in section 279.03 for delinquent property taxes originally due and payable in the same year as the tax which was overpaid.

**History:** 1993 c 375 art 3 s 36

**278.09 CERTIFIED COPIES TO AUDITOR AND TREASURER.**

Upon entry of judgment a certified copy thereof shall be delivered to the county auditor and to the county treasurer if the tax list be still in the treasurer's possession, who shall correct the tax list and assessment rolls in accordance with the judgment, writing or stamping opposite such parcel or item of personal property in the tax list a notation "judgment entered" and the date thereof.

**History:** 1993 c 375 art 3 s 37