278.08 INTEREST.

Subdivision 1. **Interest; penalty.** In the case of real or personal 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, subdivision 1, at the rate provided in section 549.09;

(2) if the tax is increased, interest on the unpaid part of the tax as originally assessed computed under section 279.03, subdivision 1, at the rate provided in section 549.09;

(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, subdivision 1, at the rate provided in section 549.09.

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 or personal 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 under section 279.03, subdivision 1, at the rate provided in section 549.09 for the year the tax became or remained overpaid. For the purposes of computing interest due under this subdivision, an overpayment occurs on the date when the cumulative total of the payments made by the taxpayer for the payable year exceed the final total tax amount determined for that payable year. In determining whether an overpayment has occurred, taxpayer payments are allocated first to any penalty imposed due to late payment of installments, then to the tax due.

History: *(2126-8) 1935 c 300 s 8; 1980 c 443 s 4; 1982 c 523 art 39 s 1; 1986 c 473 s 8; 1989 c 324 s 26; 1993 c 375 art 3 s 36; 1994 c 416 art 1 s 34; 1996 c 471 art 3 s 25*