# CHAPTER 270

# VARIOUS TAXES AND STATE BOARDS


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**270.01** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

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**270.021** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.022** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.03** MS 1941 Supp [Repealed, 1943 c 160 s 1]

**270.04** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.05** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.051** Subdivision 1. MS 1976 [Repealed 1984 c 502 art 14 s 20]

Subd. 2. MS 1982 [Repealed, 1984 c 502 art 14 s 20]

Subd. 3. MS 1982 [Repealed 1984 c 502 art 14 s 20]

**270.052** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.058** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.059** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.06** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.0601** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.0602** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.0603** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.0604** Subdivision 1. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 2. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 3. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 4. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 5. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 6. MS 1992 [Repealed, 1994 c 510 art 1 s 13]

**270.0605** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.061** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.062** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.063** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.064** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.065** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.066** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.0665** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.067** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.068** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.0681** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.0682** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.069** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.07** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

## AIRLINE FLIGHT PROPERTY TAX

### 270.071 DEFINITIONS.

Subdivision 1. **Applicability.** The following words and phrases, when used in sections 270.071 to 270.079, unless the context clearly indicates otherwise, shall have the meanings ascribed to them in this section.

Subd. 2. **Air commerce.** "Air commerce" means the transportation by aircraft of persons or property for hire in interstate, intrastate, or international transportation on regularly scheduled flights or on intermittent or irregularly timed flights by airline companies and includes transportation by any airline company making three or more flights in or out of Minnesota, or within Minnesota, during a calendar year.

Subd. 3. **Aircraft.** "Aircraft" means any contrivance now known or hereafter invented, used or designed for navigation of or flight in the air.

Subd. 4. **Airline company.** "Airline company" means any person who undertakes, directly or indirectly, to engage in the business of air commerce.

Subd. 5. **Commissioner.** "Commissioner" means state commissioner of revenue.

Subd. 6. **Equated plane hours.** "Equated plane hours" means hours spent by aircraft in flight weighted according to the cargo capacity of each aircraft.

Subd. 7. **Flight property.** "Flight property" means all aircraft and flight equipment used in connection therewith, including spare flight equipment. Flight property also includes computers and computer software used in operating, controlling, or regulating aircraft and flight equipment. Flight property does not include aircraft with a maximum takeoff weight of less than 30,000 pounds.

Subd. 7a. **Intermittent or irregularly timed flights.** "Intermittent or irregularly timed flights" means any flight in which the departure time, departure location, and arrival location are specifically negotiated with the customer or the customer's representative, including but not limited to charter flights.

Subd. 8. **Person.** "Person" means an individual, trust, estate, fiduciary, partnership, company, corporation, limited liability company, association, governmental unit or agency, public or private organization of any kind, or other legal entity.

Subd. 9. **Small or medium sized community.** "Small or medium sized community" means a home rule charter or statutory city or town in Minnesota with a population of 100,000 or fewer that is not located in Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington Counties.

**History:** *1945 c 418 s 1; 1953 c 672 s 1; 1973 c 582 s 3; 1976 c 334 s 2; 1986 c 444; 1987 c 268 art 14 s 8; 1989 c 277 art 2 s 8; 1993 c 375 art 3 s 2; 2008 c 154 art 13 s 1; 1Sp2017 c 1 art 15 s 2-5; 2018 c 182 art 1 s 68*

**270.072 TAXATION AND ASSESSMENT OF FLIGHT PROPERTY.**

Subdivision 1. **Tax on real estate.** All real property of an airline company and all personal property thereof except flight property shall be taxed as otherwise provided by law.

Subd. 2. **Assessment of flight property.** Flight property that is owned by, or is leased, loaned, or otherwise made available to an airline company operating in Minnesota shall be assessed and appraised annually by the commissioner with reference to its value on January 2 of the assessment year in the manner prescribed by sections 270.071 to 270.079.

Subd. 3. **Report by airline company.** (a) Each year, on or before July 1, every airline company engaged in air commerce in this state shall file with the commissioner a report under oath setting forth specifically the information prescribed by the commissioner to enable the commissioner to make the assessment required in sections 270.071 to 270.079, unless the commissioner determines that the airline company is exempt from filing.

(b) The commissioner shall prescribe the content, format, and manner of the report pursuant to section 270C.30, except that a "law administered by the commissioner" includes the property tax laws. If a report is made by electronic means, the taxpayer's signature is defined pursuant to section 270C.304, except that a "law administered by the commissioner" includes the property tax laws.

Subd. 3a. **Commissioner filed reports.** If an airline company fails to file a report required by subdivision 3, the commissioner may, from information in the commissioner's possession or obtainable by the commissioner, make and file a report for the airline company, or may issue a notice of net tax capacity and tax under section 270.075, subdivision 2.

Subd. 4. **Extension of time.** The commissioner for good cause may extend for not to exceed 30 days the time for making a report.

Subd. 5. MS 1998 [Repealed, 2000 c 490 art 5 s 40]

Subd. 6. **Air flight property tax lien.** The tax imposed under sections 270.071 to 270.079 is a lien on all real and personal property within this state of the airline company in whose name the property is assessed. The lien attaches on January 2 of each year for the taxes payable in the following year.

**History:** *1945 c 418 s 2,3,7,10; 1976 c 334 s 3,4; 1986 c 444; 1989 c 277 art 2 s 9,10; 1993 c 375 art 3 s 3; 2000 c 490 art 5 s 1,2; 2005 c 151 art 2 s 17; 2008 c 154 art 13 s 2-4; 1Sp2017 c 1 art 15 s 6-8*

**270.0725 PENALTIES.**

Subdivision 1. **Penalty for late filing.** If an airline company does not file its annual report by the date designated in section 270.072, subdivision 3, a penalty of five percent of the tax being assessed is imposed on that company. On August 1, and on the first day of each succeeding calendar month, an additional five percent penalty is imposed if the report has not yet been filed. For each airline company, the penalties imposed under this subdivision for any one year are limited to the lesser of $25,000 or 25 percent of the assessed tax.

Subd. 2. **Penalty for repeated instances of late filing.** If there is a pattern of repeated failures by an airline company to timely file the report required by this section, a penalty of ten percent of the tax being assessed is imposed on that company.

Subd. 3. **Penalty for frivolous report.** If an airline company files a frivolous annual report, a penalty of 25 percent of the tax being assessed is imposed on that company. A frivolous report under this section is a report that would fulfill the criteria for a frivolous return under section 289A.60, subdivision 7, notwithstanding the restriction in section 289A.01. In a proceeding involving the issue of whether or not an airline company is liable for this penalty, the burden of proof is on the commissioner.

Subd. 4. **Penalty for fraudulent report.** If an airline company files a false or fraudulent annual report with intent to evade or defeat the tax, a penalty equal to 50 percent of the tax being assessed is imposed on that company.

Subd. 5. **Penalties added to tax.** Penalties imposed under this section are added to the tax and collected as a part of it.

**History:** *2008 c 154 art 13 s 5*

**270.073** MS 2006 [Repealed, 2008 c 154 art 13 s 50]

**270.0735 EXAMINATION; INVESTIGATIONS; SUBPOENAS.**

In addition to the powers granted to the commissioner in this chapter, and in order to determine net tax capacities and issue notices of net tax capacity and tax under sections 270.071 to 270.079, the commissioner has the powers contained in sections 270C.31 and 270C.32, for which purpose the word "taxpayer" as defined in section 270C.01 includes an airline company.

**History:** *2008 c 154 art 13 s 6*

**270.074 VALUATION OF FLIGHT PROPERTY; METHODS OF APPORTIONMENT; RATIO OF TAX.**

Subdivision 1. **Valuation.** The commissioner shall determine the market valuation of all flight property operated or used by every airline company in air commerce in this state. The valuation apportioned to this state of such flight property shall be the proportion of the total valuation thereof determined on the basis of the total of the following percentages:

(1) 50 percent of the percentage which the number of revenue ton miles of passengers, mail, express and freight flown by the airline company within this state during the preceding calendar year is of the total number of such miles flown by it within and without this state during the preceding calendar year.

(2) 50 percent of the percentage that the total departures performed by the airline company within this state during the preceding calendar year is of the total departures performed by it within and without this state during the preceding calendar year.

Subd. 2. MS 2016 [Repealed, 1Sp2017 c 1 art 20 s 10]

Subd. 3. **Net tax capacity.** (a) The net tax capacity of the flight property of every airline company is 70 percent of the value thereof apportioned to this state under subdivision 1, except that the net tax capacity of quiet aircraft is 40 percent of the value determined under subdivision 1. "Quiet aircraft" means turboprops and aircraft defined as stage III or IV by the Federal Aviation Administration. If, in the opinion of the commissioner, other aircraft may be qualified as quiet aircraft, the commissioner may adopt rules providing additional qualifications.

(b) The flight property of an airline company that owns or leases aircraft the majority of which are turboprops, and which provides, during six months or more of the year that taxes are levied, scheduled passenger service to three or more airports inside or outside of this state that serve small or medium sized communities, shall be assessed at 50 percent of the assessment percentage otherwise set by paragraph (a).

**History:** *1945 c 418 s 5; 1953 c 672 s 2,3; 1971 c 427 s 15; 1986 c 444; 1987 c 268 art 14 s 9; 1988 c 719 art 5 s 84; 2008 c 154 art 13 s 7; 2017 c 40 art 1 s 92; 1Sp2017 c 1 art 20 s 1; 2018 c 182 art 1 s 69*

**270.075 TAX LEVY.**

Subdivision 1. **Rate of tax.** The commissioner shall determine the rate of tax to be levied and collected against the net tax capacity as determined pursuant to section 270.074, subdivision 3, to generate revenues sufficient to fund the air flight property tax portion of each year's state airports fund appropriation, as certified to the commissioner by the commissioner of transportation. The certification shall be presented to the commissioner prior to December 31 of each year. The property tax portion of the state airports fund appropriation is the difference between the total fund appropriation and the estimated total fund revenues from other sources for the state fiscal year in which the tax is payable and may include a portion of the balance in the state airports fund as determined to be available by the commissioner of transportation. The

certification by the commissioner of transportation to the commissioner shall state the total fund appropriation and shall list individually the estimated fund revenues including the account carryover balance in the airports fund. The difference of these amounts shall be shown as the property tax portion of the state airports fund appropriation.

If a levy amount has not been certified by December 31 of a levy year, the commissioner shall use the last previous certified amount to determine the rate of tax, and shall notify the chairs and the ranking minority members of the committees of the house of representatives and senate having jurisdiction over the Department of Transportation that a certification was not made under this subdivision.

Subd. 2. **Notice of taxes; payment.** As soon as practicable and not later than March 1 next following the levy of the tax, the commissioner shall give actual notice to the airline company of the net tax capacity and of the tax. The taxes imposed under sections 270.071 to 270.079 shall become due and payable on April 1 following the levy thereof. If any tax is not paid on the due date or, if an appeal is made pursuant to section 270.076, within 60 days after notice of an increased tax, a late payment penalty of five percent of the unpaid tax shall be assessed. If the tax remains unpaid for more than 30 days, an additional penalty of five percent of the unpaid tax is imposed for each additional 30 days or fraction of 30 days that the tax remains unpaid. The penalty imposed under this section must not exceed the lesser of $25,000 or 25 percent of the unpaid tax. The unpaid tax and penalty shall bear interest at the rate specified in section 270C.40 from the time such tax should have been paid until paid. All interest and penalties shall be added to the tax and collected as a part thereof.

Subd. 3. MS 1998 [Repealed, 2000 c 490 art 5 s 40]

Subd. 4. MS 1998 [Repealed, 2000 c 490 art 5 s 40]

**History:** *1945 c 418 s 6; Ex1971 c 31 art 10 s 1; 1975 c 377 s 3; 1976 c 2 s 92; 1978 c 767 s 4; 1987 c 268 art 14 s 10; 1987 c 384 art 3 s 9; 1988 c 719 art 5 s 84; art 6 s 1; 1989 c 277 art 2 s 11; 1989 c 329 art 13 s 20; 1992 c 511 art 4 s 2; 2005 c 151 art 2 s 17; 2010 c 389 art 1 s 1,2; 2025 c 20 s 224*

**270.076 APPEAL.**

Subdivision 1. **Appeal.** The notices of net tax capacity and of tax required under section 270.075, subdivision 2, are orders of the commissioner. These orders must be issued in conformance with section 270C.33, subdivisions 1 and 2, but are not subject to administrative review under section 270C.35. These orders may be appealed to the Tax Court in the manner provided in section 271.06 for appealing official orders of the commissioner that do not deal with valuation, assessment, or taxation for property tax purposes, and the provisions of section 273.125, subdivisions 4 and 5, and chapter 278 do not apply.

Subd. 2. **Payment of tax under appeal.** In case of appeal from the assessment and levy of the tax, the airline company shall currently pay when due 90 percent of the tax unless the payment is waived or otherwise adjusted by an order of the court. If the final determination of the litigation should result in sustaining the assessment and levy or in the finding that the amount paid by the airline company is insufficient, the difference between the amount paid and the amount which should have been paid shall be decreed delinquent taxes subject to interest, as hereinabove provided. If the final determination of the Tax Court or the supreme court shall result in increasing any assessment above that which was made final by the order of the commissioner from which the appeal is taken, then the taxes on such increased assessment shall be delinquent 30 days

after notice of the amount of the increased tax shall have been given to the airline company by the commissioner.

**History:** *1945 c 418 s 8; 1965 c 698 s 3; 1975 c 377 s 4; 1976 c 134 s 78; 1977 c 307 s 29; 1978 c 767 s 5; 1985 c 300 s 1; 2008 c 154 art 13 s 8*

**270.077 TAXES CREDITED TO STATE AIRPORTS FUND.**

All taxes levied under sections 270.071 to 270.079 must be collected by the commissioner and credited to the state airports fund created in section 360.017.

**History:** *1945 c 418 s 9; 1976 c 166 s 7; 1998 c 403 s 24; 2013 c 143 art 17 s 2*

**270.078 NOT TO CONFLICT WITH FEDERAL LAW.**

Subdivision 1. **Conformance to federal law.** If any provision of sections 270.071 to 270.079 is contrary to any provision of any law of the United States of America, hereinafter enacted, providing for or relating to the ad valorem taxation by a state of aircraft or flying equipment of an airline company, such provision shall be of no effect and the commissioner is authorized and directed to prescribe by rule such provisions as may be necessary to make sections 270.071 to 270.079 conform to the federal act and to effectuate the purposes of sections 270.071 to 270.079, provided such rules do not prescribe a rate of taxation higher than that provided in section 270.075 or a net tax capacity based on a percentage higher than that provided in section 270.074, subdivision 3.

Subd. 2. **Federal act; attorney general certification.** No provision of any law of the United States of America providing for or relating to the ad valorem taxation by a state of aircraft or flying equipment of an airline company shall be effective for the purposes of subdivision 1 until the attorney general of Minnesota shall have certified to the commissioner that in the attorney general's opinion such federal act is a valid exercise of federal authority under the Constitution of the United States.

Subd. 3. **Applicability.** The provisions of this section shall not affect the validity of any tax imposed under sections 270.071 to 270.079 prior to the effective date of such federal law.

**History:** *1945 c 418 s 11; 1985 c 248 s 70; 1986 c 444; 1988 c 719 art 5 s 84; 1989 c 329 art 13 s 20; 1Sp2017 c 1 art 18 s 1*

**270.079 RECIPROCAL ARRANGEMENT WITH OTHER STATES.**

The commissioner may enter into an agreement with the commissioner or other tax officials of another state for the interpretation and administration of the acts of their several states providing for the taxation of flight property of airline companies for the purpose of promoting uniformity of taxation of such companies thereunder.

**History:** *1945 c 418 s 12*

**270.08** MS 1988 [Repealed, 1990 c 480 art 2 s 18]

**270.083** MS 1998 [Repealed, 2000 c 490 art 10 s 22]

**270.084** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.09** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.10** Subdivision 1. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 1a. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 2. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 3. MS 1996 [Repealed, 1998 c 371 s 21]

Subd. 4. MS 1988 [Repealed, 1990 c 480 art 2 s 18]

Subd. 5. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.101** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.102** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

## STATE BOARD OF EQUALIZATION

### 270.11 POWERS; MEETINGS.

Subdivision 1. **Commissioner of revenue to act as State Board of Equalization.** The commissioner of revenue shall have and exercise all the rights, powers and authority by law vested in the State Board of Equalization with full power and authority to review, modify, and revise all of the acts and proceedings of the commissioner in so far as they relate to the equalization and valuation of property assessed for taxation, as prescribed by section 270.12.

Subd. 2. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 3. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 4. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 5. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 6. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 7. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**History:** *(2365) 1907 c 408 s 12; 1909 c 294 s 1,5; 1971 c 564 s 1,2; 1973 c 582 s 3; 1974 c 521 s 28; 1975 c 46 s 2; 1975 c 339 s 2; 1977 c 434 s 1; 1980 c 437 s 1; 1Sp1981 c 1 art 8 s 1; 1982 c 424 s 130; 1985 c 300 s 2; 1986 c 444; 1987 c 268 art 7 s 18,19; 1988 c 719 art 5 s 84; 1989 c 329 art 13 s 20; 1Sp1989 c 1 art 9 s 8; 1991 c 291 art 12 s 2; 2014 c 308 art 9 s 13*

### 270.12 STATE BOARD OF EQUALIZATION; DUTIES.

Subdivision 1. **Commissioner of revenue constitutes board.** The commissioner of revenue shall constitute the State Board of Equalization. The board may adjourn from day to day and employ necessary clerical assistance.

Subd. 2. **Meeting dates; duties.** The board shall meet annually between April 15 and June 30 at the office of the commissioner of revenue and examine and compare the returns of the assessment of the property in the several counties, and equalize the same so that all the taxable property in the state shall be assessed at its market value, subject to the following rules:

(1) The board shall add to or deduct from the aggregate valuation of the real property of every county, which the board believes to be valued below or above its market value in money, such percent as will bring the same to its market value;

(2) If the board believes the valuation for a part of a class determined by a range of market value under clause (6) or otherwise, a class, or classes of the real property of any town or district in any county, or the valuation for a part of a class, a class, or classes of the real property of any county not in towns or cities, should be raised or reduced, without raising or reducing the other real property of such county, or without raising or reducing it in the same ratio, the board may add to, or take from, the valuation of a part of a class, a class, or classes in any one or more of such towns or cities, or of the property not in towns or cities, such percent as the board believes will raise or reduce the same to its market value;

(3) The board shall add to or take from the aggregate valuation of any part of a class, a class, or classes of personal property of any county, town, or city, which the board believes to be valued below or above the market value thereof, such percent as will raise the same to its market value;

(4) The board shall not reduce the aggregate valuation of all the property of the state, as returned by the several county auditors, more than one percent on the whole valuation thereof;

(5) When it would be of assistance in equalizing values the board may require any county auditor to furnish statements showing assessments of real and personal property of any individuals, firms, or corporations within the county. The board shall consider and equalize such assessments and may increase the assessment of individuals, firms, or corporations above the amount returned by the county board of equalization when it shall appear to be undervalued, first giving notice to such persons of the intention of the board so to do, which notice shall fix a time and place of hearing. The board shall not decrease any such assessment below the valuation placed by the county board of equalization;

(6) In equalizing values pursuant to this section, the board shall utilize a 12-month assessment/sales ratio study conducted by the Department of Revenue containing only sales that are filed in the county auditor's office under section 272.115, by November 1 of the previous year and that occurred between October 1 of the year immediately preceding the previous year and September 30 of the previous year.

The assessment/sales ratio study may separate the values of residential property into market value categories. The board may adjust the market value categories and the number of categories as necessary to create an adequate sample size for each market value category. The board may determine the adequate sample size. To the extent practicable, the methodology used in preparing the assessment/sales ratio study must be consistent with the most recent Standard on Assessment Sales Ratio Studies published by the Assessment Standards Committee of the International Association of Assessing Officers. The board may determine the geographic area used in preparing the study to accurately equalize values. A sales ratio study separating residential property into market value categories may not be used as the basis for a petition under chapter 278.

The sales prices used in the study must be discounted for terms of financing. The board shall use the median ratio as the statistical measure of the level of assessment for any particular category of property; and

(7) The board shall receive from each county the estimated market values on the assessment date falling within the study period for all parcels by a medium as prescribed by the commissioner of revenue.

Subd. 3. **Jurisdictions in two or more counties.** When a taxing jurisdiction lies in two or more counties, if the sales ratio studies prepared by the Department of Revenue show that the average levels of assessment in the several portions of the taxing jurisdictions in the different counties differ by more than five percent,

the board may order the apportionment of the levy. When the sales ratio studies prepared by the Department of Revenue show that the average levels of assessment in the several portions of the taxing jurisdictions in the different counties differ by more than ten percent, the board shall order the apportionment of the levy unless (a) the proportion of total adjusted tax capacity in one of the counties is less than ten percent of the total adjusted tax capacity in the taxing jurisdiction and the average level of assessment in that portion of the taxing jurisdiction is the level which differs by more than five percent from the assessment level in any one of the other portions of the taxing jurisdiction; (b) significant changes have been made in the level of assessment in the taxing jurisdiction which have not been reflected in the sales ratio study, and those changes alter the assessment levels in the portions of the taxing jurisdiction so that the assessment level now differs by five percent or less; or (c) commercial, industrial, mineral, or public utility property predominates in one county within the taxing jurisdiction and another class of property predominates in another county within that same taxing jurisdiction. If one or more of these factors are present, the board may order the apportionment of the levy.

Notwithstanding any other provision, the levy for the Metropolitan Mosquito Control District, Metropolitan Council, metropolitan transit district, and metropolitan transit area must be apportioned without regard to the percentage difference.

If, pursuant to this subdivision, the board apportions the levy, then that levy apportionment among the portions in the different counties shall be made in the same proportion as the adjusted tax capacity as determined by the commissioner in each portion is to the total adjusted tax capacity of the taxing jurisdiction.

For the purposes of this section, the average level of assessment in a taxing jurisdiction or portion thereof shall be the aggregate assessment sales ratio. Tax capacities as determined by the commissioner shall be the tax capacities as determined for the year preceding the year in which the levy to be apportioned is levied.

Actions pursuant to this subdivision shall be commenced subsequent to the annual meeting on April 15 of the State Board of Equalization, but notice of the action shall be given to the affected jurisdiction and the appropriate county auditors by the following June 30.

Apportionment of a levy pursuant to this subdivision shall be considered as a remedy to be taken after equalization pursuant to subdivision 2, and when equalization within the jurisdiction would disturb equalization within other jurisdictions of which the several portions of the jurisdiction in question are a part.

Subd. 4. **Public utility property.** For purposes of equalization only, public utility personal property shall be treated as a separate class of property.

Subd. 5. **Equalization orders.** The Board of Equalization may, pursuant to its responsibilities under subdivisions 2 and 3, issue orders to ensure that the results of local and county boards of equalization are consistent with the objective of state equalization. The board may issue, at its discretion, a supplemental order to amend, supersede, or correct a prior order of the board or an order of a local or county board. The supplemental order must be issued within 60 days of the order to be changed. The board may issue to a local or county board of equalization, within ten business days of the receipt of minutes of a local or county board of equalization, an order explaining the action that the state board believes will be necessary to effect the objective of state equalization.

Subd. 6. **Reassessment orders.** If the State Board of Equalization determines that a considerable amount of property has been undervalued or overvalued compared to like property such that the assessment is grossly

unfair or inequitable, the State Board of Equalization may, pursuant to its responsibilities under subdivisions 2 and 3, issue orders to the county assessor to reassess all parcels or an identified set of parcels in a county.

**History:** *(2366) RL s 863; 1971 c 564 s 3; 1973 c 123 art 5 s 7; 1973 c 582 s 3; 1975 c 295 s 1; 1975 c 339 s 8; 1978 c 766 s 1; 1980 c 616 s 10; 1983 c 222 s 3; 1985 c 300 s 3; 1Sp1986 c 1 art 4 s 10; 1987 c 268 art 7 s 20,21; 1988 c 719 art 5 s 84; 1989 c 277 art 2 s 12; 1989 c 329 art 15 s 20; 1Sp1989 c 1 art 2 s 11; art 3 s 1; art 9 s 9,10; 1991 c 291 art 1 s 7; art 12 s 3; 1994 c 416 art 1 s 7; 2014 c 275 art 1 s 88; 2014 c 308 art 9 s 14,15; 1Sp2017 c 1 art 15 s 9*

**270.13** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.14** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.15** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.16** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.17** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.18** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.185** MS 1990 [Repealed, 1992 c 513 art 4 s 60]

**270.19** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.20** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.21** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.22** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.23** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.24** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.25** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.26** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.27** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.271** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.272** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.273** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.274** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.275** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.276** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.277** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.278** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.30** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.31** MS 2000 [Repealed, 1Sp2001 c 5 art 8 s 17]

**270.32** MS 2000 [Repealed, 1Sp2001 c 5 art 8 s 17]

**270.33** MS 2000 [Repealed, 1Sp2001 c 5 art 8 s 17]

**270.34** MS 2000 [Repealed, 1Sp2001 c 5 art 8 s 17]

**270.35** MS 2000 [Repealed, 1Sp2001 c 5 art 8 s 17]

**270.36** MS 2000 [Repealed, 1Sp2001 c 5 art 8 s 17]

**270.37** MS 2000 [Repealed, 1Sp2001 c 5 art 8 s 17]

**270.38** MS 2000 [Repealed, 1Sp2001 c 5 art 8 s 17]

**270.39** MS 2000 [Repealed, 1Sp2001 c 5 art 8 s 17]

## STATE BOARD OF ASSESSORS

### 270.41 BOARD OF ASSESSORS.

Subdivision 1. **Creation; purpose; powers.** A Board of Assessors is created. The board shall review, supervise, coordinate, and approve courses in assessment practices, and establish criteria for determining assessor's qualifications. The board shall also consider other matters relating to assessment administration brought before it by the commissioner of revenue. The board may grant, renew, suspend, or revoke an assessor's license.

Subd. 1a. **Definition.** For purposes of sections 270.41 to 270.50, "board" means the Board of Assessors.

Subd. 2. **Members.** The board shall consist of nine members, who shall be appointed by the commissioner of revenue, in the manner provided herein. The members shall include:

(1) two from the Department of Revenue;

(2) two county assessors;

(3) two assessors who are not county assessors, one of whom shall be a township assessor;

(4) one from the private appraisal field holding a professional appraisal designation; and

(5) two public members as defined by section 214.02.

The appointment provided in clauses (2) and (3) may be made from a list of not less than three names submitted to the commissioner of revenue by the Minnesota Association of Assessing Officers or its successor organization containing recommendations for the appointment of appointees described in clauses (2) and (3). The list must be submitted 30 days before the commencement of the term. In the case of a vacancy, a new list shall be furnished to the commissioner immediately. A member of the board who is no longer engaged in the capacity that was the basis of appointment is disqualified from membership in the board.

The board shall annually elect a chair and a vice-chair of the board.

Subd. 3. **Assessor sanctions; refusal to license.** (a) The board may (i) refuse to grant or renew, or may suspend or revoke, a license of an applicant or licensee, or (ii) censure, warn, or fine any licensed assessor, or any other person employed by an assessment jurisdiction or contracting with an assessment jurisdiction for the purpose of valuing or classifying property for property tax purposes, for any of the following causes or acts:

(1) failure to complete required training;

(2) inefficiency or neglect of duty;

(3) failure to comply with the Code of Conduct and Ethics for Licensed Minnesota Assessors adopted by the board pursuant to Laws 2005, First Special Session chapter 3, article 1, section 38;

(4) conviction of a crime involving moral turpitude;

(5) failure to faithfully and fully perform his or her duties through malfeasance, misfeasance, or nonfeasance; or

(6) any other cause or act that in the board's opinion warrants a refusal to issue a license or the imposition of a sanction provided under this subdivision.

(b) When appropriate for the level of infraction, a written warning must be given to assessors who have no prior identified infractions. The warning must identify the infraction and, as appropriate, detail future expectations of performance and behavior. Fines must not exceed $1,000 for the first occurrence and must not exceed $3,000 for each occurrence thereafter, and suspensions must not exceed one year for each occurrence, depending in each case upon the severity of the infraction and the level of negligence or intent. An action by the board to impose a sanction is subject to review in a contested case hearing under chapter 14.

Subd. 3a. **Report on disciplinary actions.** When issuing the report required under section 214.07, the board must include the number and types of disciplinary actions recommended by the commissioner of revenue under section 273.0645, subdivision 2, and the disposition of those recommendations by the board. The report must be presented to the house of representatives and senate committees with jurisdiction over property taxes in addition to the recipients required under section 214.07.

Subd. 4. MS 2006 [Repealed, 2008 c 154 art 13 s 50]

Subd. 5. **Prohibited activity.** A licensed assessor or other person employed by an assessment jurisdiction or contracting with an assessment jurisdiction for the purpose of valuing or classifying property for property tax purposes is prohibited from making appraisals or analyses, accepting an appraisal assignment, or preparing an appraisal report as defined in section 82B.021, subdivisions 2, 4, 6, and 7, on any property within the assessment jurisdiction where the individual is employed or performing the duties of the assessor under contract. Violation of this prohibition shall result in immediate revocation of the individual's license to assess property for property tax purposes. This prohibition must not be construed to prohibit an individual from carrying out any duties required for the proper assessment of property for property tax purposes or performing duties enumerated in section 273.061, subdivision 7 or 8. If a formal resolution has been adopted by the governing body of a governmental unit, which specifies the purposes for which such work will be done, this prohibition does not apply to appraisal activities undertaken on behalf of and at the request of the governmental

unit that has employed or contracted with the individual. The resolution may only allow appraisal activities which are related to condemnations, right-of-way acquisitions, land exchanges, or special assessments.

**History:** *Ex1971 c 31 art 25 s 1; 1973 c 582 s 3; 1975 c 136 s 52; 1976 c 222 s 132; 1985 c 285 s 46; 1986 c 444; 1988 c 719 art 7 s 2; 1993 c 375 art 3 s 4; 1994 c 510 art 1 s 4; 2008 c 154 art 13 s 9-13; 2010 c 354 s 2; 2010 c 382 s 54; 2013 c 143 art 4 s 8,9; art 17 s 3; 1Sp2021 c 14 art 13 s 1*

**270.42 MEMBERSHIP.**

Membership terms, compensation of members, removal of members, the filling of membership vacancies, and fiscal year and reporting requirements shall be as provided in sections 214.07 to 214.09. The provision of staff, administrative services and office space; the review and processing of complaints; the setting of board fees; and other provisions relating to board operations shall be as provided in chapter 214.

**History:** *Ex1971 c 31 art 25 s 2; 1975 c 136 s 53; 1976 c 222 s 133; 1991 c 199 art 1 s 49*

**270.43** MS 2006 [Repealed, 2008 c 154 art 13 s 50]

**270.44 LICENSING AND GRADING REPORT FEES.**

The board shall charge the following fees:

(1) $150 for a senior accredited Minnesota assessor license;

(2) $125 for an accredited Minnesota assessor license;

(3) $95 for a certified Minnesota assessor specialist license;

(4) $85 for a certified Minnesota assessor license;

(5) $85 for a temporary license;

(6) $50 for a trainee registration;

(7) $80 for grading a form appraisal;

(8) $140 for grading a narrative appraisal; and

(9) $50 for reinstatement.

**History:** *Ex1971 c 31 art 25 s 4; 1Sp2003 c 1 art 2 s 79; 2008 c 154 art 13 s 14; 1Sp2017 c 4 art 2 s 34; 1Sp2021 c 14 art 13 s 2*

**270.45 DISPOSITION OF FEES AND FINES.**

All fees and fines so established and collected under section 270.44 must be deposited in a dedicated account within the special revenue fund. Fees collected under this section are appropriated to the Department of Revenue to carry out the provisions of sections 270.41 to 270.50.

**History:** *Ex1971 c 31 art 25 s 5; 1973 c 582 s 3; 1975 c 136 s 54; 2003 c 112 art 2 s 50; 2008 c 154 art 13 s 15; 2009 c 86 art 1 s 47; 2009 c 101 art 2 s 109; 2013 c 143 art 4 s 10; 1Sp2017 c 4 art 2 s 35*

**270.455 REFUNDS OF FEES.**

When the board determines that a fee or any part of a fee was erroneously paid to the board, the board may refund or credit the amount of fees that was paid in error. These refunds or credits shall be paid out of the dedicated account within the special revenue fund where the fees were originally deposited.

**History:** *1Sp2017 c 4 art 2 s 36*

**270.46 TRAINING COURSES; REGULATION.**

The board shall review and approve training courses on assessment practices, techniques of assessment, and ethics offered by schools, colleges, universities, units of government, and other entities.

**History:** *Ex1971 c 31 art 25 s 6; 1973 c 641 s 1; 2008 c 154 art 13 s 16*

**270.47 RULES.**

The board shall adopt rules necessary to accomplish the purpose of sections 270.41 to 270.50, and shall establish criteria required of assessing officials in the state. Separate criteria may be established depending upon the responsibilities of the assessor. An action of the board in refusing to grant or renew a license or in suspending or revoking a license is subject to review in accordance with chapter 14.

**History:** *Ex1971 c 31 art 25 s 7; 1973 c 641 s 2; 1976 c 222 s 134; 1Sp1981 c 1 art 10 s 3; 1985 c 248 s 70; 1986 c 444; 1995 c 264 art 16 s 1; 2008 c 154 art 13 s 17; 2009 c 86 art 1 s 48*

**270.48 LICENSURE OF QUALIFIED PERSONS.**

The board may license persons as possessing the necessary qualifications of an assessing official. Different levels of licensure may be established as to classes of property which assessors may be certified to assess at the discretion of the board. Every person, except a local or county assessor, regularly employed by the assessor to assist in making decisions regarding valuing and classifying property for assessment purposes must become licensed within three years of the date of employment. Licensure shall be required for local and county assessors as provided in sections 270.50 and 273.061, and rules adopted by the board.

**History:** *Ex1971 c 31 art 25 s 8; 1975 c 339 s 3; 1976 c 222 s 135; 1986 c 444; 1995 c 264 art 16 s 2; 2008 c 154 art 13 s 18*

**270.485** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.49** MS 1994 [Repealed, 1995 c 264 art 16 s 21]

**270.493** MS 1994 [Repealed, 1995 c 264 art 16 s 21]

**270.494** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.50 EMPLOYMENT OF LICENSED ASSESSORS.**

No assessor shall be employed who has not been licensed as qualified by the board, provided the time to comply may be extended after application to the board upon a showing that licensed assessors are not available for employment. The board may license a county or local assessor who has not received the training, but possesses the necessary qualifications for performing the functions of the office by the passage of an

approved examination or may waive the examination if such person has demonstrated competence in performing the functions of the office for a period of time the board deems reasonable.

**History:** *Ex1971 c 31 art 25 s 10; 1974 c 449 s 1; 1976 c 222 s 136; 1977 c 347 s 42; 1977 c 434 s 3; 1986 c 444; 1995 c 264 art 16 s 5; 2008 c 154 art 13 s 19*

**270.51** MS 2006 [Repealed, 2008 c 154 art 13 s 50]

**270.52** MS 2006 [Repealed, 2008 c 154 art 13 s 50]

**270.53** MS 2006 [Repealed, 2008 c 154 art 13 s 50]

**270.60** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.65** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.651** MS 1988 [Repealed, 1990 c 480 art 1 s 45]

**270.652** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.66** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.67** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.68** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.69** Subdivision 1. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 2. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 3. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 4. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 5. MS 1984 [Repealed, 1985 c 101 s 17]

Subd. 6. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 7. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 8. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 9. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 10. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 11. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 12. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 13. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 14. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 15. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 16. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.691** Subdivision 1. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 2. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 3. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 4. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 5. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 6. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 7. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 8. MS 2002 [Repealed, 2003 c 127 art 8 s 13]

**270.70** Subdivision 1. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 2. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 3. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 4. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 5. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 6. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 7. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 8. MS 1994 [Repealed, 1995 c 264 art 13 s 23]

Subd. 9. MS 1994 [Repealed, 1995 c 264 art 13 s 23]

Subd. 10. MS 1994 [Repealed, 1995 c 264 art 13 s 23]

Subd. 11. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 12. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 13. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 14. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 15. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 16. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 17. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 18. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.7001** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.7002** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.701** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.702** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.703** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.704** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.705** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.706** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.707** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.708** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.709** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.71** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.72** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.721** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.73** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.74** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.75** Subdivision 1. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 2. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 3. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 4. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 5. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 6. MS 2004 [Repealed, 2005 c 151 art 1 s 117]

Subd. 7. MS 1984 [Repealed, 1Sp1985 c 14 art 13 s 14]

Subd. 8. MS 1986 [Repealed, 1987 c 268 art 17 s 42]

**270.76** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.77** MS 1988 [Repealed, 1990 c 480 art 1 s 45]

**270.771** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.78** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

**270.79** MS 2004 [Repealed, 2005 c 151 art 1 s 117]

## RAILROADS

### 270.80 DEFINITIONS.

Subdivision 1. **Applicability.** The following words and phrases when used in sections 270.80 to 270.87, unless the context clearly indicates otherwise, have the meanings ascribed to them in this section.

Subd. 2. **Railroad company.** "Railroad company" means:

(1) any company which as a common carrier operates a railroad or a line or lines of railway situated within or partly within Minnesota; or

(2) any company owning or operating, other than as a common carrier, a railway principally used for transportation of taconite concentrates from the plant at which the taconite concentrates are produced in shipping form to a point of consumption or port for shipment beyond the state; or

(3) any company that produces concentrates from taconite and transports that taconite in the course of the concentrating process and before the concentrating process is completed to a concentrating plant located within the state over a railroad that is not a common carrier and shall not use a common carrier or taconite railroad company as defined in clause (2) for the movement of the concentrate to a point of consumption or port for shipment beyond the state.

Subd. 3. **Operating property.** "Operating property" means all property owned or used by a railroad company in the performance of railroad transportation services, including without limitation franchises, rights-of-way, bridges, trestles, shops, docks, wharves, buildings and structures.

Subd. 4. **Nonoperating property.** "Nonoperating property" means and includes all property other than property defined in subdivision 3. Nonoperating property shall include real property which is leased or rented or available for lease or rent to any person which is not a railroad company. Vacant land shall be presumed to be available for lease or rent if it has not been used as operating property for a period of one year preceding the valuation date. Nonoperating property also includes land which is not necessary and integral to the performance of railroad transportation services and which is not used on a regular and continual basis in the performance of these services. Nonoperating property also includes that portion of a general corporation office building and its proportionate share of land which is not used for railway operation or purpose.

Subd. 5. **Commissioner.** "Commissioner" means the commissioner of revenue.

**History:** *1979 c 303 art 7 s 1; 1984 c 502 art 9 s 1; 1987 c 268 art 9 s 6; 2009 c 86 art 1 s 49*

## 270.81 TAXATION AND ASSESSMENT OF RAILROAD COMPANY PROPERTY.

Subdivision 1. **Valuation of operating property.** The operating property of every railroad company doing business in Minnesota shall be valued by the commissioner in the manner prescribed by sections 270.80 to 270.87.

Subd. 2. **Assessment of nonoperating property.** The nonoperating property of every railroad company doing business in Minnesota shall be assessed as otherwise provided by law.

Subd. 3. **Determination of type of property.** The commissioner shall have exclusive primary jurisdiction to determine what is operating property and what is nonoperating property. In making such determination, the commissioner shall solicit information and opinions from outside the department and afford all interested persons an opportunity to submit data or views on the subject in writing or orally. Local assessors may submit written requests to the commissioner, asking for a determination of the nature of specific property owned by a railroad and located within their assessing jurisdiction. Any determination made by the commissioner may be appealed by the assessor to the Tax Court pursuant to chapter 271.

Subd. 4. **Nontaxable property.** In no event shall property owned or used by a railroad, whether operating property or nonoperating property, be subject to tax hereunder unless such property is of a character which would otherwise be subject to tax under the provisions of chapter 272.

Subd. 5. MS 1988 [Repealed, 1Sp1989 c 1 art 9 s 85]

**History:** *1979 c 303 art 7 s 2; 1982 c 424 s 130; 1984 c 640 s 32; 1986 c 444; 2008 c 277 art 1 s 55*

**270.82 REPORTS OF RAILROAD COMPANIES.**

Subdivision 1. **Annual report required.** Every railroad company doing business in Minnesota shall annually file with the commissioner on or before March 31 a report under oath setting forth the information prescribed by the commissioner to enable the commissioner to make the valuation and equalization required by sections 270.80 to 270.87. The commissioner shall prescribe the content, format, and manner of the report pursuant to section 270C.30, except that a "law administered by the commissioner" includes the property tax laws. If a report is made by electronic means, the taxpayer's signature is defined pursuant to section 270C.304, except that a "law administered by the commissioner" includes the property tax laws.

Subd. 2. **Extension of time.** The commissioner for good cause may extend for up to 15 days the time for filing the report required by subdivision 1.

**History:** *1979 c 303 art 7 s 3; 1986 c 444; 1Sp1989 c 1 art 9 s 13; 2008 c 277 art 1 s 56; 1Sp2017 c 1 art 16 s 1*

**270.83 EXAMINATIONS AND INVESTIGATIONS.**

Subdivision 1. **Powers of commissioner.** The commissioner shall have the power to examine or cause to be examined any books, papers, records, or memoranda relevant to the determination of the valuation of operating property as herein provided. The commissioner shall have the further power to require the attendance of any person having knowledge or information in the premises, to compel the production of books, papers, records, or memoranda by persons so required to attend, to take testimony on matters material to such determination and administer oaths or affirmations.

Subd. 2. **Appointment of persons; subpoenas.** For the purpose of making such examinations, the commissioner may appoint such persons as the commissioner may deem necessary. Such persons shall have the rights and powers of the examining of books, papers, records or memoranda, and of subpoenaing witnesses, administering oaths and affirmations, and taking of testimony, which are conferred upon the commissioner hereby. The court administrator of any court of record, upon demand of any such person, shall issue a subpoena for the attendance of any witness or the production of any books, papers, records, or memoranda before such person. The commissioner may also issue subpoenas for the appearance of witnesses before the commissioner or before such persons. Disobedience of subpoenas so issued shall be punished by the district court of the district in which the subpoena is issued for a contempt of the district court.

Subd. 3. **Failure to file report.** If any railroad company shall refuse or neglect to make the report required by this section to the commissioner, or shall refuse or neglect to permit an inspection and examination of its property, records, books, accounts or other papers when requested by the commissioner, or shall refuse or neglect to appear before the commissioner or a person appointed under subdivision 2 when required so to do, the commissioner shall make the valuation provided for by sections 270.80 to 270.87 against the railroad company according to the commissioner's best judgment on available information.

**History:** *1979 c 303 art 7 s 4; 1986 c 444; 1Sp1986 c 3 art 1 s 82; 2008 c 277 art 1 s 57*

**270.84 ANNUAL VALUATION OF OPERATING PROPERTY.**

Subdivision 1. **Annual valuation; rules.** The commissioner shall annually between March 31 and May 31 make a determination of the fair market value of the operating property of every railroad company doing

business in this state as of January 2 of the year in which the valuation is made. In making this determination, the commissioner shall employ generally accepted appraisal principles and practices which may include the unit method of determining value.

Subd. 2. **Notice.** The commissioner, after determining the fair market value of the operating property of each railroad company, shall give notice to the railroad company of the valuation by first class mail, overnight delivery, or messenger service.

**History:** *1979 c 303 art 7 s 5; 1984 c 502 art 9 s 2; 1984 c 640 s 32; 1985 c 248 s 46; 1986 c 444; 1Sp1989 c 1 art 9 s 14; 1996 c 305 art 2 s 56*

**270.85** MS 2004 [Repealed, 2005 c 151 art 5 s 46]

**270.86 APPORTIONMENT AND EQUALIZATION OF VALUATION.**

Subdivision 1. **Apportionment of value.** Upon determining the fair market value of the operating property of each railroad company, the commissioner shall apportion such value to the respective counties and to the taxing districts therein in conformity with fair and reasonable rules and standards to be established by the commissioner pursuant to notice and hearing, except as provided in section 270.81. In establishing such rules and standards the commissioner may consider (a) the physical situs of all station houses, depots, docks, wharves, and other buildings and structures with an original cost in excess of $10,000; (b) the proportion that the length and type of all the tracks used by the railroad in such county and taxing district bears to the length and type of all the track used in the state; and (c) other facts as will result in a fair and equitable apportionment of value.

Subd. 2. **Equalized valuation.** After making the apportionment provided in subdivision 1, the commissioner shall determine the equalized valuation of the operating property in each county by applying to the apportioned value an estimated current year median sales ratio for all commercial and industrial property in that county. If the commissioner decides there are insufficient sales to determine a median commercial-industrial sales ratio, an estimated current year countywide median sales ratio for all property shall be applied to the apportioned value. No equalization shall be made to the market value of the operating property if the median sales ratio determined pursuant to this subdivision is within five percent of the assessment ratio of the railroad operating property.

**History:** *1979 c 303 art 7 s 7; 1984 c 502 art 9 s 3; 1986 c 444*

**270.87 CERTIFICATION TO COUNTY ASSESSORS.**

After making an annual determination of the equalized fair market value of the operating property of each company in each of the respective counties, and in the taxing districts therein, the commissioner shall certify the equalized fair market value to the county assessor on or before June 30. The equalized fair market value of the operating property of the railroad company in the county and the taxing districts therein is the value on which taxes must be levied and collected in the same manner as on the commercial and industrial property of such county and the taxing districts therein. If the commissioner determines that the equalized fair market value certified on or before June 30 is in error, the commissioner may issue a corrected certification on or before August 31. The commissioner may correct errors that are merely clerical in nature until December 31.

**History:** *1979 c 303 art 7 s 8; 1984 c 502 art 9 s 4; 1986 c 444; 1987 c 268 art 7 s 24; 1Sp1989 c 1 art 9 s 16; 2011 c 112 art 3 s 1; 2014 c 308 art 10 s 1*

**270.88** MS 2004 [Repealed, 2005 c 151 art 5 s 46]

**270.89** MS 1986 [Repealed, 1987 c 268 art 4 s 25]

**270.90** MS 1982 [Repealed, 1984 c 593 s 46]

## CONTAMINATION TAX

### 270.91 CONTAMINATION TAX.

Subdivision 1. **Imposition.** A tax is annually imposed on the contamination value of taxable real property in this state.

Subd. 2. **Initial tax rates.** Unless the rates under subdivision 3 or 4 apply, the tax imposed under this section equals 100 percent of the classification rate for the property under section 273.13, multiplied by the contamination value of the property.

Subd. 3. **Tax rates, nonresponsible party.** If neither the owner nor the operator of the taxable real property, in the assessment year, is a responsible person under chapter 115B or a responsible party under chapter 18D for the presence of contaminants on the property, unless subdivision 4 applies, the tax imposed under this section equals 25 percent of the classification rate for the property under section 273.13, multiplied by the contamination value of the property. A determination under section 115B.177 or other similar determination by the commissioner of the Pollution Control Agency or by the commissioner of agriculture for a release of agricultural chemicals is dispositive of whether the owner or operator is not a responsible person under chapter 18D or 115B for purposes of this section. To qualify under this subdivision, the property owner must provide the assessor with a copy of the determination by July 1 of the assessment year.

Subd. 4. **Tax rates after plan approval.** (a) The tax imposed under this subdivision applies for the first assessment year that begins after one of the following occurs:

(1) a response action plan for the property has been approved by the commissioner of the Pollution Control Agency or by the commissioner of agriculture for an agricultural chemical release or incident subject to chapter 18D and work under the plan has begun; or

(2) the contaminants are asbestos and the property owner has in place an abatement plan for enclosure, removal, or encapsulation of the asbestos. To qualify under this clause, the property owner must (i) have entered into a binding contract with a licensed contractor for completion of the work, or (ii) have obtained a license from the commissioner of health and begun the work. An abatement plan must provide for completion of the work within a reasonable time period, as determined by the assessors.

(b) To qualify under paragraph (a), the property owner must provide the assessor with a copy of: (1) the approved response action plan; or (2) a copy of the asbestos abatement plan and contract for completion of the work or the owner's license to perform the work. The property owner also must file with the assessor an affidavit indicating when work under the response action plan or asbestos abatement plan began.

(c) The tax imposed under this subdivision equals 50 percent of the classification rate for the property under section 273.13, multiplied by the contamination value of the property, unless paragraph (d) applies.

(d) The tax imposed under this subdivision equals 12.5 percent of the classification rate for the property under section 273.13, multiplied by the contamination value of the property, if one of the following conditions is satisfied:

(1) the contaminants are subject to chapter 115B and neither the owner nor the operator of the taxable real property in the assessment year is a responsible person under chapter 115B;

(2) the contaminants are subject to chapter 18D and neither the owner nor the operator of the taxable real property in the assessment year is a responsible party under chapter 18D.

**History:** *1993 c 375 art 12 s 1; 1994 c 587 art 12 s 4; 2014 c 308 art 10 s 12*

**270.92 DEFINITIONS.**

Subdivision 1. **Scope of application.** For purposes of sections 270.91 to 270.98, the following terms have the meanings given.

Subd. 2. **Assessment year.** "Assessment year" means the assessment year for purposes of general ad valorem property taxes.

Subd. 3. **Contaminant.** "Contaminant" means a harmful substance as defined in section 115B.25, subdivision 7a.

Subd. 4. **Contaminated market value.** "Contaminated market value" is the amount determined under section 270.93.

Subd. 5. **Presence of contaminants.** "Presence of contaminants" includes the release or threatened release, as defined in section 115B.02, subdivision 15, of contaminants on the property.

Subd. 6. **Response plan.** "Response plan" means: (1) a development action response plan, as defined in section 469.174, subdivision 17; (2) a response action plan under chapter 115B or a corrective action plan under chapter 18D; (3) a plan for corrective action approved by the commissioner of agriculture under section 18D.105; or (4) a plan for corrective action approved by the commissioner of the Pollution Control Agency under section 115C.03.

**History:** *1993 c 375 art 12 s 2*

**270.93 TAX BASE; CONTAMINATION VALUE.**

The contamination value of a parcel of property is the amount of the market value reduction, if any, that is granted for general ad valorem property tax purposes for the assessment year because of the presence of contaminants. The contamination value for a property may be no greater than the estimated cost of implementing a reasonable response action plan or asbestos abatement plan or management program for the property. These reductions in market value include those granted by a court, by a board of review, by the assessor upon petition or request of a property owner, or by the assessor. Reductions granted by the assessor are included only if the assessor reduced the property's market value for the presence of contaminants using an appraisal method or methods that are specifically designed or intended to adjust for the valuation effects of the presence of contaminants. The contamination value for a parcel with a reduction in value of less than $10,000 is zero.

**History:** *1993 c 375 art 12 s 3*

**270.94 EXEMPTIONS.**

(a) The tax imposed by sections 270.91 to 270.98 does not apply to the contamination value of a parcel of property attributable to contaminants that were addressed by a response action plan for the property, if the commissioner of the Pollution Control Agency, or the commissioner of agriculture for a release subject to chapter 18D, has determined that all the requirements of the plan have been satisfied. This exemption applies beginning for the first assessment year after the commissioner of the Pollution Control Agency, or the commissioner of agriculture determines that the implementation of a response action plan has been

completed. To qualify under this paragraph, the property owner must provide the assessor with a copy of the determination by the commissioner of the Pollution Control Agency or the commissioner of agriculture of the completion of the response action plan.

(b) The tax imposed by sections 270.91 to 270.98 does not apply to the contamination value of a parcel that is attributable to asbestos, if:

(1) the work has been completed under an asbestos abatement plan or the property owner is implementing a proactive in-place asbestos management program consistent with the rules, requirements, and formal policies of the United States Environmental Protection Agency; and

(2) the property owner provides the assessor with an affidavit stating the work under the abatement plan has been completed, or the asbestos management plan is being implemented, and any other evidence or information the assessor requests.

**History:** *1993 c 375 art 12 s 4; 1994 c 587 art 12 s 5*

**270.95 PAYMENT; ADMINISTRATION.**

The tax imposed under sections 270.91 to 270.98 is payable at the same time and manner as the regular ad valorem property tax. The tax is subject to the penalty, interest, lien, forfeiture, and any other rules for collection of the regular ad valorem property tax. If a reduction in market value that creates contamination value is granted after the ad valorem property tax has been paid, the contamination tax must be subtracted from the amount to be refunded to the property owner.

**History:** *1993 c 375 art 12 s 5*

**270.96 DUTIES.**

Subdivision 1. **Assessors.** Each assessor shall notify the county auditor of the contamination value under section 270.91 by the separate tax rate categories under subdivisions 2, 3, and 4 for each parcel of property within the assessor's jurisdiction. The assessor shall provide notice of the contamination value to the property owner by the later of June 1 of the assessment year or 30 days after the reduction in market value is finally granted.

Subd. 2. **Auditor.** The county auditor shall prepare separate lists of the contamination values for all property located in the county that are taxed under section 270.91, subdivisions 2, 3, and 4. The commissioner shall prescribe the form of the listing. The auditor shall include the amount of the contamination taxes on the contamination value for the assessment year on the regular ad valorem property tax statement under section 276.04.

Subd. 3. **Treasurer.** (a) The county treasurer shall pay the proceeds of the tax imposed under section 270.91, subdivision 4, less the amount retained by the county for the cost of administration under section 270.98, to the commissioner at the same times provided for the ad valorem property tax distributions.

(b) The county treasurer shall pay the proceeds of the tax imposed under section 270.91, subdivisions 2 and 3, to the local taxing jurisdictions in the same manner provided for the distribution of ad valorem property taxes.

Subd. 4. **Court ordered reductions in value.** If a court orders a reduction in market value for purposes of the ad valorem property tax because of the presence of contaminants on the property, the court shall include in its order an offset for payment of the tax on contaminated value under section 270.91.

**History:** *1993 c 375 art 12 s 6; 1994 c 416 art 1 s 8*

**270.97 DEPOSIT OF REVENUES.**

The commissioner shall deposit all revenues derived from the tax, interest, and penalties received from the county in the contaminated site cleanup and development account in the special revenue fund, and money in the account is annually appropriated to the commissioner of the Department of Employment and Economic Development, for the purposes of section 116J.551.

**History:** *1993 c 375 art 12 s 7; 2009 c 78 art 5 s 10; 2010 c 382 s 55; 1Sp2010 c 1 art 14 s 11*

**270.98 LOCAL ADMINISTRATIVE COSTS.**

The county may retain five percent of the total revenues derived from the tax imposed under section 270.91, subdivision 4, including interest and penalties, as compensation for administering the tax. The county board may reimburse municipalities for the services provided by assessors employed by the municipality in administering sections 270.91 to 270.98.

**History:** *1993 c 375 art 12 s 8*