CHAPTER 273

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ASSESSMENT GENERALLY

273.01 LISTING AND ASSESSMENT, TIME.

All real property subject to taxation shall be listed and at least one-fifth of the parcels listed shall be appraised each year with reference to their value on January 2 preceding the assessment so that each parcel shall be reappraised at maximum intervals of five years. All real property becoming taxable in any year shall be listed with reference to its value on January 2 of that year. Except as provided in this section and section 274.01, subdivision 1, all real property assessments shall be completed two weeks prior to the date scheduled for the local board of review or equalization. No changes in valuation or classification which are intended to correct errors in judgment by the county assessor may be made by the county assessor after the board of review or the county board of equalization has adjourned; however, corrections of errors for real or personal property that are merely clerical in nature or changes that extend homestead treatment to property are permitted after adjournment until the tax extension date for that assessment year. Any changes made by the assessor after adjournment must be fully documented and maintained in a file in the assessor's office and shall be available for review by any person. A copy of any changes made during this period shall be sent to the county board no later than December 31 of the assessment year. In the event a valuation and classification is not placed on any real property by the dates scheduled for the local board of review or equalization the valuation and classification determined in the preceding assessment shall be continued in effect and the provisions of section 273.13 shall, in such case, not be applicable, except with respect to real estate which has been constructed since the previous assessment. Real property containing iron ore, the fee to which is owned by the state of Minnesota, shall, if leased by the state after January 2 in any year, be subject to assessment for that year on the value of any iron ore removed under said lease prior to January 2 of the

following year. Personal property subject to taxation shall be listed and assessed annually with reference to its value on January 2; and, if acquired on that day, shall be listed by or for the person acquiring it.

History: *(1984) RL s 802; 1945 c 485 s 1; Ex1959 c 70 art 1 s 1; 1965 c 624 s 1; 1969 c 709 s 1; 1971 c 564 s 5; 1975 c 437 art 8 s 2; 1986 c 444; 1988 c 719 art 7 s 4; 1989 c 277 art 2 s 16; 1990 c 480 art 7 s 4; 2003 c 127 art 2 s 10; 2014 c 308 art 10 s 3*

273.011 MS 1976 [Repealed, 1977 c 423 art 2 s 20]

273.012 MS 1976 [Repealed, 1977 c 423 art 2 s 20]

273.015 Subdivision 1. MS 2012 [Repealed, 2014 c 308 art 9 s 94]

Subd. 2. MS 1971 [Expired]

273.02 OMITTED PROPERTY.

Subdivision 1. **Discovery.** If any real or personal property be omitted in the assessment of any year or years, and the property thereby escape taxation, or if any real property be undervalued by reason of failure to take into consideration the existence of buildings or improvements thereon, or be erroneously classified as a homestead, when such omission, undervaluation or erroneous classification is discovered the county auditor shall in the case of omitted property enter such property on the assessment and tax books for the year or years omitted, and in the case of property undervalued by reason of failure to take into consideration the existence of buildings or improvements thereon, or property erroneously classified as a homestead, shall correct the net tax capacity or classification thereof on the assessment and tax books and shall assess the property, and extend against the same on the tax list for the current year all arrearage of taxes properly accruing against it, including therein, in the case of personal property taxes, interest thereon at the rate of seven percent per annum from the time such taxes would have become delinquent, when the omission was caused by the failure of the owner to list the same. If any tax on any property liable to taxation is prevented from being collected for any year or years by reason of any erroneous proceedings, undervaluation by reason of failure to take into consideration the existence of buildings or improvements, erroneous classification as a homestead, or other cause, the amount of such tax which such property should have paid shall be added to the tax on such property for the current year.

Subd. 2. **Limitation.** Nothing in subdivisions 1 to 3 shall authorize the county auditor to enter omitted property on the assessment and tax books more than six years after the assessment date of the year in which the property was originally assessed or should have been assessed and nothing in subdivisions 1 to 3 shall authorize the county auditor to correct the net tax capacity or classification of real property as herein provided more than one year after December 1 of the year in which the property was assessed or should have been assessed.

Subd. 3. **What rights not affected.** Nothing in subdivisions 1 to 3 shall affect any rights in undervalued or erroneously classified property, acquired for value in good faith prior to the correction of the net tax capacity thereof by the county auditor as provided in this section. Any person whose rights are adversely affected by any action of the county auditor as provided in this subdivision may apply for a reduction of the net tax capacity under the provisions of section 375.192.

Subd. 4. **Iron ore.** Newly discovered iron ore shall be entered on the assessment books for the six years immediately preceding the year of discovery and taxed as omitted property. The tax on such omitted property shall be determined by applying the rates of levy for the respective years in which the property was omitted.

Subd. 5. **Refunds for iron ore not found.** Any taxpayer having paid real estate taxes on valuations of iron ore, considered to be commercially mineable, which was believed to have existed, and was subsequently determined not to exist, may apply to the commissioner of revenue for a refund of taxes paid thereon, as provided herein. Such application for refund shall be filed in the year in which it is determined that the iron ore does not exist. No refund shall be made for taxes paid or payable more than six years previous to the date of said application. The refunds shall be paid from the general fund.

Subd. 6. **General fund.** The taxes collected in accordance with subdivision 4 shall be transmitted by the county treasurer to the commissioner of management and budget and deposited in the general fund. There shall be paid from the general fund the amount of refunds determined in accordance with subdivision 5.

History: *(1985) RL s 803; 1943 c 632 s 1; 1945 c 415 s 1; 1965 c 624 s 7; 1973 c 582 s 3; 1974 c 556 s 10-12; 1975 c 271 s 6; 1977 c 423 art 10 s 1; 1979 c 50 s 28,29; 1986 c 444; 1988 c 719 art 5 s 84; 1989 c 329 art 13 s 20; 1989 c 335 art 4 s 71,72; 1996 c 471 art 3 s 4; 2003 c 112 art 2 s 50; 2009 c 101 art 2 s 109*

273.03 REAL ESTATE; ASSESSMENT; METHOD.

Subdivision 1. **Assessment books.** The county auditor shall annually provide the necessary assessment books and blanks at the expense of the county, for and to correspond with each assessment district. The auditor shall make out, in the real property assessment book, complete lists of all lands or lots subject to taxation, showing the names of the owners, if known; and, if unknown, so stated opposite each tract or lot, the number of acres, and the lots or parts of lots or blocks, included in each description of property. The list of real property becoming subject to assessment and taxation may be appended to the personal property assessment book. The assessment books and blanks for real and personal property shall be in readiness for delivery to the assessors on or before the first Monday in December of each year.

Subd. 2. **Election to use card ledger or electronic data system.** Any county in this state which employs a county assessor who maintains a unit card ledger system or similar system of real estate and the market value and net tax capacities ascertained by the assessor affecting such real estate, and which county has established an electronic data processing system or similar system to perform the processing of assessment and tax accounting, may discontinue the preparation of assessment books as provided in subdivision 1. The election to discontinue the preparation of assessment books as defined in subdivision 1 shall be made by the county auditor.

Subd. 3. MS 2012 [Repealed, 2014 c 308 art 9 s 94]

History: *(1986) 1905 c 86; 1913 c 503; 1917 c 297; 1921 c 86; 1947 c 331 s 1; 1963 c 781 s 1; 1965 c 624 s 2; 1969 c 709 s 2; 1973 c 582 s 3; 1975 c 339 s 8; 1975 c 437 art 8 s 3; 1980 c 423 s 3; 1986 c 444; 1988 c 719 art 5 s 84; 1989 c 329 art 13 s 20; 1993 c 375 art 3 s 11; 2006 c 212 art 3 s 23*

273.032 MARKET VALUE DEFINITION.

(a) Unless otherwise provided, for the purpose of determining any property tax levy limitation based on market value or any limit on net debt, the issuance of bonds, certificates of indebtedness, or capital notes based on market value, any qualification to receive state aid based on market value, or any state aid amount based on market value, the terms "market value," "estimated market value," and "market valuation," whether equalized or unequalized, mean the estimated market value of taxable property within the local unit of government before any of the following or similar adjustments for:

(1) the market value exclusions under:

(i) section 273.11, subdivisions 14a and 14c (vacant platted land);

(ii) section 273.11, subdivision 21 (homestead property damaged by mold);

(iii) section 273.13, subdivision 34 (homestead of a veteran with a disability or family caregiver); or

(iv) section 273.13, subdivision 35 (homestead market value exclusion); or

(2) the deferment of value under:

(i) the Minnesota Agricultural Property Tax Law, section 273.111;

(ii) the Aggregate Resource Preservation Law, section 273.1115;

(iii) the Minnesota Open Space Property Tax Law, section 273.112;

(iv) the rural preserves property tax program, section 273.114; or

(v) the Metropolitan Agricultural Preserves Act, section 473H.10; or

(3) the adjustments to tax capacity for:

(i) tax increment financing under sections 469.174 to 469.1794;

(ii) fiscal disparities under chapter 276A or 473F; or

(iii) powerline credit under section 273.425.

(b) Estimated market value under paragraph (a) also includes the market value of tax-exempt property if the applicable law specifically provides that the limitation, qualification, or aid calculation includes tax-exempt property.

(c) Unless otherwise provided, "market value," "estimated market value," and "market valuation" for purposes of property tax levy limitations and calculation of state aid, refer to the estimated market value for the previous assessment year and for purposes of limits on net debt, the issuance of bonds, certificates of indebtedness, or capital notes refer to the estimated market value as last finally equalized.

(d) For purposes of a provision of a home rule charter or of any special law that is not codified in the statutes and that imposes a levy limitation based on market value or any limit on debt, the issuance of bonds, certificates of indebtedness, or capital notes based on market value, the terms "market value," "taxable market value," and "market valuation," whether equalized or unequalized, mean "estimated market value" as defined in paragraph (a).

History: *1994 c 416 art 1 s 12; 1997 c 31 art 3 s 3; 2006 c 259 art 9 s 5; 2007 c 13 art 1 s 12; 2013 c 143 art 14 s 25; 2016 c 158 art 1 s 157; 1Sp2019 c 6 art 24 s 3; 2024 c 85 s 85; 2026 c 128 art 10 s 1*

273.04 MS 1982 [Repealed, 1984 c 593 s 46]

ASSESSORS

273.05 ASSESSORS; APPOINTMENT, TERM, AND OATH.

Subdivision 1. **Appointment of town and city assessors.** Notwithstanding any other provision of law all town assessors shall be appointed by the town board, and notwithstanding any charter provisions to the contrary, all city assessors shall be appointed by the city council or other appointing authority as provided

by law or charter. They shall be selected and appointed because of their knowledge and training in the field of property taxation. All town and statutory city assessors shall be appointed for indefinite terms. A town or statutory city assessor who is an employee may be dismissed by the appointing authority for cause. The term of the town or city assessors may be terminated at any time by the town board or city council on charges by the commissioner of revenue of inefficiency or neglect of duty. Vacancies in the office of town or city assessor shall be filled within 90 days by appointment of the respective appointing authority indicated above. If the vacancy is not filled within 90 days, the office shall be terminated. When a vacancy in the office of town or city assessor is not filled by appointment, and it is imperative that the office of assessor be filled, the county auditor shall appoint some resident of the county as assessor for such town or city. The county auditor may appoint the county assessor as assessor for such town or city, in which case the town or city shall pay to the county treasurer the amount determined by the county auditor to be due for the services performed and expenses incurred by the county assessor in acting as assessor for such town or city. The term of any town or statutory city assessor in a county electing in accordance with section 273.052 shall be terminated as provided in section 273.055.

The commissioner of revenue may recommend to the state board of assessors the nonrenewal, suspension, or revocation of an assessor's license as provided in sections 270.41 to 270.50.

Subd. 2. **Oath of assessors.** Every person elected or appointed to the office of assessor, at or before the time of receiving the assessment books, shall take and subscribe an oath to be diligent, faithful, and impartial in performance of the duties enjoined on the assessor by law. Failure to take the oath within the time prescribed shall be deemed a refusal to serve.

Subd. 3. **Cities and townships; employment of licensed assessor.** In the case of cities or townships, except cities or towns located in Ramsey County or which have elected a county assessor system in accordance with section 273.055, the commissioner shall allow the city or town 90 days from the date of incorporation or organization to employ a licensed assessor.

History: *(1987) RL s 805; 1963 c 799 s 1; 1965 c 254 s 2; 1967 c 282 s 1; 1969 c 823 s 1; 1969 c 989 s 6; 1973 c 123 art 5 s 7; 1977 c 434 s 7,8; 1984 c 593 s 12; 1986 c 444; 1988 c 719 art 7 s 5; 1990 c 441 s 1; 2003 c 127 art 5 s 11; 2008 c 154 art 13 s 24; 2009 c 86 art 1 s 50*

273.051 CITY ASSESSORS, TERM.

The term of elected city assessors shall not expire until a vacancy occurs in the office or upon the completion of the present term for which an assessor is elected. Thereafter the term of such city assessors shall be for the period provided in the charter. The terms of all other city assessors shall continue as provided by charter or as otherwise provided by statute. The term of any city assessor in a county electing in accordance with section 273.052 shall be terminated as provided in section 273.055.

History: *1965 c 254 s 3; 1969 c 989 s 7*

273.052 APPOINTMENT; APPLICATION.

Any county in the state of Minnesota, notwithstanding any other provision of law to the contrary, is hereby authorized and empowered to provide for the assessment of all taxable property in the county by the county assessor.

This section shall not apply to Ramsey County, or property assessable in cities whose assessor has the powers of a county assessor pursuant to section 273.063, or property which is by law assessed by the commissioner of revenue.

History: *1969 c 989 s 1; 1973 c 123 art 5 s 7; 1973 c 582 s 3; 1974 c 435 art 5 s 1*

273.053 ASSESSMENT; EXPENSES.

Any county electing in accordance with section 273.052 is authorized and empowered to appropriate sufficient money to defray the expenses of making a proper assessment of all property in such county for the purpose of general taxation. The county board shall by resolution authorize the county assessor to employ such additional deputies, clerks, field workers, appraisers, and employees as it may deem necessary for the proper performance of the duties of the office of county assessor; such expenditure to include the hiring of experts in property valuation for any period deemed necessary, the payment of the transportation expense of such experts or other employees in traveling from place to place in the county, and generally any expense reasonably and directly tending to the procurement of a fair and true assessment of property within such county; but all such shall be made under the supervision of, and with the consent of, the county assessor.

History: *1969 c 989 s 2; 1986 c 444*

273.0535 COUNTY OR LOCAL ASSESSING DISTRICT TO ASSUME COST OF TRAINING.

The county or local assessing district must assume the cost of training its assessors in courses approved by the board for the purpose of obtaining the assessor's license to the extent of course fees, mileage, meals, and lodging, and recognized travel expenses not paid by the state.

History: *2008 c 154 art 13 s 25*

273.054 DUTIES AND POWERS OF ASSESSOR.

A county assessor appointed in an electing county shall have all the duties and powers provided by statute, except those inconsistent with sections 273.05, 273.051, 273.052, 273.053, 273.055, and 273.056.

History: *1969 c 989 s 3; 2011 c 76 art 1 s 40*

273.055 RESOLUTION TO APPOINT ASSESSOR; TERMINATION OF LOCAL ASSESSOR'S OFFICE.

The election to provide for the assessment of property by the county assessor as provided in section 273.052 shall be made by the board of county commissioners by resolution. Such resolution shall be effective at the second assessment date following the adoption of the resolution. Notwithstanding any other provisions contained in any other section of law or charter, the office of all township and city assessors in such county shall be terminated 90 days before the assessment date at which the election becomes effective, except that if part of such taxing district is located in a county not electing to have the county assessor assess all property as provided in section 273.052, the office will continue but shall apply only to such property in a nonelecting county.

No township or city assessor in another county shall assess any property in an electing county, but shall turn over all tax records relating to property to the county assessor 90 days before the assessment date at which the county's election becomes effective.

History: *1969 c 989 s 4; 1973 c 123 art 5 s 7*

273.056 REVOCATION OF COUNTY ASSESSOR'S ELECTION; LOCAL ASSESSORS.

If after electing in accordance with section 273.055, the board of county commissioners shall determine that the interests of the county may be better served through valuation by local assessors, it may revoke the election. Such revocation may not be made within four years after the election. In the event of revocation, it shall be effective at the second assessment date following such revocation. The offices of all township and city assessors shall be filled as provided by charter or law 90 days before such effective date.

History: *1969 c 989 s 5; 1973 c 123 art 5 s 7*

273.06 DEPUTY ASSESSORS.

Any assessor who deems it necessary to complete the listing and valuation of the property of the town or district within the time prescribed, with the approbation of the county auditor, may appoint a well-qualified citizen of the town or district to act as assistant or deputy, and may assign to that person such portion of the district as the assessor thinks proper. Each assistant so appointed, after taking the required oath, shall perform, under the direction of the assessor, all the duties imposed upon assessors by this chapter.

History: *(1988) RL s 806; 1977 c 434 s 9; 1986 c 444*

273.061 ESTABLISHMENT OF OFFICE FOR EACH COUNTY.

Subdivision 1. **Office created; appointment, qualifications.** Every county in this state shall have a county assessor. The county assessor shall be appointed by the board of county commissioners. The assessor shall be selected and appointed because of knowledge and training in the field of property taxation and appointment shall be approved by the commissioner of revenue before the same shall become effective. Upon receipt by the county commissioners of the commissioner of revenue's refusal to approve an appointment, the term of the appointee shall terminate at the end of that day.

The commissioner of revenue may grant approval on a probationary basis for a period of two years. The commissioner must base the decision to impose a probationary period on objective and consistent criteria. At the end of the two-year probationary period, the commissioner may either refuse to approve the person's appointment for the remainder of the person's four-year term, approve the person's appointment but only for another two-year probationary period, or unconditionally approve the person's appointment for the remainder of the four-year term for which the person was originally appointed by the county board. The criteria shall not be considered rules and are not subject to the Administrative Procedure Act.

Notwithstanding any law to the contrary, a county assessor must have senior accreditation from the state Board of Assessors by January 1, 1992, or within two years of the assessor's first appointment under this section, whichever is later.

Subd. 1a. **Compatible offices.** A person appointed as the county assessor also may serve as the county auditor, county treasurer, or county auditor-treasurer if those offices are appointive, provided that the person in the combined appointed office must not serve on the county board of appeal and equalization under section 274.13. In a county in which the functions of the county assessor are combined with those of the county auditor or county auditor-treasurer, the county board may not delegate any authority, power, or responsibility under section 375.192, subdivision 4.

Subd. 1b. **Compatible offices in counties changing to appointed auditor.** In a county in which the office of auditor, treasurer, or auditor-treasurer is an elective position, a person appointed as the county assessor also may serve as the county auditor, county treasurer, or county auditor-treasurer if a proposal to

make the affected office appointive has been approved as required by other law and will be effective within five years.

Subd. 1c. **Incompatible offices.** The person appointed as the county assessor must not also be the county attorney, a county board member, an elected county auditor, an elected county treasurer, an elected county auditor-treasurer, a town board supervisor for a town in the same county, or a city mayor or council member for a city in the same county. The person appointed as the city assessor must not also be a city council member or mayor for the same city. A person appointed as the town assessor must not also be a town board supervisor for the same town. Except as provided in subdivision 1b, an assessor who accepts a position that is incompatible with the office of assessor is deemed to have resigned from the assessor position.

Subd. 2. **Term; vacancy.** (a) The terms of county assessors appointed under this section shall be four years. A new term shall begin on January 1 of every fourth year after 1973. When any vacancy in the office occurs, the board of county commissioners, within 90 days thereafter, shall fill the same by appointment for the remainder of the term, following the procedure prescribed in subdivision 1. The term of the county assessor may be terminated by the board of county commissioners at any time, on charges of malfeasance, misfeasance, or nonfeasance by the commissioner of revenue. If the board of county commissioners does not intend to reappoint a county assessor who has been certified by the state Board of Assessors, the board shall present written notice to the county assessor not later than 90 days prior to the termination of the assessor's term, that it does not intend to reappoint the assessor. If written notice is not timely made, the county assessor will automatically be reappointed by the board of county commissioners.

(b) In the event of a vacancy in the office of county assessor, through death, resignation or other reasons, the deputy (or chief deputy, if more than one) shall perform the functions of the office. If there is no deputy, the county auditor shall designate a person to perform the duties of the office until an appointment is made as provided in clause (a). Such person shall perform the duties of the office for a period not exceeding 90 days during which the county board must appoint a county assessor. Such 90-day period may, however, be extended by written approval of the commissioner of revenue.

(c) In the case of the first appointment under paragraph (a) of a county assessor who is accredited but who does not have senior accreditation, an approval of the appointment by the commissioner shall be provisional, provided that a county assessor appointed to a provisional term under this paragraph must reapply to the commissioner at the end of the provisional term. A provisional term may not exceed two years. The commissioner shall not approve the appointment for the remainder of the four-year term unless the assessor has obtained senior accreditation.

Subd. 3. **Oath.** Every county assessor, before entering upon duties, shall take and subscribe the oath required of public officials.

Subd. 4. **Assistants.** With the approval of the board of county commissioners, the county assessor may employ one or more assistants and sufficient clerical help to perform the duties of the assessor's office.

Subd. 5. **Offices; supplies.** The board of county commissioners shall provide suitable office space and equipment at the county seat for the county assessor, assistants and clerical help, and shall furnish such books, maps, stationery, postage and supplies as may be necessary for the discharge of the duties of the office.

Subd. 6. **Salaries; expenses.** The salaries of the county assessor and assistants and clerical help, shall be fixed by the board of county commissioners and shall be payable out of the general revenue fund of the county.

In addition to their salaries, the county assessor and assistants shall be allowed their expenses for reasonable and necessary travel in the performance of their duties, including necessary travel, lodging and meal expense incurred by them while attending meetings of instructions or official hearings called by the commissioner of revenue. These expenses shall be payable out of the general revenue fund of the county, and shall be allowed on the same basis as such expenses are allowed to other county officers.

Subd. 7. **Division of duties between local and county assessor.** The duty of the duly appointed local assessor shall be to view and appraise the value of all property as provided by law, but all the book work shall be done by the county assessor, or the assessor's assistants, and the value of all property subject to assessment and taxation shall be determined by the county assessor, except as otherwise hereinafter provided. If directed by the county assessor, the local assessor must perform the duties enumerated in subdivision 8, clause (16), and must enter construction and valuation data into the records in the manner prescribed by the county assessor.

Subd. 8. **Powers and duties.** The county assessor shall have the following powers and duties:

(1) To call upon and confer with the township and city assessors in the county, and advise and give them the necessary instructions and directions as to their duties under the laws of this state, to the end that a uniform assessment of all real property in the county will be attained.

(2) To assist and instruct the local assessors in the preparation and proper use of land maps and record cards, in the property classification of real and personal property, and in the determination of proper standards of value.

(3) To keep the local assessors in the county advised of all changes in assessment laws and all instructions which the assessor receives from the commissioner of revenue relating to their duties.

(4) To have authority to require the attendance of groups of local assessors at sectional meetings called by the assessor for the purpose of giving them further assistance and instruction as to their duties.

(5) To immediately commence the preparation of a large scale topographical land map of the county, in such form as may be prescribed by the commissioner of revenue, showing thereon the location of all railroads, highways and roads, bridges, rivers and lakes, swamp areas, wooded tracts, stony ridges and other features which might affect the value of the land. Appropriate symbols shall be used to indicate the best, the fair, and the poor land of the county. For use in connection with the topographical land map, the assessor shall prepare and keep available in the assessor's office tables showing fair average minimum and maximum market values per acre of cultivated, meadow, pasture, cutover, timber and waste lands of each township. The assessor shall keep the map and tables available in the office for the guidance of town assessors, boards of review, and the county board of equalization.

(6) To also prepare and keep available in the office for the guidance of town assessors, boards of review and the county board of equalization, a land valuation map of the county, in such form as may be prescribed by the commissioner of revenue. This map, which shall include the bordering tier of townships of each county adjoining, shall show the average market value per acre, both with and without improvements, as finally equalized in the last assessment of real estate, of all land in each town or unorganized township which lies outside the corporate limits of cities.

(7) To regularly examine all conveyances of land outside the corporate limits of cities of the first and second class, filed with the county recorder of the county, and keep a file, by descriptions, of the considerations shown thereon. From the information obtained by comparing the considerations shown with the market

values assessed, the assessor shall make recommendations to the county board of equalization of necessary changes in individual assessments or aggregate valuations.

(8) To become familiar with the values of the different items of personal property so as to be in a position when called upon to advise the boards of review and the county board of equalization concerning property, market values thereof.

(9) While the county board of equalization is in session, to give it every possible assistance to enable it to perform its duties. The assessor shall furnish the board with all necessary charts, tables, comparisons, and data which it requires in its deliberations, and shall make whatever investigations the board may desire.

(10) At the request of either the board of county commissioners or the commissioner of revenue, to investigate applications for reductions of valuation and abatements and settlements of taxes, examine the real or personal property involved, and submit written reports and recommendations with respect to the applications, in such form as may be prescribed by the board of county commissioners and commissioner of revenue.

(11) To make diligent search each year for real and personal property which has been omitted from assessment in the county, and report all such omissions to the county auditor.

(12) To regularly confer with county assessors in all adjacent counties about the assessment of property in order to uniformly assess and equalize the value of similar properties and classes of property located in adjacent counties. The conference shall emphasize the assessment of agricultural and commercial and industrial property or other properties that may have an inadequate number of sales in a single county.

(13) To render such other services pertaining to the assessment of real and personal property in the county as are not inconsistent with the duties set forth in this section, and as may be required by the board of county commissioners or by the commissioner of revenue.

(14) To maintain a record, in conjunction with other county offices, of all transfers of property to assist in determining the proper classification of property, including but not limited to, transferring homestead property and name changes on homestead property.

(15) To determine if a homestead application is required due to the transfer of homestead property or an owner's name change on homestead property.

(16) To perform appraisals of property, review the original assessment and determine the accuracy of the original assessment, prepare an appraisal or appraisal report, and testify before any court or other body as an expert or otherwise on behalf of the assessor's jurisdiction with respect to properties in that jurisdiction.

Subd. 8a. **Additional powers and duties of the commissioner of revenue, county assessors and local assessors.** Notwithstanding any provision of law to the contrary, in order to promote a uniform assessment and review of assessments, the commissioner of revenue, county assessors and local assessors may exchange data on property which are classified under chapter 13 as public, nonpublic or private. The data for any property may include but is not limited to its sales, income, expenses, vacancies, rentable or usable areas, anticipated income and expenses, projected vacancies, lease information, and private multiple listing service data. Data exchanged under this provision that is classified as nonpublic or private data shall retain its classification.

Subd. 9. **Additional general duties.** Additional duties of the county assessor are as follows:

(1) to make all assessments, based upon the appraised values reported by the local assessors or assistants and the county assessor's own knowledge of the value of the property assessed;

(2) to personally view and determine the value of any property that because of its type or character may be difficult for the local assessor to appraise;

(3) to make all changes ordered by the local boards of review, relative to the net tax capacity of the property of any individual, firm or corporation after notice has been given and hearings held as provided by law;

(4) to enter all assessments in the assessment books, furnished by the county auditor, with each book and the tabular statements for each book in correct balance;

(5) to prepare all assessment cards, charts, maps and any other forms prescribed by the commissioner of revenue;

(6) to attend the meeting of the county board of equalization; to investigate and report on any assessment ordered by said board; to enter all changes made by said board in the assessment books and prepare information reported to the commissioner under section 270C.85, subdivision 2, clause (4); to enter all changes made by the State Board of Equalization in the assessment books; to deduct all exemptions authorized by law from each assessment and certify to the county auditor the taxable value of each parcel of land, as described and listed in the assessment books by the county auditor, and the taxable value of the personal property of each person, firm, or corporation assessed;

(7) to investigate and make recommendations relative to all applications for the abatement of taxes or applications for the reduction of the net tax capacity of any property; and

(8) to perform all other duties relating to the assessment of property for the purpose of taxation which may be required by the commissioner of revenue.

Subd. 10. **Assessor in unorganized territory.** In counties having unorganized territory divided into one or more assessment districts, the board of county commissioners may appoint the county assessor for all such districts. In such case the assessor shall receive no compensation for performing the duties of assessor. The assessor shall, however, be allowed expenses for reasonable and necessary travel in the performance of duties. Such expenses shall be payable out of the general revenue fund of the county.

Subd. 11. MS 1980 [Repealed, 1Sp1981 c 4 art 1 s 189]

History: *Ex1967 c 32 art 8 s 1; 1969 c 9 s 68,69; 1969 c 498 s 1; 1971 c 434 s 4,5; 1973 c 123 art 5 s 7; 1973 c 582 s 3; 1974 c 18 s 1; 1974 c 567 s 1; 1975 c 301 s 3; 1975 c 339 s 8; 1975 c 437 art 1 s 32; 1976 c 181 s 2; 1977 c 434 s 10; 1979 c 50 s 30; 1980 c 423 s 5; 1984 c 593 s 13; 1986 c 444; 1987 c 268 art 7 s 28-30; 1988 c 719 art 5 s 84; art 7 s 6,7; 1989 c 277 art 2 s 17,18; 1989 c 329 art 13 s 20; 1Sp1989 c 1 art 3 s 6; 1993 c 375 art 3 s 12; art 5 s 7; art 11 s 2; 1994 c 587 art 5 s 2; 1Sp2001 c 5 art 7 s 14,15; 2003 c 127 art 5 s 12-14; 2009 c 86 art 1 s 51; 2010 c 354 s 3,4; 2013 c 143 art 4 s 15; 2014 c 308 art 9 s 25; 1Sp2017 c 1 art 15 s 14; 1Sp2019 c 6 art 18 s 5*

273.062 VALUATION AND ASSESSMENT OF PERSONAL PROPERTY.

The county assessor, or city assessor in a city with population of 30,000 or more shall value and assess all personal property. The assessor shall make an alphabetical list of the names of all persons in the town or district liable to an assessment of personal property, and shall call at the office or place of business or residence of each person required by this chapter to list property, and shall list the person's name, and shall

require each person to make and deliver a correct list and statement of such property, according to the prescribed form, which shall be subscribed and sworn to by the person listing; and the assessor shall thereupon determine the value of the property in such statement, and enter the same in the assessment books, opposite the name of the person assessed, with the name and post office address of the person listing the property; and, if such person reside in a city, the street and number, or other brief description, of the person's residence or place of business. If any property is listed or assessed on or after the last Monday in February, and before the return of the assessor's books, the same shall be as legal and binding as if listed and assessed before that time.

Such county or city assessor shall have power and authority to summon witnesses to appear and give testimony, and to produce books, records, papers and documents relating to the listing of personal property.

History: *Ex1967 c 32 art 8 s 9; 1969 c 709 s 3; 1973 c 123 art 5 s 7; 1986 c 444*

273.063 APPLICATION; LIMITATIONS.

The provisions of sections 272.161, 273.061, 273.062, 273.063, 273.072, 273.08, 273.10, 274.01, and 375.192 shall apply to all counties except Ramsey County. The following limitations shall apply as to the extent of the county assessors jurisdiction:

In counties having a city of the first class, the powers and duties of the county assessor within such city shall be performed by the duly appointed city assessor. In all other cities having a population of 30,000 persons or more, according to the last preceding federal census, except in counties having a county assessor on January 1, 1967, the powers and duties of the county assessor within such cities shall be performed by the duly appointed city assessor, provided that the county assessor shall retain the supervisory duties contained in section 273.061, subdivision 8. For purposes of this section, "powers and duties" means the powers and duties identified in section 273.061, subdivision 8, clauses (5) to (16).

History: *Ex1967 c 32 art 8 s 10; 1973 c 123 art 5 s 7; 1974 c 435 art 5 s 2; 2011 c 76 art 1 s 41; 1Sp2021 c 14 art 13 s 6*

273.064 EXAMINATION OF LOCAL ASSESSOR'S WORK; COMPLETION OF ASSESSMENTS.

The county assessor shall examine the assessment appraisal records of each local assessor anytime after December 1 of each year and shall immediately give notice in writing to the governing body of said district of any deficiencies in the assessment procedures with respect to the quantity of or quality of the work done as of that date and indicating corrective measures to be undertaken and effected by the local assessor not later than 30 days thereafter. If, upon reexamination of such records at that time, the deficiencies noted in the written notice previously given have not been substantially corrected to the end that a timely and uniform assessment of all real property in the county will be attained, then the county assessor with the approval of the county board shall collect the necessary records from the local assessor and complete the assessment or employ others to complete the assessment. When the county assessor has completed the assessments, the local assessor shall thereafter resume the assessment function within the district. In this circumstance the cost of completing the assessment shall be charged against the assessment district involved. The county auditor shall certify the costs thus incurred to the appropriate governing body not later than August 1 and if unpaid as of September 1 of the assessment year, the county auditor shall levy a tax upon the taxable property of said assessment district sufficient to pay such costs. The amount so collected shall be credited to the general revenue fund of the county.

History: *1971 c 434 s 1,5; 1Sp1989 c 1 art 9 s 19; 1990 c 604 art 3 s 8*

273.0645 COMMISSIONER REVIEW OF ASSESSMENT PRACTICES.

Subdivision 1. **Local assessment practices.** The commissioner of revenue must review the assessment practices in a taxing jurisdiction if requested in writing by a qualifying number of property owners in that taxing jurisdiction. The request must be signed by the greater of:

(1) ten percent of the registered voters who voted in the last general election; or

(2) five property owners.

The request must identify the city, town, or county and describe why a review is sought for that taxing jurisdiction. The commissioner must conduct the review in a reasonable amount of time and report the findings to the county board of the affected county, to the affected city council or town board, if the review is for a specific city or town, and to the property owner designated in the request as the person to receive the report on behalf of all the property owners who signed the request. The commissioner must also provide the report electronically to all property owners who signed the request and provided an email address in order to receive the report electronically.

Subd. 2. **Nonfeasance, misfeasance, and malfeasance.** County assessors may file a written complaint with the commissioner of revenue detailing allegations of nonfeasance, misfeasance, or malfeasance by a local assessor. After receiving a complaint from a county assessor, the commissioner must complete an investigation and recommend an appropriate action to the State Board of Assessors. The commissioner is not required to have a written complaint from a county assessor in order to conduct an investigation and recommend an action to the board. Active investigative data relating to the investigation of complaints against an assessor by the commissioner of revenue are subject to section 13.39.

History: *2008 c 366 art 6 s 8; 2013 c 143 art 4 s 16*

273.065 DELIVERY OF ASSESSMENT APPRAISAL RECORDS; EXTENSIONS.

Assessment districts shall complete the assessment appraisal records on or before February 1. The records shall be delivered to the county assessor as of that date and any work which is the responsibility of the local assessor which is not completed by February 1 shall be accomplished by the county assessor or persons employed by the county assessor and the cost of such work shall be charged against the assessment district as provided in section 273.064. Extensions of time to complete the assessment appraisal records may be granted to the local assessor by the county assessor if such extension is approved by the county board.

History: *1971 c 434 s 2,5; 1986 c 444; 1987 c 268 art 7 s 31; 1Sp1989 c 1 art 9 s 20*

273.07 MS 1945 [Repealed, 1947 c 531 s 10]

273.071 MS 1965 [Repealed, Ex1967 c 32 art 8 s 12]

273.072 AGREEMENTS FOR JOINT ASSESSMENT.

Subdivision 1. **Joint assessment agreements.** Any county and any city or town lying wholly or partially within the county and constituting a separate assessment district may, by agreement entered into under section 471.59, provide for the assessment of property in the municipality or town by the county assessor. Any two or more cities or towns constituting separate assessment districts may enter into an agreement under section 471.59 for the assessment of property in the contracting units by the assessor of one of the units or by an assessor who is jointly employed.

Subd. 2. **Abolishment of office of local assessor.** The agreement may provide for the abolition of the office of local assessor in any contracting unit when the assessment of property within it is to be made under the agreement by another assessor. In such case, the office of assessor in that unit shall cease to exist upon the date fixed in the agreement but not before the end of the term of the incumbent, if serving for a fixed term, or when an earlier vacancy occurs.

Subd. 3. **Agreement terms.** When the agreement provides for joint employment of an assessor, the assessor shall be appointed and removed in a manner and shall hold office for such term as is provided in the agreement, notwithstanding charter or other statutory provisions for election or appointment of an assessor for a prescribed term.

Subd. 4. **Termination of agreement.** If the agreement is for an indefinite term, it may be terminated on six months notice by either party. Upon the termination of the agreement, whether for a fixed or indefinite term, any office of assessor abolished as a result of the agreement shall be automatically reestablished and shall be filled as provided by applicable law or charter.

Subd. 5. **Payment; county general fund.** Any amount paid to the county for personal services of the county assessor under such an agreement shall be paid into the general revenue fund of the county.

Subd. 6. **Powers of local boards of review not affected.** Agreements made under this section have no effect upon the powers and duties of local boards of review and equalization.

History: *1959 c 382 s 1; Ex1967 c 32 art 8 s 5,6; 1973 c 123 art 5 s 7; 1973 c 582 s 3; 1986 c 444; 1Sp1986 c 1 art 4 s 11; 1Sp2001 c 5 art 7 s 16*

273.075 MS 2012 [Repealed, 2014 c 308 art 9 s 94]

273.0755 TRAINING AND EDUCATION OF PROPERTY TAX PERSONNEL.

(a) Beginning with the four-year period starting on July 1, 2020, every person licensed by the state Board of Assessors at the Accredited Minnesota Assessor level or higher, shall successfully complete 30 hours of educational coursework on Minnesota laws, assessment administration, and administrative procedures sponsored by the Department of Revenue in every four-year period.

(b) The commissioner of revenue may require that each county, and each city for which the city assessor performs the duties of county assessor, have (1) a person on the assessor's staff who is certified by the Department of Revenue in sales ratio calculations, (2) an officer or employee who is certified by the Department of Revenue in tax calculations, and (3) an officer or employee who is certified by the Department of Revenue in the proper preparation of information reported to the commissioner under section 270C.85, subdivision 2, clause (4). Certifications under this paragraph expire after four years.

(c) Beginning with the four-year educational licensing period starting on July 1, 2004, every Minnesota assessor licensed by the State Board of Assessors must attend and participate in a seminar that focuses on ethics, professional conduct and the need for standardized assessment practices developed and presented by the commissioner of revenue. This requirement must be met at least once in every subsequent four-year period. This requirement applies to all assessors licensed for one year or more in the four-year period.

(d) When the commissioner of revenue determines that an individual or board that performs functions related to property tax administration has performed those functions in a manner that is not uniform or equitable, the commissioner may require that the individual or members of the board complete supplemental training. The commissioner may not require that an individual complete more than 32 hours of supplemental training pursuant to this paragraph. If the individual is required to complete supplemental training due to

that individual's membership on a local or county board of appeal and equalization, the commissioner may not require that the individual complete more than two hours of supplemental training.

History: *1Sp2001 c 5 art 7 s 17; 1Sp2005 c 3 art 1 s 7; 1Sp2017 c 1 art 20 s 5; 1Sp2019 c 6 art 18 s 6; 1Sp2021 c 14 art 13 s 7*

273.08 ASSESSOR'S DUTIES.

The assessor shall actually view, and determine the market value of each tract or lot of real property listed for taxation, including the value of all improvements and structures thereon, at maximum intervals of five years and shall enter the value opposite each description. When directed by the county assessor, local assessors must enter construction and valuation data into the records in the manner prescribed by the county assessor.

History: *(1990) RL s 808; 1945 c 481 s 1; 1963 c 799 s 2; 1965 c 624 s 4; Ex1967 c 32 art 8 s 7; 1975 c 437 art 8 s 9; 1984 c 593 s 14; 2003 c 127 art 2 s 11; 1Sp2017 c 1 art 15 s 15*

273.09 [Local, South St. Paul]

VALUATION, ASSESSMENT, AND RELIEF

273.10 SCHOOL DISTRICTS.

When assessing personal property the county assessor shall designate the number of the school district in which each person assessed is liable for tax. When the personal property of any person is assessable in several school districts, the amount in each shall be assessed separately, and the name of the owner placed opposite each amount.

History: *(1991) RL s 809; Ex1967 c 32 art 8 s 8; 2014 c 308 art 9 s 26*

273.105 INTERNAL REVENUE CODE.

Unless specifically defined otherwise, for purposes of this chapter, "Internal Revenue Code" means the Internal Revenue Code as defined in section 289A.02, subdivision 7.

History: *2008 c 366 art 11 s 9*

273.11 VALUATION OF PROPERTY.

Subdivision 1. **Generally.** Except as provided in this section or section 273.17, subdivision 1, all property shall be valued at its market value. The market value as determined pursuant to this section shall be stated such that any amount under $100 is rounded up to $100 and any amount exceeding $100 shall be rounded to the nearest $100. In estimating and determining such value, the assessor shall not adopt a lower or different standard of value because the same is to serve as a basis of taxation, nor shall the assessor adopt as a criterion of value the price for which such property would sell at a forced sale, or in the aggregate with all the property in the town or district; but the assessor shall value each article or description of property by itself, and at such sum or price as the assessor believes the same to be fairly worth in money. The assessor shall take into account the effect on the market value of property of environmental factors in the vicinity of the property. In assessing any tract or lot of real property, the value of the land, exclusive of structures and improvements, shall be determined, and also the value of all structures and improvements thereon, and the aggregate value of the property, including all structures and improvements, excluding the value of crops growing upon cultivated land. In valuing real property upon which there is a mine or quarry, it shall be valued at such price

as such property, including the mine or quarry, would sell for at a fair, voluntary sale, for cash, if the material being mined or quarried is not subject to taxation under section 298.015 and the mine or quarry is not exempt from the general property tax under section 298.25. In valuing real property which is vacant, platted property shall be assessed as provided in subdivisions 14a and 14c. All property, or the use thereof, which is taxable under section 272.01, subdivision 2, or 273.19, shall be valued at the market value of such property and not at the value of a leasehold estate in such property, or at some lesser value than its market value.

Subd. 1a. MS 2012 [Repealed, 2013 c 143 art 17 s 18]

Subd. 2. MS 1978 [Repealed, 1979 c 303 art 2 s 38]

Subd. 3. MS 1974 [Repealed, 1975 c 437 art 8 s 10]

Subd. 4. MS 1974 [Repealed, 1976 c 345 s 3]

Subd. 5. **Boards of review and equalization.** Notwithstanding any other provision of law to the contrary, the limitation contained in subdivisions 1 and 1a shall also apply to the authority of the local board of review as provided in section 274.01, the county board of equalization as provided in section 274.13, the State Board of Equalization and the commissioner of revenue as provided in sections 270.11, subdivision 1, 270.12, 270C.92, and 270C.94.

Subd. 6. **Solar, wind, methane gas systems.** For purposes of property taxation, the market value of real and personal property installed prior to January 1, 1984, which is a solar, wind, or agriculturally derived methane gas system used as a heating, cooling, or electric power source of a building or structure shall be excluded from the market value of that building or structure if the property is not used to provide energy for sale.

Subd. 6a. **Fire-safety sprinkler systems.** For purposes of property taxation, the market value of automatic fire-safety sprinkler systems installed in existing buildings after January 1, 1992, meeting the standards of the Minnesota Fire Code shall be excluded from the market value of (1) existing multifamily residential real estate containing four or more units and used or held for use by the owner or by the tenants or lessees of the owner as a residence and (2) existing real estate containing four or more contiguous residential units for use by customers of the owner, such as hotels, motels, and lodging houses and (3) existing office buildings or mixed use commercial-residential buildings, in which at least one story capable of occupancy is at least 75 feet above the ground. The market value exclusion under this section shall expire if the property is sold.

Subd. 7. MS 1983 Supp [Repealed, 1984 c 502 art 3 s 36]

Subd. 8. **Limited equity cooperative apartments.** For the purposes of this subdivision, the terms defined in this subdivision have the meanings given them.

A "limited equity cooperative" is a corporation organized under chapter 308A, 308B, or 308C, which has as its primary purpose the provision of housing and related services to its members which meets one of the following criteria with respect to the income of its members: (1) a minimum of 75 percent of members must have incomes at or less than 90 percent of area median income, (2) a minimum of 40 percent of members must have incomes at or less than 60 percent of area median income, or (3) a minimum of 20 percent of members must have incomes at or less than 50 percent of area median income. For purposes of this clause, "member income" shall mean the income of a member existing at the time the member acquires cooperative membership, and median income shall mean the St. Paul-Minneapolis metropolitan area median income as determined by the United States Department of Housing and Urban Development. It must also meet the following requirements:

(a) The articles of incorporation set the sale price of occupancy entitling cooperative shares or memberships at no more than a transfer value determined as provided in the articles. That value may not exceed the sum of the following:

(1) the consideration paid for the membership or shares by the first occupant of the unit, as shown in the records of the corporation;

(2) the fair market value, as shown in the records of the corporation, of any improvements to the real property that were installed at the sole expense of the member with the prior approval of the board of directors;

(3) accumulated interest, or an inflation allowance not to exceed the greater of a ten percent annual noncompounded increase on the consideration paid for the membership or share by the first occupant of the unit, or the amount that would have been paid on that consideration if interest had been paid on it at the rate of the percentage increase in the revised Consumer Price Index for All Urban Consumers for the Minneapolis-St. Paul metropolitan area prepared by the United States Department of Labor, provided that the amount determined pursuant to this clause may not exceed $500 for each year or fraction of a year the membership or share was owned; plus

(4) real property capital contributions shown in the records of the corporation to have been paid by the transferor member and previous holders of the same membership, or of separate memberships that had entitled occupancy to the unit of the member involved. These contributions include contributions to a corporate reserve account the use of which is restricted to real property improvements or acquisitions, contributions to the corporation which are used for real property improvements or acquisitions, and the amount of principal amortized by the corporation on its indebtedness due to the financing of real property acquisition or improvement or the averaging of principal paid by the corporation over the term of its real property-related indebtedness.

(b) The articles of incorporation require that the board of directors limit the purchase price of stock or membership interests for new member-occupants or resident shareholders to an amount which does not exceed the transfer value for the membership or stock as defined in clause (a).

(c) The articles of incorporation require that the total distribution out of capital to a member shall not exceed that transfer value.

(d) The articles of incorporation require that upon liquidation of the corporation any assets remaining after retirement of corporate debts and distribution to members will be conveyed to a charitable organization described in section 501(c)(3) of the Internal Revenue Code or a public agency.

A "limited equity cooperative apartment" is a dwelling unit owned by a limited equity cooperative.

"Occupancy entitling cooperative share or membership" is the ownership interest in a cooperative organization which entitles the holder to an exclusive right to occupy a dwelling unit owned or leased by the cooperative.

For purposes of taxation, the assessor shall value a unit owned by a limited equity cooperative at the lesser of its market value or the value determined by capitalizing the net operating income of a comparable apartment operated on a rental basis at the capitalization rate used in valuing comparable buildings that are not limited equity cooperatives. If a cooperative fails to operate in accordance with the provisions of clauses (a) to (d), the property shall be subject to additional property taxes in the amount of the difference between the taxes determined in accordance with this subdivision for the last ten years that the property had been assessed pursuant to this subdivision and the amount that would have been paid if the provisions of this

subdivision had not applied to it. The additional taxes, plus interest at the rate specified in section 549.09, shall be extended against the property on the tax list for the current year.

[See Note.]

Subd. 9. **Condominium property.** Notwithstanding any other provision of law to the contrary, for purposes of property taxation, condominium property shall be valued in accordance with this subdivision.

(a) A structure or building that is initially constructed as condominiums shall be identified as separate units after the filing of a declaration. The market value of the residential units in that structure or building and included in the declaration shall be valued as condominiums.

(b) When 60 percent or more of the residential units in a structure or building being converted to condominiums have been sold as condominiums including those units that the converters retain for their own investment, the market value of the remaining residential units in that structure or building which are included in the declaration shall be valued as condominiums. If not all of the residential units in the structure or building are included in the declaration, the 60 percent factor shall apply to those in the declaration. A separate description shall be recognized when a declaration is filed. For purposes of this paragraph, "retain" shall mean units that are rented and completed units that are not available for sale.

(c) For purposes of this subdivision, a "sale" is defined as the date when the first written document for the purchase or conveyance of the property is signed, unless that document is revoked.

Subd. 10. MS 1988 [Repealed, 1999 c 243 art 5 s 54]

Subd. 11. **Valuation of restored or preserved wetland.** Wetlands restored by the federal, state, or local government, or by a nonprofit organization, or preserved under the terms of a temporary or perpetual easement by the federal or state government, must be valued by assessors at their wetland value. "Wetland value" in this subdivision means the market value of wetlands in any potential use in which the wetland character is not permanently altered. Wetland value shall not reflect potential uses of the wetland that would violate the terms of any existing conservation easement, or any onetime payment received by the wetland owner under the terms of a state or federal conservation easement. Wetland value shall reflect any potential income consistent with a property's wetland character, including but not limited to lease payments for hunting or other recreational uses. The commissioner of revenue shall issue a bulletin advising assessors of the provisions of this section by October 1, 1991.

For purposes of this subdivision, "wetlands" means lands transitional between terrestrial and aquatic systems where the water table is usually at or near the surface or the land is covered by shallow water. For purposes of this definition, wetlands must have the following three attributes:

(1) have a predominance of hydric soils;

(2) are inundated or saturated by surface or ground water at a frequency and duration sufficient to support a prevalence of hydrophytic vegetation typically adapted for life in saturated soil conditions; and

(3) under normal circumstances support a prevalence of such vegetation.

Subd. 12. **Community land trusts.** (a) A community land trust, as defined under chapter 462A, is (i) a community-based nonprofit corporation organized under chapter 317A, which qualifies for tax exempt status under 501(c)(3), or (ii) a "city" as defined in section 462C.02, subdivision 6, which has received funding from the Minnesota housing finance agency for purposes of the community land trust program. The Minnesota Housing Finance Agency shall set the criteria for community land trusts.

(b) Before the community land trust can rent or sell a unit to an applicant, the community land trust shall verify to the satisfaction of the administering agency or the city that the family income of each person or family applying for a unit in the community land trust building is within the income criteria provided in section 462A.30, subdivision 9. The administering agency or the city shall verify to the satisfaction of the county assessor that the occupant meets the income criteria under section 462A.30, subdivision 9. The property tax benefits under paragraph (c) shall be granted only to property owned or rented by persons or families within the qualifying income limits. The family income criteria and verification is only necessary at the time of initial occupancy in the property.

(c) A unit which is owned by the occupant and used as a homestead by the occupant qualifies for homestead treatment as class 1a under section 273.13, subdivision 22, unless the unit meets the requirements of section 273.13, subdivision 25, paragraph (e), clause (2), in which case the unit shall be classified as 4d(2). A unit which is rented by the occupant and used as a homestead by the occupant shall be class 4a or 4b property, under section 273.13, subdivision 25, whichever is applicable. Any remaining portion of the property not used for residential purposes shall be classified by the assessor in the appropriate class based upon the use of that portion of the property owned by the community land trust. The land upon which the building is located shall be assessed at the same classification rate as the units within the building, provided that if the building contains some units assessed as class 1a or class 4d(2) and some units assessed as class 4a or 4b, the market value of the land will be assessed in the same proportions as the value of the building.

Subd. 13. **Valuation of income-producing property.** Only accredited assessors or senior accredited assessors or other licensed assessors who have successfully completed at least two income-producing property appraisal courses may value income-producing property for ad valorem tax purposes. "Income-producing property" as used in this subdivision means the taxable property in class 3a and 3b in section 273.13, subdivision 24; class 4a and 4c, except for seasonal recreational property not used for commercial purposes; and class 5 in section 273.13, subdivision 31. "Income-producing property" includes any property in class 4e in section 273.13, subdivision 25, that would be income-producing property under the definition in this subdivision if it were not substandard. "Income-producing property appraisal course" as used in this subdivision means a course of study of approximately 30 instructional hours, with a final comprehensive test. An assessor must successfully complete the final examination for each of the two required courses. The course must be approved by the board of assessors.

Subd. 14. MS 2006 [Repealed, 2008 c 366 art 6 s 52]

Subd. 14a. **Vacant land platted on or after August 1, 2001; located in metropolitan counties.** (a) Except as provided in subdivision 14c, all land platted on or after August 1, 2001, located in a metropolitan county, and not improved with a permanent structure, shall be assessed as provided in this subdivision. The assessor shall determine the market value of each individual lot based upon the highest and best use of the property as unplatted land. In establishing the market value of the property, the assessor shall consider the sale price of the unplatted land or comparable sales of unplatted land of similar use and similar availability of public utilities.

(b) The market value determined in paragraph (a) shall be increased as follows for each of the three assessment years immediately following the final approval of the plat: one-third of the difference between the property's unplatted market value as determined under paragraph (a) and the market value based upon the highest and best use of the land as platted property shall be added in each of the three subsequent assessment years.

(c) Any increase in market value after the first assessment year following the plat's final approval shall be added to the property's market value in the next assessment year. Notwithstanding paragraph (b), if the

property is sold or transferred, or construction begins before the expiration of the three years in paragraph (b), that lot shall be eligible for revaluation in the next assessment year. The market value of a platted lot determined under this subdivision shall not exceed the value of that lot based upon the highest and best use of the property as platted land.

(d) For purposes of this section, "metropolitan county" means the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Subd. 14b. **Vacant land platted on or after August 1, 2001; located in nonmetropolitan counties.** (a) All land platted on or after August 1, 2001, located in a nonmetropolitan county, and not improved with a permanent structure, shall be assessed as provided in this subdivision. The assessor shall determine the market value of each individual lot based upon the highest and best use of the property as unplatted land. In establishing the market value of the property, the assessor shall consider the sale price of the unplatted land or comparable sales of unplatted land of similar use and similar availability of public utilities.

(b) The market value determined in paragraph (a) shall be increased as follows for each of the seven assessment years immediately following the final approval of the plat: one-seventh of the difference between the property's unplatted market value as determined under paragraph (a) and the market value based upon the highest and best use of the land as platted property shall be added in each of the seven subsequent assessment years.

(c) Any increase in market value after the first assessment year following the plat's final approval shall be added to the property's market value in the next assessment year. Notwithstanding paragraph (b), if the property is sold or transferred, or construction begins before the expiration of the seven years in paragraph (b), that lot shall be eligible for revaluation in the next assessment year. The market value of a platted lot determined under this subdivision shall not exceed the value of that lot based upon the highest and best use of the property as platted land.

Subd. 14c. **Certain vacant land platted on or after August 1, 2001; located in metropolitan county.** (a) All land platted on or after August 1, 2001, located in a metropolitan county and not improved with a structure shall be eligible for the phase-in assessment schedule under this subdivision, provided the property (i) is classified homestead under section 273.13, subdivision 22 or 23, in the assessment year prior to the year the initial platting begins on the property; (ii) has been owned or part-owned by the same person for the ten consecutive years prior to the initial platting; and (iii) remains under the same ownership in the current assessment year.

(b) Based upon the assessor's records, the assessor shall obtain the estimated market value of each individual lot based upon the highest and best use of the property as unplatted land for the assessment year that the property was platted. In establishing the market value of the property, the assessor shall have considered the sale price of the unplatted land or comparable sales of unplatted land of similar use and similar availability of public utilities.

(c) To the market value determined in paragraph (b) shall be added one-seventh of the difference between the property's unplatted market value as determined under paragraph (b) and the market value based upon the highest and best use of the land as platted property in the current year, multiplied by the number of assessment years since the property was platted, in each of the subsequent assessment years.

(d) Notwithstanding paragraph (c), if the property is sold or transferred, or construction begins before the expiration of the phase-in in paragraph (c), that lot shall be eligible for revaluation in the next assessment year. The market value of a platted lot determined under this subdivision shall not exceed the value of that lot based upon the highest and best use of the property as platted land.

(e) Any owner of eligible property platted before July 1, 2008, must file an application with the assessor in order to receive the phase-in under this subdivision for the remainder of the seven-year period. The application must be filed before July 1 in order for the property to be eligible for the current year's assessment. The commissioner shall prescribe a uniform application form and instructions.

(f) For purposes of this section, "metropolitan county" means the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Subd. 15. **Vacant hospitals.** In valuing a hospital, as defined in section 144.50, subdivision 2, that is located outside of a metropolitan county, as defined in section 473.121, subdivision 4, and that on the date of sale is vacant and not used for hospital purposes or for any other purpose, the assessor's estimated market value for taxes levied in the year of the sale shall be no greater than the sales price of the property, including both the land and the buildings, as adjusted for terms of financing. If the sale is made later than December 15, the market value as determined under this subdivision shall be used for taxes levied in the following year. This subdivision applies only if the sales price of the property was determined under an arm's-length transaction.

Subd. 16. MS 2022 [Repealed, 2024 c 85 s 115]

Subd. 17. **Valuation of contaminated properties.** (a) In determining the market value of property containing contaminants, the assessor shall reduce the market value of the property by the contamination value of the property. The contamination value is the amount of the market value reduction that results from the presence of the contaminants, but it may not exceed the cost of a reasonable response action plan or asbestos abatement plan or management program for the property.

(b) For purposes of this subdivision, "asbestos abatement plan," "contaminants," and "response action plan" have the meanings as used in sections 270.91 and 270.92.

Subd. 18. **Disclosure of valuation exclusion.** No seller of real property shall sell or offer for sale property that, for purposes of property taxation, has an exclusion from market value for home improvements under subdivision 16, without disclosing to the buyer the existence of the excluded valuation and informing the buyer that the exclusion will end upon the sale of the property and that the property's estimated market value for property tax purposes will increase accordingly.

Subd. 19. MS 2024 [Repealed, 2026 c 88 art 1 s 226]

Subd. 20. MS 2024 [Repealed, 2026 c 88 art 1 s 226]

Subd. 21. **Valuation reduction for homestead property damaged by mold.** (a) The owner of homestead property may apply in writing to the assessor for a reduction in the market value of the property that has been damaged by mold. The notification must include the estimated cost to cure the mold condition provided by a licensed contractor. The estimated cost must be at least $20,000. Upon completion of the work, the owner must file an application on a form prescribed by the commissioner of revenue, accompanied by a copy of the contractor's estimate.

(b) If the conditions in paragraph (a) are met, the county board must grant a reduction in the market value of the homestead dwelling equal to the estimated cost to cure the mold condition. If a property owner applies for a reduction under this subdivision between January 1 and June 30 of any year, the reduction applies for taxes payable in the following year. If a property owner applies for a reduction under this subdivision between July 1 and December 31 of any year, the reduction applies for taxes payable in the second following year.

(c) A denial of a reduction under this section by the county board may be appealed to the Tax Court. If the county board takes no action on the application within 90 days after its receipt, it is considered an approval.

(d) For purposes of subdivision 1a, in the assessment year following the assessment year when a valuation reduction has occurred under this section, any market value added by the assessor to the property resulting from curing the mold condition must be considered an increase in value due to new construction.

Subd. 22. MS 2012 [Repealed, 2013 c 143 art 17 s 18]

Subd. 23. **First tier valuation limit; agricultural homestead property.** (a) The commissioner of revenue shall annually certify the first tier limit for agricultural homestead property. For assessment year 2024, the limit is $3,500,000. Beginning with assessment year 2025, the limit is the product of (i) the first tier limit for the preceding assessment year, and (ii) the ratio of the statewide average taxable market value of agricultural property per acre of deeded farm land in the preceding assessment year to the statewide average taxable market value of agricultural property per acre of deeded farm land for the second preceding assessment year. The limit shall be rounded to the nearest $10,000.

(b) For the purposes of this subdivision, "agricultural property" means all class 2a property under section 273.13, subdivision 23, except for property consisting of the house, garage, and immediately surrounding one acre of land of an agricultural homestead.

(c) The commissioner shall certify the limit by January 2 of each assessment year.

History: *(1992) RL s 810; Ex1967 c 32 art 7 s 3; 1969 c 574 s 1; 1969 c 990 s 1; 1971 c 427 s 1; 1971 c 489 s 1; 1971 c 831 s 1; 1973 c 582 s 3; 1973 c 650 art 23 s 1-4; 1974 c 556 s 14; 1975 c 437 art 8 s 4-6; 1976 c 2 s 93; 1976 c 345 s 1; 1977 c 423 art 4 s 4; 1978 c 786 s 10,11; 1979 c 303 art 2 s 7; 1Sp1981 c 1 art 2 s 3,4; 1Sp1981 c 4 art 2 s 50; 1982 c 424 s 61,62; 1982 c 523 art 19 s 2; art 21 s 1; 1983 c 222 s 7; 1983 c 342 art 2 s 5-7; 1984 c 502 art 3 s 6; 1Sp1985 c 14 art 4 s 35; 1986 c 444; 1Sp1986 c 1 art 4 s 12; 1987 c 268 art 5 s 1; art 7 s 32; 1987 c 384 art 3 s 10; 1988 c 719 art 5 s 84; 1989 c 329 art 13 s 20; 1989 c 356 s 13; 1990 c 480 art 7 s 5; 1990 c 604 art 3 s 9; 1991 c 291 art 1 s 12; 1991 c 354 art 10 s 7,8; 1992 c 511 art 2 s 11,12; 1992 c 556 s 2,3; 1992 c 597 s 14; 1993 c 375 art 5 s 8-13; art 8 s 14; art 11 s 3; art 12 s 9; 1994 c 416 art 1 s 13; 1994 c 587 art 5 s 3-5; 1995 c 1 s 2; 1995 c 264 art 16 s 9; 1996 c 471 art 3 s 5; 1997 c 231 art 2 s 10,11,52; art 8 s 2; 1997 c 251 s 16; 1998 c 397 art 11 s 3; 1999 c 243 art 5 s 6,7; 1Sp2001 c 5 art 3 s 23-26; 1Sp2002 c 1 s 14; 2003 c 127 art 5 s 15; 1Sp2003 c 21 art 4 s 3; 2005 c 151 art 2 s 6; art 5 s 16; 1Sp2005 c 3 art 1 s 8-10; 2006 c 259 art 4 s 11; 1Sp2007 c 2 art 3 s 11; 2008 c 366 art 6 s 9-11; art 11 s 10; 2009 c 88 art 2 s 13,41,42; 2012 c 288 s 12; 2013 c 143 art 14 s 26; 2014 c 308 art 9 s 27; art 10 s 12; 1Sp2021 c 8 art 2 s 3; 2023 c 64 art 3 s 5,6; 2024 c 96 art 2 s 2; 2025 c 32 art 4 s 13; 2026 c 61 s 41*

NOTE: The amendment to subdivision 8 by Laws 2024, chapter 96, article 2, section 2, is effective August 1, 2027. Laws 2024, chapter 96, article 2, section 13, as amended by Laws 2025, chapter 32, article 4, section 13, and Laws 2026, chapter 61, section 41.

273.1101 VALUATION, TERMINOLOGY IN STATUTES, LAWS OR CHARTERS.

Notwithstanding the provisions of any statute, special law, or city charter, all references in such provisions to "true and full" values, relating to the procedure of boards of review and equalization, and to certifications by assessors and other public officers, shall be construed as referring to the current market values as determined in assessment.

History: *1971 c 427 s 23*

273.1102 RATE OF TAX, TERMINOLOGY OF LAWS OR CHARTERS.

Subdivision 1. **1971 adjustment.** The rate of property taxation by any political subdivision or other public corporation for any purpose for which any law or charter now provides a maximum tax rate expressed in mills times the assessed value or times the full and true value of taxable property (except any adjusted assessed values determined by the commissioner under section 124.2131) shall not exceed 33-1/3 percent of such maximum tax rate until and unless such law or charter is amended to provide a different maximum tax rate.

Subd. 2. MS 1987 Supp [Repealed, 1988 c 719 art 5 s 81]

Subd. 3. **1988 adjustment.** School district levy limitations or authorities expressed in terms of mills and adjusted assessed value in any special law that is not codified in Minnesota Statutes shall be converted by the Department of Education to equalized gross local tax rates for taxes payable in 1989 and 1990 and to equalized net local tax rates for taxes payable in 1991 and thereafter. For purposes of this calculation, the 1987 adjusted assessed values of the district shall be converted to "adjusted gross tax capacities" by multiplying the equalized market values by class of property by the gross classification rates provided in section 273.13. Each county assessor and the city assessors of Minneapolis, Duluth, and St. Cloud shall furnish the commissioner of revenue the 1987 market value for taxes payable in 1988 for any new classes of property established in Laws 1988, chapter 719, article 5. The commissioner shall use those values, and estimate values where needed, in developing the 1987 tax capacity for each school district under this section. The requirements of section 124.2131, subdivisions 1, paragraph (c), 2, and 3, shall remain in effect.

History: *1971 c 427 s 24; 1987 c 268 art 6 s 9; art 7 s 33; 1988 c 719 art 5 s 7; 1989 c 277 art 4 s 20; 1989 c 329 art 13 s 7; 1Sp1989 c 1 art 2 s 11; 1Sp1995 c 3 art 16 s 13; 2003 c 130 s 12; 2014 c 308 art 10 s 12*

273.1103 MS 2013 Supp [Repealed, 2014 c 308 art 9 s 94]

273.1104 IRON ORE, VALUE.

Subdivision 1. **Determination of value.** The term value as applied to iron ore in sections 273.165, subdivision 2, and 273.13, subdivision 31, shall be deemed to be the present value of future income or the minimum value as established by the commissioner notwithstanding the provisions of section 273.11. The present value of future income shall be determined by the commissioner of revenue in accordance with professionally recognized mineral valuation practice and procedure. Nothing contained herein shall be construed as requiring any change in the method of determining present value of iron ore utilized by the commissioner prior to the enactment hereof or as limiting any remedy presently available to the taxpayer in connection with the commissioner's determination of present value, or precluding the commissioner from making subsequent changes in the present worth formula.

Subd. 2. **Notice of market value.** On or before May 1 in each year, the commissioner shall send to each person subject to the tax on unmined iron ores and to each taxing district affected, a notice of the market value of the unmined ores as determined by the commissioner. Said notice shall be sent by mail directed to such person at the address given in the report filed and the assessor of such taxing district, but the validity of the tax shall not be affected by the failure of the commissioner of revenue to mail such notice or the failure of the person subject to the tax to receive it.

On the first secular day following May 20, the commissioner of revenue shall hold a hearing which may be adjourned from day to day. All relevant and material evidence having probative value with respect to the issues shall be submitted at the hearing and such hearing shall not be a "contested case" within the meaning

of section 14.02, subdivision 3. Every person subject to such tax may at such hearing present evidence and argument on any matter bearing upon the validity or correctness of the tax determined to be due, and the commissioner of revenue shall review the determination of such tax.

History: *1971 c 427 s 27; 1973 c 582 s 3; 1977 c 203 s 3; 1982 c 424 s 130; 1984 c 522 s 1; 1Sp1985 c 14 art 4 s 36; 1986 c 444; 1987 c 268 art 6 s 10; 1988 c 719 art 5 s 84; 1989 c 27 art 1 s 1; 1Sp1989 c 1 art 9 s 21; 1992 c 511 art 4 s 3; 1Sp2001 c 5 art 7 s 18*

273.1105 MS 1984 [Repealed, 1Sp1985 c 14 art 4 s 98]

273.1106 MS 2008 [Repealed, 2009 c 88 art 2 s 54]

273.1108 ANNUAL REPORT ON AGRICULTURAL VALUATION AND CLASSIFICATION.

The commissioner of revenue must study and, by March 1 each year, report to the chairs and ranking minority members of the committees on taxes of the senate and the house of representatives on:

(1) trends in market values of class 2a and 2b properties;

(2) green acres value methodology and determinations; and

(3) assessment and classification practices pertaining to class 2a and 2b property.

History: *2009 c 12 art 2 s 7*

273.111 AGRICULTURAL PROPERTY TAX.

Subdivision 1. **Citation.** This section may be cited as the "Minnesota Agricultural Property Tax Law."

Subd. 2. **Public policy.** The present general system of ad valorem property taxation in the state of Minnesota does not provide an equitable basis for the taxation of certain agricultural real property and has resulted in inadequate taxes on some lands and excessive taxes on others. Therefore, it is hereby declared to be the public policy of this state that the public interest would best be served by equalizing tax burdens upon agricultural property within this state through appropriate taxing measures.

Subd. 2a. **Purpose.** The legislature finds that it is in the interest of the state to encourage and preserve farms by mitigating the property tax impact of increasing land values due to nonagricultural economic forces.

Subd. 3. **Requirements.** (a) Real estate consisting of ten acres or more or a nursery or greenhouse, and qualifying for classification as class 2a under section 273.13, shall be entitled to valuation and tax deferment under this section if it is primarily devoted to agricultural use, and either:

(1) is the homestead of the owner, or of a surviving spouse, child, or sibling of the owner or is real estate which is farmed with the real estate which contains the homestead property; or

(2) has been in possession of the applicant, the applicant's spouse, parent, or sibling, or any combination thereof, for a period of at least seven years prior to application for benefits under the provisions of this section, or is real estate which is farmed with the real estate which qualifies under this clause and is within four townships or cities or combination thereof from the qualifying real estate; or

(3) is the homestead of an individual who is part of an entity described in paragraph (b), clause (1), (2), or (3); or

(4) is in the possession of a nursery or greenhouse or an entity owned by a proprietor, partnership, or corporation which also owns the nursery or greenhouse operations on the parcel or parcels, provided that only the acres used to produce nursery stock qualify for treatment under this section.

(b) Valuation of real estate under this section is limited to parcels owned by individuals except for:

(1) a family farm entity or authorized farm entity regulated under section 500.24;

(2) an entity, not regulated under section 500.24, in which the majority of the members, partners, or shareholders are related and at least one of the members, partners, or shareholders either resides on the land or actively operates the land; and

(3) corporations that derive 80 percent or more of their gross receipts from the wholesale or retail sale of horticultural or nursery stock.

The terms in this paragraph have the meanings given in section 500.24, where applicable.

(c) Land that previously qualified for tax deferment under this section and no longer qualifies because it is not primarily used for agricultural purposes but would otherwise qualify under Minnesota Statutes 2006, section 273.111, subdivision 3, for a period of at least three years will not be required to make payment of the previously deferred taxes, notwithstanding the provisions of subdivision 9. Sale of the land prior to the expiration of the three-year period requires payment of deferred taxes as follows: sale in the year the land no longer qualifies requires payment of the current year's deferred taxes plus payment of deferred taxes for the two prior years; sale during the second year the land no longer qualifies requires payment of the current year's deferred taxes plus payment of the deferred taxes for the prior year; and sale during the third year the land no longer qualifies requires payment of the current year's deferred taxes. Deferred taxes shall be paid even if the land qualifies pursuant to subdivision 11a. When such property is sold or no longer qualifies under this paragraph, or at the end of the three-year period, whichever comes first, all deferred special assessments plus interest are payable in equal installments spread over the time remaining until the last maturity date of the bonds issued to finance the improvement for which the assessments were levied. If the bonds have matured, the deferred special assessments plus interest are payable within 90 days. The provisions of section 429.061, subdivision 2, apply to the collection of these installments. Penalties are not imposed on any such special assessments if timely paid.

(d) Land that is enrolled in the reinvest in Minnesota program under sections 103F.501 to 103F.535, the federal Conservation Reserve Program as contained in Public Law 99-198, or a similar state or federal conservation program qualifies for valuation and assessment deferral under this section if it was in agricultural use before enrollment and, provided that, in the case of land enrolled in the reinvest in Minnesota program, it is not subject to a perpetual easement.

Subd. 3a. **Property no longer eligible for deferment.** (a) Real estate receiving the tax deferment under this section for assessment year 2008, but that does not qualify for the 2009 assessment year due to changes in qualification requirements under Laws 2008, chapter 366, shall continue to qualify until: (1) the land is sold, transferred, or subdivided, or (2) the 2013 assessment, whichever is earlier, provided that the property continues to meet the requirements of Minnesota Statutes 2006, section 273.111, subdivision 3.

(b) Except as provided in paragraph (c), and subdivision 9, paragraph (b), when property assessed under this subdivision is withdrawn from the program or becomes ineligible, the property shall be subject to additional taxes as provided in subdivision 9.

(c) If land described in paragraph (a) is (1) sold or otherwise transferred to a son or daughter of the owner, or (2) transferred from a family farm limited liability company upon its termination to a son or

daughter of an individual who had an ownership interest in the company, it will continue to qualify for treatment under this section as long as it continues to meet the requirements of Minnesota Statutes 2006, section 273.111, subdivision 3, but no later than the 2013 assessment.

(d) When property assessed under this subdivision is removed from the program and is enrolled in the rural preserve property tax law program under section 273.114, the property is not subject to the additional taxes required under this subdivision or subdivision 9.

Subd. 3b. **Property no longer eligible for deferment.** (a) Real estate that received the tax deferment under this section for assessment year 2012 and would have continued to qualify for tax deferment for assessment years from 2013 to 2023 but for an eminent domain action that reduced the real estate to less than ten acres, shall reapply as provided in paragraph (b) and, if determined eligible, shall qualify for the tax deferment under this section for assessment year 2024 and thereafter until:

(1) the property no longer qualifies for classification as class 2a under section 273.13;

(2) the property is voluntarily withdrawn from the program; or

(3) the property is sold, transferred, or subdivided.

(b) Application for deferment under this subdivision shall be filed by May 1 of the year prior to the year in which the taxes are payable. The application must be filed with the assessor of the taxing district in which the real property is located on the form prescribed by the commissioner of revenue. The assessor may request additional information necessary to determine eligibility under this subdivision.

(c) Property assessed under this subdivision is subject to additional taxes, as provided in subdivision 9, when the property:

(1) no longer qualifies for classification as class 2a under section 273.13;

(2) is voluntarily withdrawn from the program; or

(3) is sold, transferred, or subdivided.

Subd. 4. **Determination of value.** (a) The value of any real estate described in subdivision 3 shall upon timely application by the owner, in the manner provided in subdivision 8, be determined solely with reference to its appropriate agricultural classification and value notwithstanding sections 272.03, subdivision 8, and 273.11. Furthermore, the assessor shall not consider any added values resulting from nonagricultural factors. In order to account for the presence of nonagricultural influences that may affect the value of agricultural land, the commissioner of revenue shall, in consultation with the Department of Applied Economics at the University of Minnesota, develop a fair and uniform method of determining the average value of agricultural land for each county in the state consistent with this subdivision. The values must be determined using appropriate sales data. When appropriate, the commissioner may make reasonable adjustments to the values based on the most recent available county or regional data for agricultural production, commodity prices, production expenses, rent, and investment return. The commissioner shall annually assign the resulting countywide average value to each county, and these values shall be used as the basis for determining the agricultural value for all properties in the county qualifying for tax deferment under this section. The county assessor, in consultation with the Department of Revenue, shall determine the relative value of agricultural land for each assessment district in comparison to the countywide average value, considering and giving recognition to appropriate agricultural market and soil data available.

(b) In the case of property qualifying for tax deferment only under subdivision 3a, the assessor shall not consider the presence of commercial, industrial, residential, or seasonal recreational land use influences in determining the value for ad valorem tax purposes provided that in no case shall the value exceed the value prescribed by the commissioner of revenue for class 2a tillable property in that county.

Subd. 5. **Separate determination of market value and tax.** The assessor shall, however, make a separate determination of the market value of such real estate. The tax based upon the appropriate local tax rate applicable to such property in the taxing district shall be recorded on the property assessment records.

Subd. 6. MS 2008 [Repealed, 2008 c 366 art 6 s 52]

Subd. 7. MS 1967 [Repealed, 1969 c 1039 s 10]

Subd. 8. **Application.** Application for deferment of taxes and assessment under this section shall be filed by May 1 of the year prior to the year in which the taxes are payable. Any application filed hereunder and granted shall continue in effect for subsequent years until the property no longer qualifies. The application must be filed with the assessor of the taxing district in which the real property is located on the form prescribed by the commissioner of revenue. The assessor may require proof by affidavit or otherwise that the property qualifies under subdivision 3 and may require the applicant to provide a copy of the appropriate schedule or form showing farm income that is attested to by the applicant as having been included in the most recently filed federal income tax return of the applicant.

Subd. 8a. MS 1982 [Repealed, 1984 c 593 s 46]

Subd. 9. **Additional taxes.** When real property which is being, or has been valued and assessed under this section no longer qualifies under subdivision 3, the portion no longer qualifying shall be subject to additional taxes, in the amount equal to the difference between the taxes determined in accordance with subdivision 4, and the amount determined under subdivision 5. Provided, however, that the amount determined under subdivision 5 shall not be greater than it would have been had the actual bona fide sale price of the real property at an arm's-length transaction been used in lieu of the market value determined under subdivision 5. Such additional taxes shall be extended against the property on the tax list for the current year, provided, however, that no interest or penalties shall be levied on such additional taxes if timely paid, and provided further, that such additional taxes shall only be levied with respect to the last three years that the said property has been valued and assessed under this section.

Subd. 9a. MS 2014 [Repealed, 2015 c 21 art 1 s 110]

Subd. 10. **Lien.** The tax imposed by this section shall be a lien upon the property assessed to the same extent and for the same duration as other taxes imposed upon property within this state. The tax shall be annually extended by the county auditor and if and when payable shall be collected and distributed in the manner provided by law for the collection and distribution of other property taxes.

Subd. 11. **Special local assessments.** The payment of special local assessments levied after June 1, 1967, for improvements made to any real property described in subdivision 3 together with the interest thereon shall, on timely application as provided in subdivision 8, be deferred as long as such property meets the conditions contained in subdivision 3 or 3a or is transferred to an agricultural preserve under sections 473H.02 to 473H.17. If special assessments against the property have been deferred pursuant to this subdivision, the governmental unit shall file with the county recorder in the county in which the property is located a certificate containing the legal description of the affected property and of the amount deferred. When such property no longer qualifies under subdivision 3 or 3a, all deferred special assessments plus interest shall be payable in equal installments spread over the time remaining until the last maturity date of

the bonds issued to finance the improvement for which the assessments were levied. If the bonds have matured, the deferred special assessments plus interest shall be payable within 90 days. The provisions of section 429.061, subdivision 2, apply to the collection of these installments. Penalty shall not be levied on any such special assessments if timely paid.

Subd. 11a. **Continuation of tax treatment upon sale or other event.** (a) When real property qualifying under subdivision 3 is sold or transferred, no additional taxes or deferred special assessments plus interest shall be extended against the property provided the property continues to qualify pursuant to subdivision 3, and provided the new owner files an application for continued deferment within 30 days after the sale or transfer.

(b) The following transfers do not constitute a change of ownership of property qualifying under subdivision 3:

(1) death of a property owner when a surviving owner retains ownership of the property thereafter;

(2) divorce of a married couple when one of the spouses retains ownership of the property thereafter;

(3) marriage of a single property owner when that owner retains ownership of the property in whole or in part thereafter;

(4) organization into or reorganization of a farm entity ownership under section 500.24, if all owners maintain the same beneficial interest both before and after the organizational changes; and

(5) placement of the property in trust provided that the individual owners of the property are the grantors of the trust and they maintain the same beneficial interest both before and after placement of the property in trust.

Subd. 12. **Statutory construction.** This section shall be broadly construed to achieve its purpose. The invalidity of any provision shall be deemed not to affect the validity of other provisions.

Subd. 13. **General applicability.** This section shall apply to assessments for tax purposes made in 1968 and thereafter.

Subd. 14. **Applicability of special assessment provisions.** (a) This section shall apply to special local assessments levied after July 1, 1967, and payable in the years thereafter, but shall not apply to any special assessments levied at any time by a county or district court under chapter 116A or by a watershed district under chapter 103D.

(b) For special assessments levied by a watershed district under chapter 103D before June 1, 2008, this section is effective only for real property initially qualifying for tax deferment after May 31, 2008. For special assessments by a watershed district under chapter 103D levied after May 31, 2008, this section is effective for all real property qualifying for tax deferment under this section.

Subd. 15. **Dissected parcels; continued deferment.** Real estate consisting of more than ten, but less than 15, acres which has:

(1) been owned by the applicant or the applicant's parents for at least 70 years;

(2) been dissected by two or more major parkways or interstate highways; and

(3) qualified for the agricultural valuation and tax deferment under this section through assessment year 1996, taxes payable in 1997,

shall continue to qualify for treatment under this section until the applicant's death or transfer or sale by the applicant of the applicant's interest in the real estate. When the property ceases to qualify for treatment under this section, the recapture provisions of subdivision 9 will apply with respect to the last ten years that the property has been valued and assessed under this section.

Subd. 16. **Implementation of program.** This section must be applied to eligible properties by all county assessors, beginning no later than assessments for taxes levied in 2009, payable in 2010, and thereafter, unless the commissioner of revenue determines that a county is unable to comply with this requirement, in which case the county must implement it for taxes levied in 2010, payable in 2011, and thereafter.

History: *Ex1967 c 60 s 1-13; 1969 c 1039 s 1-9; 1973 c 322 s 25; 1973 c 450 s 1; 1973 c 582 s 3; 1976 c 2 s 94,95; 1976 c 134 s 78; 1977 c 307 s 29; 1977 c 423 art 3 s 4; 1980 c 437 s 2; 1980 c 497 s 1; 1980 c 560 s 4; 1982 c 523 art 22 s 1-3; 1983 c 222 s 8; 1984 c 593 s 16,17; 1Sp1985 c 14 art 20 s 2; 1986 c 444; 1988 c 719 art 5 s 84; 1989 c 277 art 2 s 19; 1Sp1989 c 1 art 2 s 11; art 3 s 7; 1991 c 291 art 12 s 8; 1994 c 416 art 1 s 14; 1994 c 587 art 5 s 6; 1996 c 471 art 3 s 6; 1997 c 231 art 2 s 12,13; 1999 c 243 art 5 s 8; 2000 c 490 art 5 s 6; 1Sp2001 c 5 art 7 s 19; 2006 c 212 art 3 s 24; 2008 c 154 art 13 s 26; 2008 c 366 art 6 s 12-20,52; 2009 c 12 art 2 s 1-4; 2009 c 88 art 2 s 14,15; 2010 c 215 art 13 s 1; 2010 c 389 art 1 s 5,6; 2011 c 13 s 1; 2023 c 64 art 3 s 7; 2026 c 128 art 10 s 2*

273.1115 AGGREGATE RESOURCE PRESERVATION PROPERTY TAX LAW.

Subdivision 1. **Definitions.** For purposes of this section, "commercial aggregate deposit" and "actively mined" have the meanings given them in section 273.13, subdivision 23, paragraph (m).

Subd. 2. **Requirement.** Real estate is entitled to valuation under this section only if all of the following requirements are met:

(1) the property is classified as class 1a, 1b, 2a, or 2b property under section 273.13, subdivisions 22 and 23, or the property is classified as class 2e under section 273.13, subdivision 23, and immediately before being classified as class 2e was classified as class 1a or 1b;

(2) the property is at least ten contiguous acres, when the application is filed under subdivision 3;

(3) the owner has filed a completed application for deferment as specified in subdivision 3 with the county assessor in the county in which the property is located;

(4) there are no delinquent taxes on the property; and

(5) a covenant on the land restricts its use as provided in subdivision 3, clause (4).

Subd. 3. **Application.** Application for valuation deferment under this section must be filed by May 1 of the assessment year. Any application filed and granted continues in effect for subsequent years until the property no longer qualifies, provided that supplemental affidavits under subdivision 8 are timely filed. The application must be filed with the assessor of the county in which the real property is located on such form as may be prescribed by the commissioner of revenue. The application must be executed and acknowledged in the manner required by law to execute and acknowledge a deed and must contain at least the following information and any other information the commissioner deems necessary:

(1) the legal description of the area;

(2) the name and address of owner;

(3) a copy of the affidavit filed under section 273.13, subdivision 23, paragraph (m), when property is classified as 2e under section 273.13, subdivision 23, paragraph (m).

In other cases, the application must include a similar document with the same information as contained in the affidavit under section 273.13, subdivision 23, paragraph (m); and

(4) a statement of proof from the owner that the land contains a restrictive covenant limiting its use for the property's surface to that which exists on the date of the application and limiting its future use to the preparation and removal of the commercial aggregate deposit under its surface. To qualify under this clause, the covenant must be binding on the owner or the owner's successor or assignee, and run with the land, except as provided in subdivision 5 allowing for the cancellation of the covenant under certain conditions.

Subd. 4. **Determination of value.** Upon timely application by the owner as provided in subdivision 3, notwithstanding sections 272.03, subdivision 8, and 273.11, the value of any qualifying land described in subdivision 3 must be valued as if it were agricultural property, using a per acre valuation equal to the current assessment year's average per acre valuation of agricultural land in the county. The assessor shall not consider any additional value resulting from potential alternative and future uses of the property. The buildings located on the land shall be valued by the assessor in the normal manner.

Subd. 5. **Cancellation of covenant.** The covenant required under subdivision 3 may be canceled in two ways:

(1) by the owner beginning with the next subsequent assessment year provided that the additional taxes as determined under subdivision 7 are paid by the owner at the time of cancellation; or

(2) by the city or town in which the property is located beginning with the next subsequent assessment year, if the city council or town board:

(i) changes the conditional use of the property;

(ii) revokes the mining permit; or

(iii) changes the zoning to disallow mining.

No additional taxes are imposed on the property under this clause.

Subd. 6. **County termination.** Within two years of May 30, 2008, a county may, following notice and public hearing, terminate application of this section in the county. The termination is effective upon adoption of a resolution of the county board. A county has 60 days from receipt of the first application for enrollment under this section to notify the applicant and any subsequent applicants of the county's intent to begin the process of terminating application of this section in the county. The county must act on the termination within six months. Upon termination by a vote of the county board, all applications received prior to and during notification of intent to terminate shall be deemed void. If the county board does not act on the termination within six months of notification, all applications for valuation for deferment received shall be deemed eligible for consideration to be enrolled under this section. Following this initial 60-day grace period, a termination applies prospectively and does not affect property enrolled under this section prior to the termination date. A county may reauthorize application of this section by a resolution of the county board revoking the termination.

Subd. 7. **Additional taxes.** When real property which has been valued and assessed under this section no longer qualifies, the portion of the land classified under subdivision 2, clause (1), is subject to additional taxes. The additional tax amount is determined by:

(1) computing the difference between (i) the current year's taxes determined in accordance with subdivision 4, and (ii) an amount as determined by the assessor based upon the property's current year's estimated market value of like real estate at its highest and best use and the appropriate local tax rate; and

(2) multiplying the amount determined in clause (1) by the number of years the land was in the program under this section. The current year's estimated market value as determined by the assessor must not exceed the market value that would result if the property was sold in an arms-length transaction and must not be greater than it would have been had the actual bona fide sale price of the property been used in lieu of that market value. The additional taxes must be extended against the property on the tax list for the current year, except that interest or penalties must not be levied on these additional taxes if timely paid. The additional tax under this subdivision must not be imposed on that portion of the property which has actively been mined and has been removed from the program based upon the supplemental affidavits filed under subdivision 8.

Subd. 8. **Supplemental affidavits; mining activity on land.** When any portion of the property begins to be actively mined, the owner must file a supplemental affidavit within 60 days from the day any aggregate is removed stating the number of acres of the property that is actively being mined. The acres actively being mined shall be (1) valued and classified under section 273.13, subdivision 24, in the next subsequent assessment year, and (2) removed from the aggregate resource preservation property tax program under this section. The additional taxes under subdivision 7 must not be imposed on the acres that are actively being mined and have been removed from the program under this section. Copies of the original affidavit and all supplemental affidavits must be filed with the county assessor, the local zoning administrator, and the Department of Natural Resources, Division of Land and Minerals. A supplemental affidavit must be filed each time a subsequent portion of the property is actively mined, provided that the minimum acreage change is five acres, even if the actual mining activity constitutes less than five acres. Failure to file the affidavits timely shall result in the property losing its valuation deferment under this section, and additional taxes must be imposed as calculated under subdivision 7.

Subd. 9. **Lien.** The additional tax imposed by this section is a lien upon the property assessed to the same extent and for the same duration as other taxes imposed upon property within this state and, when collected, must be distributed in the manner provided by law for the collection and distribution of other property taxes.

Subd. 10. **Continuation of tax treatment upon sale.** When real property qualifying under subdivision 2 is sold, additional taxes must not be extended against the property if the property continues to qualify under subdivision 2, and the new owner files an application with the assessor for continued deferment within 30 days after the sale.

History: *2008 c 366 art 6 s 21; 2009 c 88 art 10 s 1; 2010 c 382 s 57,58*

273.112 PRIVATE OUTDOOR RECREATIONAL, OPEN SPACE AND PARK LAND TAX.

Subdivision 1. **Citation.** This section may be cited as the "Minnesota Open Space Property Tax Law."

Subd. 2. **Purpose.** The present general system of ad valorem property taxation in the state of Minnesota does not provide an equitable basis for the taxation of certain private outdoor recreational, open space and park land property and has resulted in excessive taxes on some of these lands. Therefore, it is hereby declared that the public policy of this state would be best served by equalizing tax burdens upon private outdoor, recreational, open space and park land within this state through appropriate taxing measures to encourage private development of these lands which would otherwise not occur or have to be provided by governmental authority.

Subd. 3. **Requirements.** Real estate shall be entitled to valuation and tax deferment under this section only if it is:

(a) actively and exclusively devoted to golf, skiing, lawn bowling, croquet, polo, or archery or firearms range recreational use or other recreational uses carried on at the establishment;

(b) five acres in size or more, except in the case of a lawn bowling or croquet green or an archery or firearms range;

(c)(1) operated by private individuals or, in the case of a lawn bowling or croquet green, by private individuals or corporations, and open to the public; or

(2) operated by firms or corporations for the benefit of employees or guests; or

(3) operated by private clubs having a membership of 50 or more or open to the public, provided that the club does not discriminate in membership requirements or selection on the basis of sex or marital status; and

(d) made available for use in the case of real estate devoted to golf without discrimination on the basis of sex during the time when the facility is open to use by the public or by members, except that use for golf may be restricted on the basis of sex no more frequently than one, or part of one, weekend each calendar month for each sex and no more than two, or part of two, weekdays each week for each sex.

If a golf club membership allows use of golf course facilities by more than one adult per membership, the use must be equally available to all adults entitled to use of the golf course under the membership, except that use may be restricted on the basis of sex as permitted in this section. Memberships that permit play during restricted times may be allowed only if the restricted times apply to all adults using the membership. A golf club may not offer a membership or golfing privileges to a spouse of a member that provides greater or less access to the golf course than is provided to that person's spouse under the same or a separate membership in that club, except that the terms of a membership may provide that one spouse may have no right to use the golf course at any time while the other spouse may have either limited or unlimited access to the golf course.

A golf club may have or create an individual membership category which entitles a member for a reduced rate to play during restricted hours as established by the club. The club must have on record a written request by the member for such membership.

A golf club that has food or beverage facilities or services must allow equal access to those facilities and services for both men and women members in all membership categories at all times. Nothing in this paragraph shall be construed to require service or access to facilities to persons under the age of 21 years or require any act that would violate law or ordinance regarding sale, consumption, or regulation of alcoholic beverages.

For purposes of this subdivision and subdivision 7a, discrimination means a pattern or course of conduct and not linked to an isolated incident.

Subd. 4. **Determination of value.** The value of any real estate described in subdivision 3 shall upon timely application by the owner, in the manner provided in subdivision 6, be determined solely with reference to its appropriate private outdoor, recreational, open space and park land classification and value notwithstanding sections 272.03, subdivision 8, and 273.11. In determining such value for ad valorem tax purposes the assessor shall not consider the value such real estate would have if it were converted to commercial, industrial, residential or seasonal residential use.

Subd. 4a. **Valuation if requirements not met.** Real estate devoted to golf and operated by a private club that does not meet the requirements of subdivision 3, and is not eligible for valuation and deferment under this section, must be valued for ad valorem tax purposes by the assessor as if it were converted to commercial, industrial, residential, or seasonal residential use and were platted and available for sale as individual parcels.

Subd. 5. **Separate determination of market value and tax.** The assessor shall, however, make a separate determination of the market value of such real estate. The tax based upon the appropriate local tax rate applicable to such property in the taxing district shall be recorded on the property assessment records.

Subd. 6. **Application.** Application for deferment of taxes and assessment under this section shall be made at least 60 days prior to January 2 of each year. Such application shall be filed with the assessor of the taxing district in which the real property is located on such form as may be prescribed by the commissioner of revenue. The assessor may require proof by affidavit or other written verification that the property qualifies under subdivision 3. In the case of property operated by private clubs pursuant to subdivision 3, clause (c)(3), in order to qualify for valuation and tax deferment under this section, the taxpayer must submit to the assessor proof by affidavit or other written verification that the bylaws or rules and regulations of the club meet the eligibility requirements provided under this section. The signed affidavit or other written verification shall be sufficient demonstration of eligibility for the assessor unless the county attorney determines otherwise.

The county assessor shall refer any question regarding the eligibility for valuation and deferment under this section to the county attorney for advice and opinion under section 388.051, subdivision 1. Upon request of the county attorney, the taxpayer shall furnish information that the county attorney considers necessary in order to determine eligibility under this section.

Real estate is not entitled to valuation and deferment under this section unless the county assessor has filed with the assessor's tax records prior to October 16 a statement that the application has been accepted.

Subd. 6a. **Guidelines issued by commissioner.** The commissioner of revenue shall develop and issue guidelines for qualification by private golf clubs under this section covering the access to and use of the golf course by members and other adults so as to be consistent with the purposes and terms of this section.

Subd. 7. **Additional taxes.** When real property which is being, or has been, valued and assessed under this section no longer qualifies under subdivision 3, the portion which no longer qualifies shall be subject to additional taxes, in the amount equal to the difference between the taxes determined in accordance with subdivision 4, and the amount determined under subdivision 5, provided, however, that the amount determined under subdivision 5 shall not be greater than it would have been had the actual bona fide sale price of the real property at an arm's-length transaction been used in lieu of the market value determined under subdivision 5. The additional taxes shall be extended against the property on the tax list for the current year, provided, however, that no interest or penalties shall be levied on the additional taxes if timely paid, and provided further, that the additional taxes shall only be levied with respect to the last seven years that the property has been valued and assessed under this section. This subdivision does not apply to real property that ceases to qualify under subdivision 3 because it is acquired by the state of Minnesota or a political subdivision, agency, or instrumentality of the state, provided that the property continues to be used for a qualifying purpose for at least five years from the date that the property was acquired.

Subd. 7a. **When additional taxes not imposed.** Notwithstanding subdivision 7, when real property ceases to qualify under subdivision 3 because of failure to comply with prohibitions against discrimination on the basis of sex, payment of additional taxes imposed under subdivision 7 is not required.

Subd. 8. **Lien.** The tax imposed by this section shall be a lien upon the property assessed to the same extent and for the same duration as other taxes imposed upon property within this state. The tax shall be annually extended by the county auditor and shall be collected and distributed in the manner provided by law for the collection and distribution of other property taxes.

Subd. 9. MS 1986 [Repealed, 1987 c 268 art 6 s 53]

Subd. 10. **Continuation of tax treatment upon transfer.** When title to real property qualifying under subdivision 3 is transferred, no additional taxes shall be extended against the property if (a) the property continues to qualify pursuant to subdivision 3 and (b) the purchaser files an application for continued deferment of taxes pursuant to subdivision 6 within 30 days after the sale.

History: *1969 c 1135 s 1; 1973 c 582 s 3; 1Sp1981 c 1 art 2 s 5; 1983 c 222 s 9,10; 1986 c 412 s 1-4; 1988 c 719 art 5 s 84; art 6 s 5,6; 1989 c 277 art 2 s 20,21; 1Sp1989 c 1 art 2 s 11; 1990 c 604 art 3 s 10; 1991 c 291 art 1 s 13; 1993 c 375 art 5 s 14,15; 1994 c 587 art 5 s 7; 1997 c 187 art 1 s 21; 1997 c 231 art 2 s 14-16; 1998 c 389 art 3 s 3-5; 1Sp2005 c 3 art 1 s 11; 2014 c 308 art 9 s 28*

273.113 TAX CREDIT FOR PROPERTY IN PROPOSED BOVINE TUBERCULOSIS MODIFIED ACCREDITED ZONE.

Subdivision 1. **Definitions.** For the purposes of this section, the following terms have the meanings given to them:

(1) "bovine tuberculosis modified accredited zone" means the modified accredited zone designated by the Board of Animal Health under section 35.244;

(2) "located within" means that the herd is kept in the area for at least a part of calendar year 2006, 2007, or 2008; and

(3) "animal" means cattle, bison, goats, and farmed Cervidae.

Subd. 2. **Eligibility; amount of credit.** Agricultural and rural vacant land classified under section 273.13, subdivision 23, located within a bovine tuberculosis modified accredited zone is eligible for a property tax credit equal to the greater of: (1) $5 per acre on the first 160 acres of the property where the herd had been located; or (2) an amount equal to $5 per acre times five acres times the highest number of animals tested on the property for bovine tuberculosis in a whole-herd test as reported by the Board of Animal Health in 2006, 2007, or 2008. The amount of the credit cannot exceed the property tax payable on the property where the herd had been located, excluding any tax attributable to residential structures. To begin to qualify for the tax credit, the owner shall file an application with the county by December 1 of the levy year. The credit must be given for each subsequent taxes payable year until the credit terminates under subdivision 4. The assessor shall indicate the amount of the property tax reduction on the property tax statement of each taxpayer receiving a credit under this section. The credit paid pursuant to this section shall be deducted from the tax due on the property as provided in section 273.1393.

Subd. 3. **Reimbursement for lost revenue.** The county auditor shall certify to the commissioner of revenue under section 270C.85, subdivision 2, clause (4), the amount of tax lost to the county from the property tax credit under subdivision 2. Any prior year adjustments must also be certified. The commissioner of revenue shall review the certifications to determine their accuracy. The commissioner may make the changes in the certification that are considered necessary or return a certification to the county auditor for corrections. The commissioner shall reimburse each taxing district, other than school districts, for the taxes lost. The payments must be made at the time provided in section 473H.10 for payment to taxing jurisdictions in the same proportion that the ad valorem tax is distributed. Reimbursements to school districts must be

made as provided in section 273.1392. The amount necessary to make the reimbursements under this section is annually appropriated from the general fund to the commissioner of revenue.

Subd. 4. **Termination of credit.** The credits provided under this section cease to be available beginning with taxes payable in the year following the date when the Board of Animal Health has certified that the state is free of bovine tuberculosis.

History: *2008 c 366 art 6 s 22; 2009 c 88 art 2 s 16,17; 2010 c 389 art 8 s 8; 1Sp2019 c 6 art 18 s 7*

273.114 RURAL PRESERVE PROPERTY TAX PROGRAM.

Subdivision 1. MS 2010 [Repealed, 2011 c 13 s 8]

Subd. 2. **Requirements.** Class 2b property that had been properly enrolled under section 273.111 for taxes payable in 2008, or that is part of an agricultural homestead under section 273.13, subdivision 23, paragraph (a), at least a portion of which is enrolled under section 273.111, is entitled to valuation and tax deferment under this section if:

(1) the property is contiguous to class 2a property enrolled under section 273.111 under the same ownership;

(2) there are no delinquent property taxes on the land; and

(3) the property is not also enrolled for valuation and deferment under section 273.111 or 273.112, or chapter 290C or 473H.

Subd. 3. **Determination of value.** Notwithstanding sections 272.03, subdivision 8, and 273.11, the value of any real estate that qualifies under subdivision 2 must, upon timely application by the owner in the manner provided in subdivision 5, not exceed the value prescribed by the commissioner of revenue for class 2a tillable property in that county. The house and garage, if any, and the immediately surrounding one acre of land and a minor, ancillary nonresidential structure, if any, shall be valued according to their appropriate value. In determining the value for ad valorem tax purposes, the assessor shall not consider the presence of commercial, industrial, residential, or seasonal recreational land use influences that may affect the value of real estate subject to this section.

Subd. 4. **Separate determination of market value and tax.** The assessor shall make a separate determination of the market value of the real estate based on its highest and best use. The tax based upon that value and the appropriate local tax rate applicable to the property in the taxing district shall be recorded on the property assessment records.

Subd. 5. **Application.** Application for deferment of taxes and assessment under this section shall be filed by May 1 of the year prior to the year in which the taxes are payable, provided that in calendar year 2011 the application must be filed before August 1. Any application filed under this subdivision and granted shall continue in effect for subsequent years until the property is withdrawn or no longer qualifies. The application must be filed with the assessor of the taxing district in which the real property is located on the form prescribed by the commissioner of revenue. Each application must include the most recent available aerial photograph or satellite image of the property provided by the Farm Service Agency of the United States Department of Agriculture or by the county geospatial information systems service that clearly delineates the land that is to be enrolled. The application form must contain a statement setting forth the consequences to the property owner of termination of qualification of property under the rural preserve program. The assessor may require proof by affidavit or otherwise that the property qualifies under subdivision 2.

Subd. 6. **Additional taxes.** (a) When real property which is being, or has been valued and assessed under this section is sold, transferred, or no longer qualifies under subdivision 2, the portion sold, transferred, or no longer qualifying shall be subject to additional taxes in the amount equal to the difference between the taxes determined in accordance with subdivision 3 and the amount determined under subdivision 4, provided that the amount determined under subdivision 4 shall not be greater than it would have been had the actual bona fide sale price of the real property at an arm's-length transaction been used in lieu of the market value determined under subdivision 4. The additional taxes shall be extended against the property on the tax list for taxes payable in the current year, provided that no interest or penalties shall be levied on the additional taxes if timely paid and provided that the additional taxes shall only be levied with respect to the current year plus two prior years that the property has been valued and assessed under this section.

(b) In the case of a sale or transfer, the additional taxes under paragraph (a) shall not be extended against the property if the new owner submits a successful application under this section by the later of May 1 of the current year or 30 days after the sale or transfer.

(c) For the purposes of this section, the following events do not constitute a sale or transfer for property that qualified under subdivision 2 prior to the event:

(1) death of a property owner when the surviving owners retain ownership of the property;

(2) divorce of a married couple when one of the spouses retains ownership of the property;

(3) marriage of a single property owner when that owner retains ownership of the property in whole or in part;

(4) the organization or reorganization of a farm ownership entity that is not prohibited from owning agricultural land in this state under section 500.24, if all owners maintain the same beneficial interest both before and after the organization or reorganization; and

(5) transfer of the property to a trust or trustee, provided that the individual owners of the property are the grantors of the trust and they maintain the same beneficial interest both before and after placement of the property in trust.

Subd. 7. **Lien.** The additional tax imposed by this section shall be a lien upon the property assessed to the same extent and for the same duration as other taxes imposed on the property in this state. The tax shall be annually extended by the county auditor and if and when payable shall be collected and distributed in the manner provided by law for the collection and distribution of other property taxes.

Subd. 8. **Special local assessments.** The payment of special local assessments levied after June 1, 2011, for improvements made to any real property described in subdivision 1 together with the interest thereon shall, on timely application as provided in subdivision 6, be deferred as long as the property meets the conditions contained in this section. If special assessments against the property have been deferred pursuant to this subdivision, the governmental unit shall file with the county recorder in the county in which the property is located a certificate containing the legal description of the affected property and of the amount deferred. When the property no longer qualifies under subdivision 1, all deferred special assessments plus interest shall be payable in equal installments spread over the time remaining until the last maturity date of the bonds issued to finance the improvement for which the assessments were levied. If the bonds have matured, the deferred special assessments plus interest shall be payable within 90 days. The provisions of section 429.061, subdivision 2, apply to the collection of these installments. A penalty shall not be levied

on these special assessments if timely paid. This subdivision does not apply to special assessments levied at any time by a county or district court under chapter 116A or by a watershed district under chapter 103D.

History: *2009 c 12 art 2 s 5; 2009 c 88 art 2 s 43; 2010 c 389 art 1 s 7-9; 2011 c 13 s 2-4,6; 2011 c 76 art 1 s 73-75; 2013 c 143 art 17 s 8*

273.115 MS 1986 [Repealed, 1987 c 268 art 6 s 53]

273.116 MS 1986 [Repealed, 1987 c 268 art 6 s 53]

273.117 CONSERVATION PROPERTY TAX VALUATION.

(a) The value of real property that is subject to a conservation restriction or easement must not be reduced by the assessor if:

(1) the restriction or easement is for a conservation purpose and is recorded on the property; and

(2) the property is being used in accordance with the terms of the conservation restriction or easement.

(b) This section does not apply to:

(1) conservation restrictions or easements covering riparian buffers along lakes, rivers, and streams that are used for water quantity or quality control;

(2) easements in a county that has adopted, by referendum, a program to protect farmland and natural areas since 1999;

(3) conservation restrictions or easements entered into prior to May 23, 2013; or

(4) conservation easements in a metropolitan county that has adopted, by resolution, a program to protect farmland or natural areas. A metropolitan county that has adopted a program to protect farmland or natural areas may, by resolution, authorize the assessor to consider the impact of the conservation easement on the property's value. For purposes of this clause, "metropolitan county" has the meaning given in section 473.121, subdivision 4.

History: *1Sp1981 c 1 art 2 s 6; 2008 c 154 art 13 s 27; 2013 c 143 art 4 s 17; 2014 c 150 art 4 s 5; 1Sp2025 c 13 art 2 s 6*

273.118 TAX PAID IN RECOGNITION OF CONGRESSIONAL MEDAL OF HONOR.

An owner of homestead property who submits to the commissioner of revenue a property tax statement and reasonable proof that the owner of the property:

(a) is a veteran as defined in section 197.447;

(b) was a resident of this state for at least six months before entering military service, or has been a resident of this state for five consecutive years before submitting the statement and proof; and

(c) has been awarded the Congressional Medal of Honor;

shall be paid by the commissioner of revenue, within 30 days after the commissioner receives the statement and proof, the amount of the owner's property tax liability as shown on the statement, up to $2,000. The surviving spouse of a property owner who has received a payment under this section may receive payment of property taxes under this section as long as the spouse continues to own and occupy the property for

which the taxes were paid under this section and the property continues to be a homestead. Property taxes paid under this section reduce property taxes payable for purposes of chapter 290A.

History: *1983 c 301 s 177; 1984 c 655 art 1 s 46; 1Sp1985 c 14 art 4 s 40; 1986 c 444*

273.119 CONSERVATION TAX CREDIT.

Subdivision 1. **Eligibility; amount of credit.** Land located in an agricultural preserve created under chapter 40A is eligible for a property tax credit of $1.50 per acre. To begin to qualify for the tax credit, the owner shall file with the county by January 2 of any year an application for an agricultural preserve restrictive covenant pursuant to section 40A.10, subdivision 1. An owner who has given notice of termination of the agricultural preserve under section 40A.11, subdivision 2, is not eligible for the credit. The assessor shall indicate the amount of the property tax reduction on the property tax statement of each taxpayer receiving a credit under this section. The credit paid pursuant to this section shall be deducted from the tax due on the property as provided in section 273.1393.

Subd. 2. **Reimbursement for lost revenue.** The county may transfer money from the county conservation account created in section 40A.152 to the county revenue fund to reimburse the fund for the cost of the property tax credit. The county auditor shall certify to the commissioner of revenue under section 270C.85, subdivision 2, clause (4), the amount of tax lost to the county from the property tax credit under subdivision 1 and the extent that the tax lost exceeds funds available in the county conservation account. Any prior year adjustments must also be certified. The commissioner of revenue shall review the certifications to determine their accuracy. The commissioner may make the changes in the certification that are considered necessary or return a certification to the county auditor for corrections. The commissioner shall reimburse each taxing district, other than school districts, from the Minnesota conservation fund under section 40A.151 for the taxes lost in excess of the county account. The payments must be made at the time provided in section 473H.10, subdivision 3, for payment to taxing jurisdictions in the same proportion that the ad valorem tax is distributed.

History: *1986 c 398 art 28 s 3; 1989 c 313 s 8,10; 1Sp1989 c 1 art 9 s 22; 1990 c 426 art 2 s 8; 1990 c 604 art 3 s 11; 1Sp2019 c 6 art 18 s 8*

273.1195 MS 1987 Supp [Repealed, 1988 c 719 art 5 s 81]

273.12 ASSESSMENT OF REAL PROPERTY.

It shall be the duty of every assessor and board, in estimating and determining the value of lands for the purpose of taxation, to consider and give due weight to every element and factor affecting the market value thereof, including its location with reference to roads and streets and the location of roads and streets thereon or over the same, and to take into consideration a reduction in the acreage of each tract or lot sufficient to cover the amount of land actually used for any improved public highway and the reduction in area of land caused thereby. It shall be the duty of every assessor and board, in estimating and determining the value of lands for the purpose of taxation, to consider and give due weight to lands which are comparable in character, quality, and location, to the end that all lands similarly located and improved will be assessed upon a uniform basis and without discrimination and, for agricultural lands, to consider and give recognition to its earning potential as measured by its free market rental rate.

When mineral, clay, or gravel deposits exist on a property, and their extent, quality, and costs of extraction are sufficiently well known so as to influence market value, such deposits shall be recognized in valuing the property; except for mineral and energy-resource deposits which are subject to taxation under section

298.015, and except for taconite and iron-sulphide deposits which are exempt from the general property tax under section 298.25.

History: *(1992-1) 1927 c 123; 1931 c 224 s 1; 1935 c 237 s 1; 1969 c 574 s 2; 1971 c 427 s 2; 1971 c 489 s 2; Ex1971 c 31 art 23 s 1; 1987 c 268 art 9 s 7; 1988 c 719 art 5 s 84; 1989 c 329 art 13 s 20; 1991 c 291 art 1 s 14; 1994 c 510 art 1 s 6; 1997 c 231 art 8 s 3*

273.121 VALUATION OF REAL PROPERTY, NOTICE.

Subdivision 1. **Notice.** Any county assessor or city assessor having the powers of a county assessor, valuing or classifying taxable real property shall in each year notify those persons whose property is to be included on the assessment roll that year if the person's address is known to the assessor, otherwise the occupant of the property. The notice shall be in writing and shall be sent by ordinary mail at least ten days before the meeting of the local board of appeal and equalization under section 274.01 or the review process established under section 274.13, subdivision 1c. Upon written request by the owner of the property, the assessor may send the notice in electronic form or by electronic mail instead of on paper or by ordinary mail. It shall contain: (1) the market value for the current and prior assessment; (2) the market value subject to taxation after subtracting the amount of any qualifying improvements for the current assessment; (3) the classification of the property for the current and prior assessment; (4) the assessor's office address; and (5) the dates, places, and times set for the meetings of the local board of appeal and equalization, the review process established under section 274.13, subdivision 1c, and the county board of appeal and equalization. If the classification of the property has changed between the current and prior assessments, a specific note to that effect shall be prominently listed on the statement. The commissioner of revenue shall specify the form of the notice. The assessor shall attach to the assessment roll a statement that the notices required by this section have been mailed. Any assessor who is not provided sufficient funds from the assessor's governing body to provide such notices, may make application to the commissioner of revenue to finance such notices. The commissioner of revenue shall conduct an investigation and, if satisfied that the assessor does not have the necessary funds, issue a certification to the commissioner of management and budget of the amount necessary to provide such notices. The commissioner of management and budget shall issue a payment for such amount and shall deduct such amount from any state payment to such county or municipality. The necessary funds to make such payments are hereby appropriated. Failure to receive the notice shall in no way affect the validity of the assessment, the resulting tax, the procedures of any board of review or equalization, or the enforcement of delinquent taxes by statutory means.

Subd. 2. **Availability of data.** The notice must state where the information on the property is available, the times when the information may be viewed by the public, and the county's website address.

Subd. 3. **Compliance.** A county assessor, or a city assessor having the powers of a county assessor, who does not comply with the timely notice requirement under subdivision 1 must:

(1) mail an additional valuation notice to each person who was not provided timely notice; and

(2) convene a supplemental local board of appeal and equalization or local review session no sooner than ten days after sending the additional notices required by clause (1).

History: *Ex1971 c 31 art 23 s 2; 1973 c 492 s 14; 1974 c 363 s 1; 1975 c 437 art 8 s 7; 1980 c 437 s 3; 1982 c 523 art 23 s 1; 1Sp1985 c 14 art 4 s 41; 1986 c 444; 1988 c 719 art 6 s 8; 1993 c 375 art 5 s 16; 1995 c 1 s 3; 1997 c 231 art 2 s 17; 1Sp2001 c 5 art 7 s 20; 2002 c 377 art 10 s 5; 2008 c 154 art 13 s 28; 2008 c 366 art 6 s 23; 2009 c 101 art 2 s 109; 1Sp2011 c 7 art 5 s 5; 1Sp2017 c 1 art 15 s 16; 1Sp2019 c 10 art 3 s 40; 2024 c 85 s 86*

273.122 MS 1979 Supp [Repealed, 1980 c 607 art 2 s 24]

273.123 MS 2006 [Repealed, 1Sp2007 c 2 art 3 s 12]

273.1231 TAX RELIEF FOR DESTROYED PROPERTY; DEFINITIONS.

Subdivision 1. **Applicability.** For purposes of sections 273.1231 to 273.1235, the following words, terms, and phrases have the meanings given them in this section unless the language or context clearly indicates that a different meaning is intended.

Subd. 2. **Disaster or emergency.** "Disaster or emergency" means:

(1) a major disaster as determined by the president of the United States;

(2) a natural disaster as determined by the secretary of agriculture;

(3) a disaster as determined by the administrator of the Small Business Administration; or

(4) a tornado, storm, flood, earthquake, landslide, explosion, fire, or similar catastrophe, as a result of which a local emergency is declared pursuant to section 12.29.

Subd. 3. **Disaster or emergency area.** (a) "Disaster or emergency area" means a geographic area for which:

(1)(i) the president of the United States, the secretary of agriculture, or the administrator of the Small Business Administration has determined that a disaster exists pursuant to federal law, or

(ii) a local emergency has been declared pursuant to section 12.29; and

(2) an application by the local unit of government requesting property tax relief under this section has been received by the governor and approved by the executive council.

(b) The executive council must not approve an application unless:

(1) a completed disaster survey is included; and

(2) within the boundaries of the applicant, (i) the average damage for the buildings that are damaged is at least $5,000, and (ii) either at least 25 taxable buildings were damaged, or the total dollar amount of damage to all taxable buildings equals or exceeds one percent of the total taxable market value of buildings for the applicant as reported to the commissioner of revenue under section 270C.85, subdivision 2, clause (4), for the assessment in the year prior to the year of the damage.

Subd. 4. **Homestead property.** "Homestead property" means a homestead dwelling that is classified as class 1a, 1b, or 2a property or a manufactured home or sectional home used as a homestead and taxed pursuant to section 273.125, subdivision 8, paragraph (b), (c), or (d).

Subd. 5. **Nonhomestead property.** "Nonhomestead property" means any class of taxable real or personal property except homestead property and property that is required by law to be appraised for property tax purposes by the commissioner of revenue.

Subd. 6. **Net tax.** "Net tax" means the market value and net tax capacity taxes imposed on real and personal property under section 272.01, including the levy under section 275.025, after the subtractions listed in section 273.1393, clauses (2) to (9). Net tax excludes special assessments regardless of how computed.

Subd. 7. **Reassessed market value.** "Reassessed market value" means the taxable market value of the property established for the January 2 assessment in the year that the disaster or destruction occurs, as adjusted by the county assessor or the commissioner of revenue to reflect the loss in market value caused by the damage.

Subd. 8. **Utility property.** "Utility property" means property appraised and classified for tax purposes by order of the commissioner of revenue under sections 273.33 to 273.3711.

History: *1Sp2007 c 2 art 3 s 6; 2008 c 366 art 15 s 4,5; 2009 c 88 art 10 s 2; 2011 c 112 art 7 s 1; 1Sp2019 c 6 art 18 s 9*

273.1232 TAX RELIEF FOR DESTROYED PROPERTY; GENERAL PROVISIONS.

Subdivision 1. **Reassessments required.** For the purposes of sections 273.1231 to 273.1235, the county assessor must reassess all damaged property in a disaster or emergency area, except that the commissioner of revenue shall reassess all property for which an application is submitted to the commissioner under section 273.1233 or 273.1235. As soon as practical, the assessor or commissioner of revenue must report the reassessed value to the county auditor.

Subd. 2. **Local tax rates.** Except as otherwise required by law, the county auditor must compute local tax rates for taxes payable in the year following the year in which the damage occurred using the values established for the January 2 assessment.

History: *1Sp2007 c 2 art 3 s 7; 2008 c 366 art 15 s 6*

273.1233 TAX RELIEF FOR DESTROYED PROPERTY; LOCAL OPTION DISASTER ABATEMENT.

Subdivision 1. **Abatement authorization.** (a) Notwithstanding section 375.192, a county board may grant an abatement of net tax for homestead and nonhomestead property under the provisions of this paragraph for taxes payable in the year in which the destruction occurs if:

(1) the owner submits a written application to the county assessor as soon as practical after the damage has occurred;

(2) the owner submits a written application to the county board as soon as practical after the damage has occurred; and

(3) the county assessor determines that 50 percent or more of a homestead dwelling or other building has been (i) unintentionally or accidentally destroyed, or (ii) destroyed by arson or vandalism by someone other than the owner.

Abatements granted under this paragraph are not subject to approval by the commissioner of revenue.

(b) Notwithstanding sections 270C.86 and 375.192, the commissioner of revenue may grant an abatement of net tax for utility property for taxes payable in the year in which the destruction occurs if:

(1) the owner submits a written application to the commissioner as soon as practical after the damage has occurred;

(2) the owner forwards a copy of the written application to the county board as soon as practical after the damage has occurred; and

(3) the commissioner determines that 50 percent or more of the property has been (i) unintentionally or accidentally destroyed, or (ii) destroyed by arson or vandalism by someone other than the owner.

Abatements granted under this paragraph are not subject to approval by the county board of the county where the property is located.

Subd. 2. **Abatement limits and allowances.** (a) In the case of a property located within a disaster or emergency area, the abatement under this section is limited to the difference between (i) the net tax on the property computed using the market value of the property established for the January 2 assessment in the year in which the damage occurred, and (ii) the net tax computed using the reassessed value.

(b) In the case of property not located in a disaster or emergency area, the abatement under this section is limited to the result obtained by multiplying the difference in the net tax on the property computed using the market value of the property established for the January 2 assessment in the year in which the damage occurred, and the net tax computed using the reassessed value, times a fraction, the numerator of which is the number of months in the assessment year that the structure was not usable and the denominator of which is 12. If a structure was usable for a fraction of a month, that month is not included in the numerator.

(c) If application is made after payment of all or a portion of the taxes being abated, the portion already paid shall be refunded to the taxpayer by the county treasurer as soon as practical.

Subd. 3. **Reimbursement, levy, and appropriation.** (a) If the destruction occurs as a result of a disaster or emergency and the property is located in a disaster or emergency area, the county auditor shall certify the abatements granted under this section to the commissioner of revenue for reimbursement to each taxing jurisdiction in which the damaged property is located. The commissioner shall make the payments to the taxing jurisdictions containing the property, other than school districts and the state, at the time distributions are made under section 473H.10, subdivision 3. Reimbursements to school districts shall be made as provided in section 273.1392. No reimbursement is to be paid to the state treasury.

(b) Local taxing authorities may levy in the following year the amount of unreimbursed tax dollars lost as a result of the reductions granted pursuant to this section and sections 273.1234 and 273.1235 outside of any statutory restriction as to levy amount or tax rate.

(c) There is annually appropriated from the general fund to the commissioner of revenue an amount necessary to make the payments required by this section.

History: *1Sp2007 c 2 art 3 s 8; 2008 c 366 art 15 s 7,8*

273.1234 TAX RELIEF FOR DESTROYED PROPERTY; HOMESTEAD AND DISASTER CREDITS.

Subdivision 1. **Credit provided.** The county auditor shall compute a credit for taxes payable in the year following the year in which the damage or destruction occurred for each reassessed homestead property within the county that is located within a disaster or emergency area. The credit is equal to the difference in the net tax on the property computed using the market value of the property established for the January 2 assessment in the year in which the damage occurred and as computed using the reassessed value.

Subd. 2. **Credit reimbursements.** The county auditor shall certify the credits granted under this section to the commissioner of revenue for reimbursement to each taxing jurisdiction in which the damaged property is located. The commissioner shall make the payments to the taxing jurisdictions containing the property, other than school districts and the state, at the time distributions are made under section 473H.10, subdivision 3. Reimbursements to school districts shall be made as provided in section 273.1392.

Subd. 3. **Appropriation.** There is annually appropriated from the general fund to the commissioner of revenue an amount necessary to make the payments required by this section.

History: *1Sp2007 c 2 art 3 s 9; 2008 c 366 art 15 s 9*

273.1235 TAX RELIEF FOR DESTROYED PROPERTY; LOCAL OPTION DISASTER CREDITS.

Subdivision 1. **Credit provided.** The county board may grant a credit for taxes payable in the year following the year in which the damage or destruction occurred for: (1) homestead property that meets all the requirements under section 273.1233, subdivision 1, paragraph (a), but that does not qualify for a credit under section 273.1234, except that an application need only be submitted by the end of the year in which the damage occurred; and (2) nonhomestead and utility property that meets all the requirements under section 273.1233, subdivision 1, paragraph (b), except that an application need only be submitted by the end of the year in which the damage occurred.

Subd. 2. **Credit calculation.** In the case of a property located within a disaster or emergency area, the credit is equal to the difference between (i) the net tax on the property computed using the market value of the property established for the January 2 assessment in the year in which the damage occurred, and (ii) the net tax computed using the reassessed value. In the case of property not located in a disaster or emergency area, the credit under this section is equal to the result obtained by multiplying the difference in the net tax on the property computed using the market value of the property established for the January 2 assessment in the year in which the damage occurred, and the net tax computed using the reassessed value, times a fraction, the numerator of which is the number of months in the assessment year that the structure was not usable and the denominator of which is 12. If a structure was usable for a fraction of a month, that month is not included in the numerator.

Subd. 3. **Credit reimbursements.** The county auditor shall certify the credits granted under this section for property within a disaster or emergency area to the commissioner of revenue for reimbursement to each taxing jurisdiction in which the damaged property is located. The commissioner shall make the payments to the taxing jurisdictions containing the property, other than school districts and the state, at the time distributions are made under section 473H.10, subdivision 3. Reimbursements to school districts shall be made as provided in section 273.1392. No reimbursement is to be made for credits to property not located in a disaster or emergency area.

Subd. 4. **Appropriation.** There is annually appropriated from the general fund to the commissioner of revenue an amount necessary to make the payments required by this section.

History: *1Sp2007 c 2 art 3 s 10; 2008 c 366 art 15 s 10,11*

CLASSIFICATION

273.124 HOMESTEAD DETERMINATION; SPECIAL RULES.

Subdivision 1. **General rule.** (a) Residential real estate that is occupied and used for the purposes of a homestead by its owner, who must be a Minnesota resident, is a residential homestead.

Agricultural land, as defined in section 273.13, subdivision 23, that is occupied and used as a homestead by its owner, who must be a Minnesota resident, is an agricultural homestead.

Dates for establishment of a homestead and homestead treatment provided to particular types of property are as provided in this section.

Property held by a trustee under a trust is eligible for homestead classification if the requirements under this chapter are satisfied.

The assessor shall require proof, as provided in subdivision 13, of the facts upon which classification as a homestead may be determined. Notwithstanding any other law, the assessor may at any time require a homestead application to be filed in order to verify that any property classified as a homestead continues to be eligible for homestead status. Notwithstanding any other law to the contrary, the Department of Revenue may, upon request from an assessor, verify whether an individual who is requesting or receiving homestead classification has filed a Minnesota income tax return as a resident for the most recent taxable year for which the information is available.

When there is a name change or a transfer of homestead property, the assessor may reclassify the property in the next assessment unless a homestead application is filed to verify that the property continues to qualify for homestead classification.

(b) For purposes of this section, homestead property shall include property which is used for purposes of the homestead but is separated from the homestead by a road, street, lot, waterway, or other similar intervening property. The term "used for purposes of the homestead" shall include but not be limited to uses for gardens, garages, or other outbuildings commonly associated with a homestead, but shall not include vacant land held primarily for future development. In order to receive homestead treatment for the noncontiguous property, the owner must use the property for the purposes of the homestead, and must apply to the assessor, both by the deadlines given in subdivision 9. After initial qualification for the homestead treatment, additional applications for subsequent years are not required.

(c) Residential real estate that is occupied and used for purposes of a homestead by a relative of the owner is a homestead but only to the extent of the homestead treatment that would be provided if the related owner occupied the property. For purposes of this paragraph and paragraph (g), "relative" means a parent, stepparent, child, stepchild, grandparent, grandchild, brother, sister, uncle, aunt, nephew, or niece. This relationship may be by blood or marriage. Property that has been classified as seasonal residential recreational property at any time during which it has been owned by the current owner or spouse of the current owner will not be reclassified as a homestead unless it is occupied as a homestead by the owner; this prohibition also applies to property that, in the absence of this paragraph, would have been classified as seasonal residential recreational property at the time when the residence was constructed. Neither the related occupant nor the owner of the property may claim a property tax refund under chapter 290A for a homestead occupied by a relative. In the case of a residence located on agricultural land, only the house, garage, and immediately surrounding one acre of land shall be classified as a homestead under this paragraph, except as provided in paragraph (d).

(d) Agricultural property that is occupied and used for purposes of a homestead by a relative of the owner, is a homestead, only to the extent of the homestead treatment that would be provided if the related owner occupied the property, and only if all of the following criteria are met:

(1) the relative who is occupying the agricultural property is a grandchild, child, sibling, parent, grandparent, stepparent, stepchild, uncle, aunt, nephew, or niece of the owner of the agricultural property or of the spouse of the owner;

(2) the owner of the agricultural property must be a Minnesota resident;

(3) the owner of the agricultural property must not receive homestead treatment on any other agricultural property in Minnesota; and

(4) the owner of the agricultural property is limited to only one agricultural homestead per family under this paragraph.

Neither the related occupant nor the owner of the property may claim a property tax refund under chapter 290A for a homestead occupied by a relative qualifying under this paragraph. For purposes of this paragraph, "agricultural property" means the house, garage, other farm buildings and structures, and agricultural land.

Application must be made to the assessor by the owner of the agricultural property to receive homestead benefits under this paragraph. The assessor may require the necessary proof that the requirements under this paragraph have been met.

(e) In the case of property owned by a property owner who is married, the assessor must not deny homestead treatment in whole or in part if only one of the spouses occupies the property and the other spouse is absent due to: (1) marriage dissolution proceedings, (2) legal separation, (3) employment or self-employment in another location, or (4) other personal circumstances causing the spouses to live separately, not including an intent to obtain two homestead classifications for property tax purposes. To qualify under clause (3), the spouse's place of employment or self-employment must be at least 50 miles distant from the other spouse's place of employment, and the homesteads must be at least 50 miles distant from each other.

(f) The assessor must not deny homestead treatment in whole or in part if:

(1) in the case of a property owner who is not married, the owner is absent due to residence in a nursing home, boarding care facility, or an elderly assisted living facility property as defined in section 273.13, subdivision 25a, and the property is not otherwise occupied; or

(2) in the case of a property owner who is married, the owner or the owner's spouse or both are absent due to residence in a nursing home, boarding care facility, or an elderly assisted living facility property as defined in section 273.13, subdivision 25a, and the property is not occupied or is occupied only by the owner's spouse.

(g) If an individual is purchasing property with the intent of claiming it as a homestead and is required by the terms of the financing agreement to have a relative shown on the deed as a co-owner, the assessor shall allow a full homestead classification. This provision only applies to first-time purchasers, whether married or single, or to a person who had previously been married and is purchasing as a single individual for the first time. The application for homestead benefits must be on a form prescribed by the commissioner and must contain the data necessary for the assessor to determine if full homestead benefits are warranted.

(h) If residential or agricultural real estate is occupied and used for purposes of a homestead by a child of a deceased owner and the property is subject to jurisdiction of probate court, the child shall receive relative homestead classification under paragraph (c) or (d) to the same extent they would be entitled to it if the owner was still living, until the probate is completed. For purposes of this paragraph, "child" includes a relationship by blood or by marriage.

(i) If a single-family home, duplex, or triplex classified as either residential homestead or agricultural homestead is also used to provide licensed child care, the portion of the property used for licensed child care must be classified as a part of the homestead property.

Subd. 2. **Planned communities; common elements; condominiums; cooperatives.** (a) The total value of planned community common elements, as defined in chapter 515B, including the value added as provided in this paragraph, must have the benefit of homestead treatment or other special classification if the unit in the planned community otherwise qualifies. The value of a planned community unit, as defined in chapter

515B, must be increased by the value added by the right to use any common elements in connection with the planned community. The common elements of the development must not be separately taxed.

(b) Condominium property qualifying as a homestead under section 515A.1-105 and property owned by a cooperative association that qualifies as a homestead must have the benefit of homestead treatment or other special classification if the condominium or cooperative association property otherwise qualifies.

(c) If a unit in a common interest community is owned by the occupant and used for the purposes of a homestead but is located upon land which is leased, that leased land must be valued and assessed as if it were homestead property within class 1 if all of the following criteria are met:

(1) the occupant is using the unit as a permanent residence;

(2) the occupant or the cooperative association is paying the ad valorem property taxes and any special assessments levied against the land and structure;

(3) the occupant or the cooperative association has signed a land lease; and

(4) the term of the land lease is at least 50 years, notwithstanding the fact that the amount of the rental payment may be renegotiated at shorter intervals.

Subd. 3. **Cooperatives and charitable corporations; homestead and other property.** (a) When property is owned by a corporation or association organized under chapter 308A, 308B, or 308C, and each person who owns a share or shares in the corporation or association is entitled to occupy a building on the property, or a unit within a building on the property, the corporation or association may claim homestead treatment for each dwelling, or for each unit in the case of a building containing several dwelling units, or for the part of the value of the building occupied by a shareholder. Each building or unit must be designated by legal description or number. The net tax capacity of each building or unit that qualifies for assessment as a homestead under this subdivision must include not more than one-half acre of land, if platted, nor more than 80 acres if unplatted. The net tax capacity of the property is the sum of the net tax capacities of each of the respective buildings or units comprising the property, including the net tax capacity of each unit's or building's proportionate share of the land and any common buildings. To qualify for the treatment provided by this subdivision, the corporation or association must be wholly owned by persons having a right to occupy a building or unit owned by the corporation or association. A charitable corporation organized under the laws of Minnesota and not otherwise exempt thereunder with no outstanding stock qualifies for homestead treatment with respect to member residents of the dwelling units who have purchased and hold residential participation warrants entitling them to occupy the units.

(b) To the extent provided in paragraph (a), a cooperative or corporation organized under chapter 308A, 308B, or 308C may obtain separate assessment and valuation, and separate property tax statements for each residential homestead, residential nonhomestead, or for each seasonal residential recreational building or unit not used for commercial purposes. The appropriate classification rates under section 273.13 shall be applicable as if each building or unit were a separate tax parcel; provided, however, that the tax parcel which exists at the time the cooperative or corporation makes application under this subdivision shall be a single parcel for purposes of property taxes or the enforcement and collection thereof, other than as provided in paragraph (a) or this paragraph.

(c) A member of a corporation or association may initially obtain the separate assessment and valuation and separate property tax statements, as provided in paragraph (b), by applying to the assessor by June 30 of the assessment year.

(d) When a building, or dwelling units within a building, no longer qualify under paragraph (a) or (b), the current owner must notify the assessor within 30 days. Failure to notify the assessor within 30 days shall result in the loss of benefits under paragraph (a) or (b) for taxes payable in the year that the failure is discovered. For these purposes, "benefits under paragraph (a) or (b)" means the difference in the net tax capacity of the building or units which no longer qualify as computed under paragraph (a) or (b) and as computed under the otherwise applicable law, times the local tax rate applicable to the building for that taxes payable year. Upon discovery of a failure to notify, the assessor shall inform the auditor of the difference in net tax capacity for the building or buildings in which units no longer qualify, and the auditor shall calculate the benefits under paragraph (a) or (b). Such amount, plus a penalty equal to 100 percent of that amount, shall then be demanded of the building's owner. The property owner may appeal the county's determination by serving copies of a petition for review with county officials as provided in section 278.01 and filing a proof of service as provided in section 278.01 with the Minnesota Tax Court within 60 days of the date of the notice from the county. The appeal shall be governed by the Tax Court procedures provided in chapter 271, for cases relating to the tax laws as defined in section 271.01, subdivision 5; disregarding sections 273.125, subdivision 5, and 278.03, but including section 278.05, subdivision 2. If the amount of the benefits under paragraph (a) or (b) and penalty are not paid within 60 days, and if no appeal has been filed, the county auditor shall certify the amount of the benefit and penalty to the succeeding year's tax list to be collected as part of the property taxes on the affected property.

[See Note.]

Subd. 3a. **Manufactured home park cooperative.** (a) When a manufactured home park is owned by a corporation or association organized under chapter 308A, 308B, or 308C, and each person who owns a share or shares in the corporation or association is entitled to occupy a lot within the park, the corporation or association may claim homestead treatment for the park. Each lot must be designated by legal description or number, and each lot is limited to not more than one-half acre of land.

(b) The manufactured home park shall be entitled to homestead treatment if all of the following criteria are met:

(1) the occupant or the cooperative corporation or association is paying the ad valorem property taxes and any special assessments levied against the land and structure either directly, or indirectly through dues to the corporation or association; and

(2) the corporation or association organized under chapter 308A, 308B, or 308C is wholly owned by persons having a right to occupy a lot owned by the corporation or association.

(c) A charitable corporation, organized under the laws of Minnesota with no outstanding stock, and granted a ruling by the Internal Revenue Service for 501(c)(3) tax-exempt status, qualifies for homestead treatment with respect to a manufactured home park if its members hold residential participation warrants entitling them to occupy a lot in the manufactured home park.

(d) "Homestead treatment" under this subdivision means the classification rate provided for class 4c property classified under section 273.13, subdivision 25, paragraph (d), clause (5), item (ii), and the homestead market value exclusion under section 273.13, subdivision 35, does not apply.

[See Note.]

Subd. 4. **Nonprofit corporations.** When a building containing several dwelling units is owned by an entity organized under chapter 317A and operating as a nonprofit corporation which enters into membership agreements with persons under which they are entitled to life occupancy in a unit in the building, homestead

classification must be given to each unit so occupied and the entire building must be assessed in the manner provided in subdivision 3 for cooperatives and charitable corporations.

Subd. 5. **Continuing care facilities.** When a building containing several dwelling units is owned by an entity which is regulated under the provisions of chapter 80D and operating as a continuing care facility enters into residency agreements with persons who occupy a unit in the building and the residency agreement entitles the resident to occupancy in the building after personal assets are exhausted and regardless of ability to pay the monthly maintenance fee, homestead classification shall be given to each unit so occupied and the entire building shall be assessed in the manner provided in subdivision 3 for cooperatives and charitable corporations.

Subd. 6. **Leasehold cooperatives.** When one or more dwellings or one or more buildings which each contain several dwelling units is owned by a nonprofit corporation subject to the provisions of chapter 317A and qualifying under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code, or a limited partnership which corporation or partnership operates the property in conjunction with a cooperative association, and has received public financing, homestead treatment may be claimed by the cooperative association on behalf of the members of the cooperative for each dwelling unit occupied by a member of the cooperative. The cooperative association must provide the assessor with the Social Security numbers or individual taxpayer identification numbers of those members. To qualify for the treatment provided by this subdivision, the following conditions must be met:

(a) the cooperative association must be organized under chapter 308A, 308B, or 308C and all voting members of the board of directors must be resident tenants of the cooperative and must be elected by the resident tenants of the cooperative;

(b) the cooperative association must have a lease for occupancy of the property for a term of at least 20 years, which permits the cooperative association, while not in default on the lease, to participate materially in the management of the property, including material participation in establishing budgets, setting rent levels, and hiring and supervising a management agent;

(c) to the extent permitted under state or federal law, the cooperative association must have a right under a written agreement with the owner to purchase the property if the owner proposes to sell it; if the cooperative association does not purchase the property it is offered for sale, the owner may not subsequently sell the property to another purchaser at a price lower than the price at which it was offered for sale to the cooperative association unless the cooperative association approves the sale;

(d) a minimum of 40 percent of the cooperative association's members must have incomes at or less than 60 percent of area median gross income as determined by the United States Secretary of Housing and Urban Development under section 142(d)(2)(B) of the Internal Revenue Code. For purposes of this clause, "member income" means the income of a member existing at the time the member acquires cooperative membership;

(e) if a limited partnership owns the property, it must include as the managing general partner a nonprofit organization operating under the provisions of chapter 317A and qualifying under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code and the limited partnership agreement must provide that the managing general partner have sufficient powers so that it materially participates in the management and control of the limited partnership;

(f) prior to becoming a member of a leasehold cooperative described in this subdivision, a person must have received notice that (1) describes leasehold cooperative property in plain language, including but not limited to the effects of classification under this subdivision on rents, property taxes and tax credits or

refunds, and operating expenses, and (2) states that copies of the articles of incorporation and bylaws of the cooperative association, the lease between the owner and the cooperative association, a sample sublease between the cooperative association and a tenant, and, if the owner is a partnership, a copy of the limited partnership agreement, can be obtained upon written request at no charge from the owner, and the owner must send or deliver the materials within seven days after receiving any request;

(g) if a dwelling unit of a building was occupied on the 60th day prior to the date on which the unit became leasehold cooperative property described in this subdivision, the notice described in paragraph (f) must have been sent by first class mail to the occupant of the unit at least 60 days prior to the date on which the unit became leasehold cooperative property. For purposes of the notice under this paragraph, the copies of the documents referred to in paragraph (f) may be in proposed version, provided that any subsequent material alteration of those documents made after the occupant has requested a copy shall be disclosed to any occupant who has requested a copy of the document. Copies of the articles of incorporation and certificate of limited partnership shall be filed with the secretary of state after the expiration of the 60-day period unless the change to leasehold cooperative status does not proceed;

(h) the county attorney of the county in which the property is located must certify to the assessor that the property meets the requirements of this subdivision;

(i) the public financing received must be from at least one of the following sources:

(1) tax increment financing proceeds used for the acquisition or rehabilitation of the building or interest rate write-downs relating to the acquisition of the building;

(2) government issued bonds exempt from taxes under section 103 of the Internal Revenue Code, the proceeds of which are used for the acquisition or rehabilitation of the building;

(3) programs under section 221(d)(3), 202, or 236, of Title II of the National Housing Act;

(4) rental housing program funds under Section 8 of the United States Housing Act of 1937, as amended, or the market rate family graduated payment mortgage program funds administered by the Minnesota Housing Finance Agency that are used for the acquisition or rehabilitation of the building;

(5) low-income housing credit under section 42 of the Internal Revenue Code;

(6) public financing provided by a local government used for the acquisition or rehabilitation of the building, including grants or loans from (i) federal community development block grants; (ii) HOME block grants; or (iii) residential rental bonds issued under chapter 474A; or

(7) other rental housing program funds provided by the Minnesota Housing Finance Agency for the acquisition or rehabilitation of the building;

(j) at the time of the initial request for homestead classification or of any transfer of ownership of the property, the governing body of the municipality in which the property is located must hold a public hearing and make the following findings:

(1) that the granting of the homestead treatment of the apartment's units will facilitate safe, clean, affordable housing for the cooperative members that would otherwise not be available absent the homestead designation;

(2) that the owner has presented information satisfactory to the governing body showing that the savings garnered from the homestead designation of the units will be used to reduce tenant's rents or provide a level of furnishing or maintenance not possible absent the designation; and

(3) that the requirements of paragraphs (b), (d), and (i) have been met.

Homestead treatment must be afforded to units occupied by members of the cooperative association and the units must be assessed as provided in subdivision 3, provided that any unit not so occupied shall be classified and assessed pursuant to the appropriate class. No more than three acres of land may, for assessment purposes, be included with each dwelling unit that qualifies for homestead treatment under this subdivision.

When dwelling units no longer qualify under this subdivision, the current owner must notify the assessor within 60 days. Failure to notify the assessor within 60 days shall result in the loss of benefits under this subdivision for taxes payable in the year that the failure is discovered. For these purposes, "benefits under this subdivision" means the difference in the net tax capacity of the units which no longer qualify as computed under this subdivision and as computed under the otherwise applicable law, times the local tax rate applicable to the building for that taxes payable year. Upon discovery of a failure to notify, the assessor shall inform the auditor of the difference in net tax capacity for the building or buildings in which units no longer qualify, and the auditor shall calculate the benefits under this subdivision. Such amount, plus a penalty equal to 100 percent of that amount, shall then be demanded of the building's owner. The property owner may appeal the county's determination by serving copies of a petition for review with county officials as provided in section 278.01 and filing a proof of service as provided in section 278.01 with the Minnesota Tax Court within 60 days of the date of the notice from the county. The appeal shall be governed by the Tax Court procedures provided in chapter 271, for cases relating to the tax laws as defined in section 271.01, subdivision 5; disregarding sections 273.125, subdivision 5, and 278.03, but including section 278.05, subdivision 2. If the amount of the benefits under this subdivision and penalty are not paid within 60 days, and if no appeal has been filed, the county auditor shall certify the amount of the benefit and penalty to the succeeding year's tax list to be collected as part of the property taxes on the affected buildings.

[See Note.]

Subd. 6a. **Preliminary approval of leasehold cooperatives.** Preliminary approval for classification as a leasehold cooperative may be granted to property when a developer proposes to construct one or more residential dwellings or buildings using funds provided by the Minnesota Housing Finance Agency if all of the following conditions are met:

(a) The developer must present an affidavit to the county attorney and to the governing body of the municipality that includes a statement of the developer's intention to comply with all requirements in subdivision 6 and a detailed description of the plan for doing so.

(b) The commissioner of the Minnesota Housing Finance Agency must provide the county attorney and governing body with a description of the financing and related terms the commissioner proposes to provide with respect to the project, together with an objective assessment of the likelihood that the project will comply with the requirements of subdivision 6.

(c) The county attorney must review the materials provided under paragraphs (a) and (b), and may require the developer or the Minnesota Housing Finance Agency to provide additional information. If the county attorney determines that it is reasonably likely that the project will meet the requirements of this subdivision, the county attorney shall provide preliminary approval to treatment of the property as a leasehold cooperative.

(d) The governing body shall conduct a public hearing as provided in subdivision 6, paragraph (j), and make its preliminary findings based on the information provided by the developer and the Minnesota Housing Finance Agency.

Upon completion of the project and creation of the leasehold cooperative, actual compliance with the requirements of this subdivision must be demonstrated, and certified by the county attorney. A second hearing by the governing body is not required.

If the county attorney finds that the homestead treatment granted pursuant to a preliminary approval under this subdivision must be revoked because the completed project failed to meet the requirements of this subdivision, the benefits of the treatment shall be recaptured. The county assessor shall determine the amount by which the tax imposed on the property was reduced because it was treated as a leasehold cooperative. The developer shall be charged an amount equal to the tax reduction received or, if the county attorney determines that the failure to meet the requirements was due to the developer's intentional disregard of the requirements, 150 percent of the tax reduction received. The penalty must be paid to the county treasurer within 90 days after receipt of a statement from the treasurer. The proceeds of the penalty shall be distributed to the local taxing jurisdictions in proportion to the amounts of their levies on the property.

Subd. 7. **Leased buildings or land.** For purposes of class 1 determinations, homesteads include:

(a) buildings and appurtenances owned and used by the occupant as a permanent residence which are located upon land the title to which is vested in a person or entity other than the occupant;

(b) all buildings and appurtenances located upon land owned by the occupant and used for the purposes of a homestead together with the land upon which they are located, if all of the following criteria are met:

(1) the occupant is using the property as a permanent residence;

(2) the occupant is paying the property taxes and any special assessments levied against the property;

(3) the occupant has signed a lease which has an option to purchase the buildings and appurtenances;

(4) the term of the lease is at least five years; and

(5) the occupant has made a down payment of at least $5,000 in cash if the property was purchased by means of a contract for deed or subject to a mortgage;

(c) all buildings and appurtenances and the land upon which they are located that are used for purposes of a homestead, if all of the following criteria are met:

(1) the land is owned by a utility, which maintains ownership of the land in order to facilitate compliance with the terms of its hydroelectric project license from the federal Energy Regulatory Commission;

(2) the land is leased for a term of 20 years or more;

(3) the occupant is using the property as a permanent residence; and

(4) the occupant is paying the property taxes and any special assessments levied against the property.

Any taxpayer meeting all the requirements of this paragraph must notify the county assessor, or the assessor who has the powers of the county assessor pursuant to section 273.063, in writing, as soon as possible after signing the lease agreement and occupying the buildings as a homestead.

Subd. 8. **Homestead owned by or leased to family farm corporation, joint farm venture, limited liability company, or partnership.** (a) Each family farm corporation; each joint family farm venture; and each limited liability company or partnership which operates a family farm; is entitled to class 1b under section 273.13, subdivision 22, paragraph (b), or class 2a assessment for one homestead occupied by a shareholder, member, or partner thereof who is residing on the land, and actively engaged in farming of the

land owned by the family farm corporation, joint family farm venture, limited liability company, or partnership. Homestead treatment applies even if:

(1) legal title to the property is in the name of the family farm corporation, joint family farm venture, limited liability company, or partnership, and not in the name of the person residing on it; or

(2) the family farm is operated by a family farm corporation, joint family farm venture, partnership, or limited liability company other than the family farm corporation, joint family farm venture, partnership, or limited liability company that owns the land, provided that:

(i) the shareholder, member, or partner residing on and actively engaged in farming the land is a shareholder, member, or partner of the family farm corporation, joint family farm venture, partnership, or limited liability company that is operating the farm; and

(ii) more than half of the shareholders, members, or partners of each family farm corporation, joint family farm venture, partnership, or limited liability company are persons or spouses of persons who are a qualifying relative under section 273.124, subdivision 1, paragraphs (c) and (d).

"Family farm corporation," "family farm," and "partnership operating a family farm" have the meanings given in section 500.24, except that the number of allowable shareholders, members, or partners under this subdivision shall not exceed 12. "Limited liability company" has the meaning contained in sections 322C.0102, subdivision 12, and 500.24, subdivision 2, paragraphs (l) and (m). "Joint family farm venture" means a cooperative agreement among two or more farm enterprises authorized to operate a family farm under section 500.24.

(b) In addition to property specified in paragraph (a), any other residences owned by family farm corporations, joint family farm ventures, limited liability companies, or partnerships described in paragraph (a) which are located on agricultural land and occupied as homesteads by its shareholders, members, or partners who are actively engaged in farming on behalf of that corporation, joint farm venture, limited liability company, or partnership must also be assessed as class 2a property or as class 1b property under section 273.13.

(c) Agricultural property that is owned by a member, partner, or shareholder of a family farm corporation or joint family farm venture, limited liability company operating a family farm, or by a partnership operating a family farm and leased to the family farm corporation, limited liability company, partnership, or joint farm venture, as defined in paragraph (a), is eligible for classification as class 1b or class 2a under section 273.13, if the owner is actually residing on the property, and is actually engaged in farming the land on behalf of that corporation, joint farm venture, limited liability company, or partnership. This paragraph applies without regard to any legal possession rights of the family farm corporation, joint family farm venture, limited liability company, or partnership under the lease.

(d) Nonhomestead agricultural property that is owned by a family farm corporation, joint farm venture, limited liability company, or partnership; and located not farther than four townships or cities, or combination thereof, from agricultural land that is owned, and used for the purposes of a homestead by an individual who is a shareholder, member, or partner of the corporation, venture, company, or partnership; is entitled to receive the first tier homestead classification rate on any remaining market value in the first homestead class tier that is in excess of the market value of the shareholder's, member's, or partner's class 2 agricultural homestead property, if the owner, or someone acting on the owner's behalf notifies the county assessor by July 1 that the property may be eligible under this paragraph for the current assessment year, for taxes payable in the following year. As used in this paragraph, "agricultural property" means property classified as 2a

under section 273.13, along with any contiguous property classified as 2b under section 273.13, if the contiguous 2a and 2b properties are under the same ownership.

Subd. 9. **Homestead established after assessment date.** Any property that was not used for the purpose of a homestead on the assessment date, but which was used for the purpose of a homestead on December 31 of a year, constitutes class 1 or class 2a.

Any taxpayer meeting the requirements of this subdivision must notify the county assessor, or the assessor who has the powers of the county assessor under section 273.063, in writing, by December 31 of the year of occupancy in order to qualify under this subdivision. The assessor must not deny full homestead treatment to a property that is partially homesteaded on January 2 but occupied for the purpose of a full homestead on December 31 of a year.

The county assessor and the county auditor may make the necessary changes on their assessment and tax records to provide for proper homestead classification as provided in this subdivision.

If homestead classification has not been requested as of December 31, the assessor will classify the property as nonhomestead for the current assessment year for taxes payable in the following year, provided that the owner of any property qualifying under this subdivision, which has not been accorded the benefits of this subdivision, may be entitled to receive homestead classification by proper application as provided in section 375.192.

The county assessor may publish in a newspaper of general circulation within the county a notice requesting the public to file an application for homestead as soon as practicable after acquisition of a homestead, but no later than December 31.

The county assessor shall publish in a newspaper of general circulation within the county no later than December 1 of each year a notice informing the public of the requirement to file an application for homestead by December 31.

In the case of manufactured homes assessed as personal property, the homestead must be established, and a homestead classification requested, by May 29 of the assessment year. The assessor may include information on these deadlines for manufactured homes assessed as personal property in the published notice or notices.

Subd. 10. MS 2010 [Repealed, 2011 c 112 art 7 s 9]

Subd. 11. **Property classified as homestead and nonhomestead; reduction.** If the assessor has classified a property as both homestead and nonhomestead, the reductions in tax provided under sections 273.135 and 273.1391 apply to the value of both the homestead and the nonhomestead portions of the property.

Subd. 12. **Homestead of member of United States armed forces; Peace Corps; VISTA.** (a) Real estate actually occupied and used for the purpose of a homestead by a person, or by a member of that person's immediate family shall be classified as a homestead even though the person or family is absent if (1) the person or the person's family is absent solely because the person is on active duty with the armed forces of the United States, or is serving as a volunteer under the VISTA or Peace Corps program; (2) the owner intends to return as soon as discharged or relieved from service; and (3) the owner claims it as a homestead. A person who knowingly makes or submits to an assessor an affidavit or other statement that is false in any material matter to obtain or aid another in obtaining a benefit under this subdivision is guilty of a felony.

(b) In the case of a person who is absent solely because the person is on active duty with the United States armed forces, homestead classification must be granted as provided in this paragraph if the requirements

of paragraph (a), clauses (1) to (3), are met, even if the property has not been occupied as a homestead by the person or a member of the person's family. To qualify for this classification, the person who acquires the property must notify the assessor of the acquisition and of the person's absence due to military service. When the person returns from military service and occupies the property as a homestead, the person shall notify the assessor, who will provide for abatement of the difference between the nonhomestead and homestead taxes for the current and two preceding years, not to exceed the time during which the person owned the property.

Subd. 13. **Homestead application.** (a) A person who meets the homestead requirements under subdivision 1 must file a homestead application with the county assessor to initially obtain homestead classification.

(b) The commissioner shall prescribe the content, format, and manner of the homestead application required to be filed under this chapter pursuant to section 270C.30. The application must clearly inform the taxpayer that this application must be signed by all owners who occupy the property or by the qualifying relative and returned to the county assessor in order for the property to receive homestead treatment.

(c) Every property owner applying for homestead classification must furnish to the county assessor the Social Security number or individual taxpayer identification number of each occupant who is listed as an owner of the property on the deed of record, the name and address of each owner who does not occupy the property, and the name and Social Security number or individual taxpayer identification number of the spouse of each occupying owner. The application must be signed by each owner who occupies the property and by each owner's spouse who occupies the property, or, in the case of property that qualifies as a homestead under subdivision 1, paragraph (c), by the qualifying relative.

If a property owner occupies a homestead, the property owner's spouse may not claim another property as a homestead unless the property owner and the property owner's spouse file with the assessor an affidavit or other proof required by the assessor stating that the property qualifies as a homestead under subdivision 1, paragraph (e).

Owners or spouses occupying residences owned by their spouses and previously occupied with the other spouse, either of whom fail to include the other spouse's name and Social Security number or individual taxpayer identification number on the homestead application or provide the affidavits or other proof requested, will be deemed to have elected to receive only partial homestead treatment of their residence. The remainder of the residence will be classified as nonhomestead residential. When an owner or spouse's name and Social Security number or individual taxpayer identification number appear on homestead applications for two separate residences and only one application is signed, the owner or spouse will be deemed to have elected to homestead the residence for which the application was signed.

(d) If residential real estate is occupied and used for purposes of a homestead by a relative of the owner and qualifies for a homestead under subdivision 1, paragraph (c), in order for the property to receive homestead status, a homestead application must be filed with the assessor. The Social Security number or individual taxpayer identification number of each relative occupying the property and the name and Social Security number or individual taxpayer identification number of the spouse of a relative occupying the property shall be required on the homestead application filed under this subdivision. If a different relative of the owner subsequently occupies the property, the owner of the property must notify the assessor within 30 days of the change in occupancy. The Social Security number or individual taxpayer identification number of a relative occupying the property or the spouse of a relative occupying the property is private data on individuals as defined by section 13.02, subdivision 12, but may be disclosed to the commissioner of revenue, or, for the purposes of proceeding under the Revenue Recapture Act to recover personal property taxes owing, to the county treasurer.

(e) The homestead application shall also notify the property owners that if the property is granted homestead status for any assessment year, that same property shall remain classified as homestead until the property is sold or transferred to another person, or the owners, the spouse of the owner, or the relatives no longer use the property as their homestead. Upon the sale or transfer of the homestead property, a certificate of value must be timely filed with the county auditor as provided under section 272.115. Failure to notify the assessor within 30 days that the property has been sold, transferred, or that the owner, the spouse of the owner, or the relative is no longer occupying the property as a homestead, shall result in the penalty provided under this subdivision and the property will lose its current homestead status.

(f) If a homestead application has not been filed with the county by December 31, the assessor shall classify the property as nonhomestead for the current assessment year for taxes payable in the following year, provided that the owner may be entitled to receive the homestead classification by proper application under section 375.192.

Subd. 13a. **Occupant list.** At the request of the commissioner, each county must give the commissioner a list that includes the name and Social Security number or individual taxpayer identification number of each occupant of homestead property who is the property owner, property owner's spouse, qualifying relative of a property owner, or a spouse of a qualifying relative. The commissioner shall use the information provided on the lists as appropriate under the law, including for the detection of improper claims by owners, or relatives of owners, under chapter 290A.

Subd. 13b. **Improper homestead.** (a) If the commissioner finds that a property owner may be claiming a fraudulent homestead, the commissioner shall notify the appropriate counties. Within 90 days of the notification, the county assessor shall investigate to determine if the homestead classification was properly claimed. If the property owner does not qualify, the county assessor shall notify the county auditor who will determine the amount of homestead benefits that had been improperly allowed. For the purpose of this subdivision, "homestead benefits" means the tax reduction resulting from the classification as a homestead and the homestead market value exclusion under section 273.13, the taconite homestead credit under section 273.135, the agricultural homestead credit under section 273.1384, and the supplemental homestead credit under section 273.1391.

The county auditor shall send a notice to the person who owned the affected property at the time the homestead application related to the improper homestead was filed, demanding reimbursement of the homestead benefits plus a penalty equal to 100 percent of the homestead benefits. The person notified may appeal the county's determination by serving copies of a petition for review with county officials as provided in section 278.01 and filing proof of service as provided in section 278.01 with the Minnesota Tax Court within 60 days of the date of the notice from the county. Procedurally, the appeal is governed by the provisions in chapter 271 which apply to the appeal of a property tax assessment or levy, but without requiring any prepayment of the amount in controversy. If the amount of homestead benefits and penalty is not paid within 60 days, and if no appeal has been filed, the county auditor shall certify the amount of taxes and penalty to the county treasurer. The county treasurer will add interest to the unpaid homestead benefits and penalty amounts at the rate provided in section 279.03 for real property taxes becoming delinquent in the calendar year during which the amount remains unpaid. Interest may be assessed for the period beginning 60 days after demand for payment was made.

If the person notified is the current owner of the property, the treasurer may add the total amount of homestead benefits, penalty, interest, and costs to the ad valorem taxes otherwise payable on the property by including the amounts on the property tax statements under section 276.04, subdivision 3. The amounts added under this paragraph to the ad valorem taxes shall include interest accrued through December 31 of the year preceding the taxes payable year for which the amounts are first added. These amounts, when added

to the property tax statement, become subject to all the laws for the enforcement of real or personal property taxes for that year, and for any subsequent year.

If the person notified is not the current owner of the property, the treasurer may collect the amounts due under the Revenue Recapture Act in chapter 270A, or use any of the powers granted in sections 277.20 and 277.21 without exclusion, to enforce payment of the homestead benefits, penalty, interest, and costs, as if those amounts were delinquent tax obligations of the person who owned the property at the time the application related to the improperly allowed homestead was filed. The treasurer may relieve a prior owner of personal liability for the homestead benefits, penalty, interest, and costs, and instead extend those amounts on the tax lists against the property as provided in this paragraph to the extent that the current owner agrees in writing. On all demands, billings, property tax statements, and related correspondence, the county must list and state separately the amounts of homestead benefits, penalty, interest and costs being demanded, billed or assessed.

(b) Any amount of homestead benefits recovered by the county from the property owner shall be distributed to the county, city or town, and school district where the property is located in the same proportion that each taxing district's levy was to the total of the three taxing districts' levy for the current year. Any amount recovered attributable to taconite homestead credit shall be transmitted to the St. Louis County auditor to be deposited in the taconite property tax relief account. Any amount recovered that is attributable to supplemental homestead credit is to be transmitted to the commissioner of revenue for deposit in the general fund of the state treasury. The total amount of penalty collected must be deposited in the county general fund.

(c) If a property owner has applied for more than one homestead and the county assessors cannot determine which property should be classified as homestead, the county assessors will refer the information to the commissioner. The commissioner shall make the determination and notify the counties within 60 days.

Subd. 13c. **Property lists.** In addition to lists of homestead properties, the commissioner may ask the counties to furnish lists of all properties and the record owners. The Social Security numbers, individual taxpayer identification numbers, and federal identification numbers that are maintained by a county or city assessor for property tax administration purposes, and that may appear on the lists retain their classification as private or nonpublic data; but may be viewed, accessed, and used by the county auditor or treasurer of the same county for the limited purpose of assisting the commissioner in the preparation of microdata samples under section 270C.12. The commissioner shall use the information provided on the lists as appropriate under the law, including for the detection of improper claims by owners, or relatives of owners, under chapter 290A.

Subd. 13d. **Homestead data.** On or before April 30 each year beginning in 2007, each county must provide the commissioner with the following data for each parcel of homestead property by electronic means as defined in section 289A.02, subdivision 8:

(1) the property identification number assigned to the parcel for purposes of taxes payable in the current year;

(2) the name and Social Security number or individual taxpayer identification number of each occupant of homestead property who is the property owner or qualifying relative of a property owner, and the spouse of the property owner who occupies homestead property or spouse of a qualifying relative of a property owner who occupies homestead property;

(3) the classification of the property under section 273.13 for taxes payable in the current year and in the prior year;

(4) an indication of whether the property was classified as a homestead for taxes payable in the current year because of occupancy by a relative of the owner or by a spouse of a relative;

(5) the property taxes payable as defined in section 290A.03, subdivision 13, for the current year and the prior year;

(6) the market value of improvements to the property first assessed for tax purposes for taxes payable in the current year;

(7) the assessor's estimated market value assigned to the property for taxes payable in the current year and the prior year;

(8) the taxable market value assigned to the property for taxes payable in the current year and the prior year;

(9) whether there are delinquent property taxes owing on the homestead;

(10) the unique taxing district in which the property is located; and

(11) such other information as the commissioner decides is necessary.

The commissioner shall use the information provided on the lists as appropriate under the law, including for the detection of improper claims by owners, or relatives of owners, under chapter 290A.

Subd. 14. **Agricultural homesteads; special provisions.** (a) Real estate of less than ten acres that is the homestead of its owner must be classified as class 2a under section 273.13, subdivision 23, paragraph (a), if:

(1) the parcel on which the house is located is contiguous on at least two sides to (i) agricultural land, (ii) land owned or administered by the United States Fish and Wildlife Service, or (iii) land administered by the Department of Natural Resources on which in lieu taxes are paid under sections 477A.11 to 477A.14 or section 477A.17;

(2) its owner also owns a noncontiguous parcel of agricultural land that is at least 20 acres;

(3) the noncontiguous land is located not farther than four townships or cities, or a combination of townships or cities from the homestead; and

(4) the agricultural use value of the noncontiguous land and farm buildings is equal to at least 50 percent of the market value of the house, garage, and one acre of land.

Homesteads initially classified as class 2a under the provisions of this paragraph shall remain classified as class 2a, irrespective of subsequent changes in the use of adjoining properties, as long as the homestead remains under the same ownership, the owner owns a noncontiguous parcel of agricultural land that is at least 20 acres, and the agricultural use value qualifies under clause (4). Homestead classification under this paragraph is limited to property that qualified under this paragraph for the 1998 assessment.

(b)(i) Agricultural property shall be classified as the owner's homestead, to the same extent as other agricultural homestead property, if all of the following criteria are met:

(1) the agricultural property consists of at least 40 acres including undivided government lots and correctional 40's;

(2) the owner, the owner's spouse, or a grandchild, child, sibling, or parent of the owner or of the owner's spouse, is actively farming the agricultural property, either on the person's own behalf as an individual or on behalf of a partnership operating a family farm, family farm corporation, joint family farm venture, or limited liability company of which the person is a partner, shareholder, or member;

(3) both the owner of the agricultural property and the person who is actively farming the agricultural property under clause (2), are Minnesota residents;

(4) neither the owner nor the spouse of the owner claims another agricultural homestead in Minnesota; and

(5) neither the owner nor the person actively farming the agricultural property lives farther than four townships or cities, or a combination of four townships or cities, from the agricultural property, except that if the owner or the owner's spouse is required to live in employer-provided housing, the owner or owner's spouse, whichever is actively farming the agricultural property, may live more than four townships or cities, or combination of four townships or cities from the agricultural property.

The relationship under this paragraph may be either by blood or marriage.

(ii) Property containing the residence of an owner who owns qualified property under clause (i) shall be classified as part of the owner's agricultural homestead, if that property is also used for noncommercial storage or drying of agricultural crops.

(iii) As used in this paragraph, "agricultural property" means class 2a property and any class 2b property that is contiguous to and under the same ownership as the class 2a property.

(c) Noncontiguous land shall be included as part of a homestead under section 273.13, subdivision 23, paragraph (a), only if the homestead is classified as class 2a and the detached land is located in the same township or city, or not farther than four townships or cities or combination thereof from the homestead. Any taxpayer of these noncontiguous lands must notify the county assessor that the noncontiguous land is part of the taxpayer's homestead, and, if the homestead is located in another county, the taxpayer must also notify the assessor of the other county.

(d) Agricultural land used for purposes of a homestead and actively farmed by a person holding a vested remainder interest in it must be classified as a homestead under section 273.13, subdivision 23, paragraph (a). If agricultural land is classified class 2a, any other dwellings on the land used for purposes of a homestead by persons holding vested remainder interests who are actively engaged in farming the property, and up to one acre of the land surrounding each homestead and reasonably necessary for the use of the dwelling as a home, must also be assessed class 2a.

(e) Agricultural land and buildings that were class 2a homestead property under section 273.13, subdivision 23, paragraph (a), for the 1997 assessment shall remain classified as agricultural homesteads for subsequent assessments if:

(1) the property owner abandoned the homestead dwelling located on the agricultural homestead as a result of the April 1997 floods;

(2) the property is located in the county of Polk, Clay, Kittson, Marshall, Norman, or Wilkin;

(3) the agricultural land and buildings remain under the same ownership for the current assessment year as existed for the 1997 assessment year and continue to be used for agricultural purposes;

(4) the dwelling occupied by the owner is located in Minnesota and is within 30 miles of one of the parcels of agricultural land that is owned by the taxpayer; and

(5) the owner notifies the county assessor that the relocation was due to the 1997 floods, and the owner furnishes the assessor any information deemed necessary by the assessor in verifying the change in dwelling. Further notifications to the assessor are not required if the property continues to meet all the requirements in this paragraph and any dwellings on the agricultural land remain uninhabited.

(f) Agricultural land and buildings that were class 2a homestead property under section 273.13, subdivision 23, paragraph (a), for the 1998 assessment shall remain classified agricultural homesteads for subsequent assessments if:

(1) the property owner abandoned the homestead dwelling located on the agricultural homestead as a result of damage caused by a March 29, 1998, tornado;

(2) the property is located in the county of Blue Earth, Brown, Cottonwood, Le Sueur, Nicollet, Nobles, or Rice;

(3) the agricultural land and buildings remain under the same ownership for the current assessment year as existed for the 1998 assessment year;

(4) the dwelling occupied by the owner is located in this state and is within 50 miles of one of the parcels of agricultural land that is owned by the taxpayer; and

(5) the owner notifies the county assessor that the relocation was due to a March 29, 1998, tornado, and the owner furnishes the assessor any information deemed necessary by the assessor in verifying the change in homestead dwelling. For taxes payable in 1999, the owner must notify the assessor by December 1, 1998. Further notifications to the assessor are not required if the property continues to meet all the requirements in this paragraph and any dwellings on the agricultural land remain uninhabited.

(g) Agricultural property of a family farm corporation, joint family farm venture, family farm limited liability company, or partnership operating a family farm as described under subdivision 8 shall be classified homestead, to the same extent as other agricultural homestead property, if all of the following criteria are met:

(1) the property consists of at least 40 acres including undivided government lots and correctional 40's;

(2) a shareholder, member, or partner of that entity is actively farming the agricultural property;

(3) that shareholder, member, or partner who is actively farming the agricultural property is a Minnesota resident;

(4) neither that shareholder, member, or partner, nor the spouse of that shareholder, member, or partner claims another agricultural homestead in Minnesota; and

(5) that shareholder, member, or partner does not live farther than four townships or cities, or a combination of four townships or cities, from the agricultural property.

Homestead treatment applies under this paragraph even if:

(i) the shareholder, member, or partner of that entity is actively farming the agricultural property on the shareholder's, member's, or partner's own behalf; or

(ii) the family farm is operated by a family farm corporation, joint family farm venture, partnership, or limited liability company other than the family farm corporation, joint family farm venture, partnership, or limited liability company that owns the land, provided that:

(A) the shareholder, member, or partner of the family farm corporation, joint family farm venture, partnership, or limited liability company that owns the land who is actively farming the land is a shareholder, member, or partner of the family farm corporation, joint family farm venture, partnership, or limited liability company that is operating the farm; and

(B) more than half of the shareholders, members, or partners of each family farm corporation, joint family farm venture, partnership, or limited liability company are persons or spouses of persons who are a qualifying relative under section 273.124, subdivision 1, paragraphs (c) and (d).

Homestead treatment applies under this paragraph for property leased to a family farm corporation, joint farm venture, limited liability company, or partnership operating a family farm if legal title to the property is in the name of an individual who is a member, shareholder, or partner in the entity.

(h) To be eligible for the special agricultural homestead under this subdivision, an initial full application must be submitted to the county assessor where the property is located. Owners and the persons who are actively farming the property shall be required to complete only a one-page abbreviated version of the application in each subsequent year provided that none of the following items have changed since the initial application:

(1) the day-to-day operation, administration, and financial risks remain the same;

(2) the owners and the persons actively farming the property continue to live within the four townships or city criteria and are Minnesota residents;

(3) the same operator of the agricultural property is listed with the Farm Service Agency;

(4) a Schedule F or equivalent income tax form was filed for the most recent year;

(5) the property's acreage is unchanged; and

(6) none of the property's acres have been enrolled in a federal or state farm program since the initial application.

The owners and any persons who are actively farming the property must include the appropriate Social Security numbers or individual taxpayer identification numbers, and sign and date the application. If any of the specified information has changed since the full application was filed, the owner must notify the assessor, and must complete a new application to determine if the property continues to qualify for the special agricultural homestead. The commissioner of revenue shall prepare a standard reapplication form for use by the assessors.

(i) Agricultural land and buildings that were class 2a homestead property under section 273.13, subdivision 23, paragraph (a), for the 2007 assessment shall remain classified agricultural homesteads for subsequent assessments if:

(1) the property owner abandoned the homestead dwelling located on the agricultural homestead as a result of damage caused by the August 2007 floods;

(2) the property is located in the county of Dodge, Fillmore, Houston, Olmsted, Steele, Wabasha, or Winona;

(3) the agricultural land and buildings remain under the same ownership for the current assessment year as existed for the 2007 assessment year;

(4) the dwelling occupied by the owner is located in this state and is within 50 miles of one of the parcels of agricultural land that is owned by the taxpayer; and

(5) the owner notifies the county assessor that the relocation was due to the August 2007 floods, and the owner furnishes the assessor any information deemed necessary by the assessor in verifying the change in homestead dwelling. For taxes payable in 2009, the owner must notify the assessor by December 1, 2008. Further notifications to the assessor are not required if the property continues to meet all the requirements in this paragraph and any dwellings on the agricultural land remain uninhabited.

(j) Agricultural land and buildings that were class 2a homestead property under section 273.13, subdivision 23, paragraph (a), for the 2008 assessment shall remain classified as agricultural homesteads for subsequent assessments if:

(1) the property owner abandoned the homestead dwelling located on the agricultural homestead as a result of the March 2009 floods;

(2) the property is located in the county of Marshall;

(3) the agricultural land and buildings remain under the same ownership for the current assessment year as existed for the 2008 assessment year and continue to be used for agricultural purposes;

(4) the dwelling occupied by the owner is located in Minnesota and is within 50 miles of one of the parcels of agricultural land that is owned by the taxpayer; and

(5) the owner notifies the county assessor that the relocation was due to the 2009 floods, and the owner furnishes the assessor any information deemed necessary by the assessor in verifying the change in dwelling. Further notifications to the assessor are not required if the property continues to meet all the requirements in this paragraph and any dwellings on the agricultural land remain uninhabited.

Subd. 15. MS 1991 Supp [Repealed, 1992 c 511 art 2 s 60]

Subd. 16. MS 1992 [Repealed, 1993 c 375 art 5 s 43]

Subd. 17. **Owner-occupied motel property.** For purposes of class 1a determinations, a homestead includes that portion of property defined as a motel under chapter 157, provided that the person residing in the motel property is using that property as a homestead, is part owner, and is actively engaged in the operation of the motel business. Homestead treatment applies even if legal title to the property is in the name of a corporation or partnership and not in the name of the person residing in the motel. The homestead is limited to that portion of the motel actually occupied by the person.

A taxpayer meeting the requirements of this subdivision must notify the county assessor, or the assessor who has the powers of the county assessor under section 273.063, in writing, in order to qualify under this subdivision for 1a homestead classification.

Subd. 18. **Property undergoing renovation.** Property that is not occupied as a homestead on the assessment date will be classified as a homestead if it meets each of the following requirements on that date:

(a) The structure is a single family or duplex residence.

(b) The property is owned by a church or an organization that is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986.

(c) The organization is in the process of renovating the property for use as a homestead by an individual or family whose income is no greater than 60 percent of the county or area gross median income, adjusted for family size, and that renovation process and conveyance for use as a homestead can reasonably be expected to be completed within 12 months after construction begins.

The organization must apply to the assessor for classification under this subdivision within 30 days of its acquisition of the property, and must provide the assessor with the information necessary for the assessor to determine whether the property qualifies.

Subd. 19. **Lease-purchase program.** Qualifying buildings and appurtenances, together with the land on which they are located, are classified as homesteads, if the following qualifications are met:

(1) the property is leased for up to a five-year period by the occupant under a lease-purchase program administered by the Minnesota Housing Finance Agency or a housing and redevelopment authority under sections 469.001 to 469.047;

(2) the occupant's income is no greater than 80 percent of the county or area median income, adjusted for family size;

(3) the building consists of one or two dwelling units;

(4) the lease agreement provides that part of the lease payment is escrowed as a nonrefundable down payment on the housing;

(5) the administering agency verifies the occupant's income eligibility and certifies to the county assessor that the occupant meets the income standards; and

(6) the property owner applies to the county assessor by May 30 of each year.

For purposes of this subdivision, "qualifying buildings and appurtenances" means a one- or two-unit residential building which was unoccupied, abandoned, and boarded for at least six months.

Subd. 20. **Additional requirements prohibited.** No political subdivision may impose any requirements not contained in this chapter or chapter 272 to disqualify property from being classified as a homestead if the property otherwise meets the requirements for homestead treatment under this chapter and chapter 272.

Subd. 21. **Trust property; homestead.** Real or personal property, including agricultural property, held by a trustee under a trust is eligible for classification as homestead property if the property satisfies the requirements of paragraph (a), (b), (c), (d), or (e).

(a) The grantor or surviving spouse of the grantor of the trust occupies and uses the property as a homestead.

(b) A relative or surviving relative of the grantor who meets the requirements of subdivision 1, paragraph (c), in the case of residential real estate; or subdivision 1, paragraph (d), in the case of agricultural property, occupies and uses the property as a homestead.

(c) A family farm corporation, joint farm venture, limited liability company, or partnership operating a family farm in which the grantor or the grantor's surviving spouse is a shareholder, member, or partner rents the property; and, either (1) a shareholder, member, or partner of the corporation, joint farm venture, limited

liability company, or partnership occupies and uses the property as a homestead; or (2) the property is at least 40 acres, including undivided government lots and correctional 40's, and a shareholder, member, or partner of the tenant-entity is actively farming the property on behalf of the corporation, joint farm venture, limited liability company, or partnership.

(d) A person who has received homestead classification for property taxes payable in 2000 on the basis of an unqualified legal right under the terms of the trust agreement to occupy the property as that person's homestead and who continues to use the property as a homestead; or, a person who received the homestead classification for taxes payable in 2005 under paragraph (c) who does not qualify under paragraph (c) for taxes payable in 2006 or thereafter but who continues to qualify under paragraph (c) as it existed for taxes payable in 2005.

(e) The qualifications under subdivision 14, paragraph (b), clause (i), are met. For purposes of this paragraph, "owner" means the grantor of the trust or the surviving spouse of the grantor.

(f) For purposes of this subdivision, the following terms have the meanings given them:

(1) "agricultural property" means the house, garage, other farm buildings and structures, and agricultural land;

(2) "agricultural land" has the meaning given in section 273.13, subdivision 23, except that the phrases "owned by same person" or "under the same ownership" as used in that subdivision mean and include contiguous tax parcels owned by:

(i) an individual and a trust of which the individual, the individual's spouse, or the individual's deceased spouse is the grantor; or

(ii) different trusts of which the grantors of each trust are any combination of an individual, the individual's spouse, or the individual's deceased spouse; and

(3) "grantor" means the person creating or establishing a testamentary, inter vivos, revocable or irrevocable trust by written instrument or through the exercise of a power of appointment.

(g) Noncontiguous agricultural land is included as part of a homestead under this subdivision, only if the homestead is classified as class 2a, as defined in section 273.13, subdivision 23, and the detached land is located in the same township or city, or not farther than four townships or cities or combination thereof from the homestead. Any taxpayer of these noncontiguous lands must notify the county assessor that the noncontiguous land is part of the taxpayer's homestead, and, if the homestead is located in another county, the taxpayer must also notify the assessor of the other county.

Subd. 22. **Annual registration of certain relative homesteads.** If the owner of property or the owner's relative who occupies property that is classified as a homestead under subdivision 1, paragraph (c), receives compensation for allowing occupancy of any part of that property for a period that exceeds 31 consecutive days during the calendar year, the recipient of the compensation must register the property with the city in which it is located no later than 60 days after the initial rental period began. This requirement applies to property located in a city that has a population over 25,000. Each city must maintain a file of these property registrations that is open to the public, and retain the registrations for one year after the date of filing.

Subd. 23. **Fractional homesteads.** For property classified as an agricultural homestead under section 273.13, subdivision 23, paragraph (a), ownership percentages for property owned by tenants in common are based on deeded ownership amounts for each owner who homesteads the property.

History: *1Sp1985 c 14 art 4 s 44; 1986 c 444; 1Sp1986 c 1 art 4 s 13-17; art 7 s 19; 1Sp1986 c 3 art 1 s 33; 1987 c 268 art 5 s 3; art 6 s 15-17; 1988 c 719 art 5 s 10-12,84; art 6 s 9,10; 1989 c 144 art 2 s 5,6; 1989 c 209 art 1 s 29; 1989 c 277 art 2 s 22-27; 1989 c 304 s 137; 1989 c 329 art 13 s 20; 1Sp1989 c 1 art 2 s 11; art 3 s 10; 1990 c 426 art 2 s 9; 1990 c 480 art 7 s 6; 1990 c 604 art 3 s 13-15; 1991 c 291 art 1 s 15-19; art 12 s 9; 1992 c 511 art 2 s 13-16; 1993 c 375 art 3 s 13,14; art 5 s 17-22; 1994 c 416 art 1 s 15-17; 1994 c 510 art 1 s 7; 1994 c 587 art 5 s 8,9; 1995 c 264 art 3 s 7,8; art 4 s 3; art 11 s 1-4; 1996 c 471 art 3 s 7-9,52; 1997 c 31 art 3 s 4,5; 1997 c 231 art 2 s 18,19,70; 2Sp1997 c 2 s 20; 1998 c 383 s 35; 1998 c 389 art 3 s 8; 1999 c 11 art 3 s 8; 1999 c 227 s 19; 1999 c 243 art 5 s 9-14; 2000 c 490 art 5 s 7-10; 1Sp2001 c 5 art 3 s 27-31; 2002 c 377 art 4 s 14; 2002 c 400 s 10; 2003 c 127 art 2 s 12; art 5 s 16; 2005 c 151 art 2 s 17; art 3 s 11; art 5 s 17-21; 1Sp2005 c 3 art 1 s 12; 2006 c 259 art 4 s 12; 1Sp2007 c 2 art 1 s 23; 2008 c 154 art 2 s 7,8; art 13 s 29; 2008 c 366 art 6 s 24,25; art 11 s 11; art 15 s 12,13; 2009 c 88 art 10 s 3-5; 2010 c 382 s 59; 2010 c 389 art 1 s 10-12; 2011 c 112 art 3 s 3; art 7 s 2,3; 2013 c 82 s 20; 2013 c 143 art 14 s 27,28; 2014 c 157 art 2 s 4,29,31; 2014 c 308 art 10 s 12; 1Sp2017 c 1 art 16 s 20; art 20 s 6,7; 1Sp2019 c 6 art 4 s 9-13; art 17 s 2; 1Sp2021 c 14 art 6 s 3-5; art 13 s 8; 2023 c 64 art 3 s 8-13; 2024 c 96 art 2 s 3-5; 2025 c 32 art 4 s 13; 2026 c 61 s 41*

NOTE: The amendments to subdivisions 3, 3a, and 6 by Laws 2024, chapter 96, article 2, sections 3 to 5, are effective August 1, 2027. Laws 2024, chapter 96, article 2, section 13, as amended by Laws 2025, chapter 32, article 4, section 13, and Laws 2026, chapter 61, section 41.

273.1245 CLASSIFICATION OF DATA.

Subdivision 1. **Private or nonpublic data.** The following data are private or nonpublic data as defined in section 13.02, subdivisions 9 and 12, when they are submitted to a county or local assessor under section 273.124, 273.13, or another section, to support a claim for the property tax homestead classification under section 273.13, or other property tax classification or benefit:

(1) Social Security numbers;

(2) individual taxpayer identification numbers;

(3) copies of state or federal income tax returns; and

(4) state or federal income tax return information, including the federal income tax schedule F.

Subd. 2. **Disclosure.** The assessor shall disclose the data described in subdivision 1 to the commissioner of revenue as provided by law. The assessor shall also disclose all or portions of the data described in subdivision 1 to:

(1) the county treasurer solely for the purpose of proceeding under the Revenue Recapture Act to recover personal property taxes owing; and

(2) the county veterans service officer for the purpose of determining a person's eligibility for the veteran with a disability homestead market value exclusion under section 273.13, subdivision 34.

History: *2013 c 82 s 21; 1Sp2019 c 6 art 4 s 14; 1Sp2019 c 10 art 6 s 6; 2023 c 64 art 3 s 14*

273.125 ASSESSMENT OF MANUFACTURED HOMES.

Subdivision 1. **Valuation; notice.** Subdivisions 1 to 7 apply to manufactured homes that are assessed under subdivision 8, paragraph (c). Each manufactured home must be valued each year by the assessor and assessed with reference to its value on January 2 of that year. Notice of the value must be mailed to the person to be assessed at least ten days before the meeting of the local board of review or equalization. The notice must contain the amount of valuation in terms of market value, the assessor's office address, and the date, place, and time set for the meeting of the local board of review or equalization and the county board of equalization.

Subd. 2. **Return assessment books; set tax.** On or before May 1, the assessor shall return to the county auditor the assessment books relating to the assessment of manufactured homes. After receiving the assessment books, the county auditor shall determine the tax to be due by applying the rate of levy of the preceding year and shall send a list of the taxes to the county treasurer by May 30.

Subd. 3. **Tax statements; penalties; collections.** Not later than July 15 in the year of assessment the county treasurer shall mail to the taxpayer a statement of tax due on a manufactured home. The taxes are due on the last day of August, or 20 days after the postmark date on the envelope containing the property tax statement, whichever is later, except that if the tax exceeds $50, one-half of the amount due may be paid on August 31, or 20 days after the postmark date on the envelope containing the property tax statement, whichever is later, and the remainder on November 15. Taxes remaining unpaid after the due date are delinquent, and a penalty of eight percent must be assessed and collected as part of the unpaid taxes. The tax statement must contain a sentence notifying the taxpayer that the title to the manufactured home cannot be transferred unless the property taxes are paid.

Subd. 4. **Petitions of grievance.** A person who claims that the person's manufactured home has been unfairly or unequally assessed, or that the property has been assessed at a valuation greater than its real or actual value, or that the tax levied against it 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 in court. The determination must be made by the district court of the county in which the tax is levied or by the Tax Court. A person can request the determination by filing a petition for it in the office of the court administrator of the district court on or before October 1 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.

Subd. 5. **Continuing with petition.** The right to continue prosecution of the petition is conditioned upon the payment of the tax when due unless the court permits the petitioner to continue without payment, or with a reduced payment, under section 278.03, subdivision 2. Upon ten days' notice to the county attorney and to the county auditor, given at least ten days before the last day of August, the petitioner may apply to the court for permission to continue prosecution of the petition without payment or with a reduced payment.

Subd. 6. **Correcting tax.** If the local board of review or equalization or the county board of equalization changes the assessor's valuation of a manufactured home, the change must be sent to the county auditor. The auditor shall immediately recompute the tax and advise the treasurer of the corrected tax. If the property is entitled to homestead classification, the auditor shall reduce the tax accordingly.

Subd. 7. **Personal property.** The tax assessed on manufactured homes is a personal property tax. Laws relating to assessment, review, and collection of personal property taxes apply to this tax, if consistent with this section.

Subd. 8. **Manufactured homes; sectional structures.** (a) In this section, "manufactured home" means a structure transportable in one or more sections, which is built on a permanent chassis, and designed to be

used as a dwelling with or without a permanent foundation when connected to the required utilities, and contains the plumbing, heating, air conditioning, and electrical systems in it. Manufactured home includes any accessory structure that is an addition or supplement to the manufactured home and, when installed, becomes a part of the manufactured home.

(b) Except as provided in paragraph (c), a manufactured home that meets each of the following criteria must be valued and assessed as an improvement to real property, the appropriate real property classification applies, and the valuation is subject to review and the taxes payable in the manner provided for real property:

(1) the title to the land on which it is situated is held by: (i) the owner of the unit; or (ii) a Minnesota nonprofit corporation or a Minnesota cooperative to which the owner is a member;

(2) the unit is affixed to the land by a permanent foundation or is installed at its location in accordance with the Manufactured Home Building Code in sections 327.31 to 327.34, and rules adopted under those sections, or is affixed to the land like other real property in the taxing district; and

(3) the unit is connected to public utilities, has a well and septic tank system, or is serviced by water and sewer facilities comparable to other real property in the taxing district.

(c) A manufactured home that meets each of the following criteria must be assessed at the rate provided by the appropriate real property classification but must be treated as personal property, and the valuation is subject to review and the taxes payable in the manner provided in this section:

(1) the owner of the unit is a lessee of the land under the terms of a lease, or the unit is located in a manufactured home park but is not the homestead of the park owner;

(2) the unit is affixed to the land by a permanent foundation or is installed at its location in accordance with the Manufactured Home Building Code contained in sections 327.31 to 327.34, and the rules adopted under those sections, or is affixed to the land like other real property in the taxing district; and

(3) the unit is connected to public utilities, has a well and septic tank system, or is serviced by water and sewer facilities comparable to other real property in the taxing district.

(d) Sectional structures must be valued and assessed as an improvement to real property if the owner of the structure holds title to the land on which it is located or is a qualifying lessee of the land under section 273.19. In this paragraph "sectional structure" means a building or structural unit that has been in whole or substantial part manufactured or constructed at an off-site location to be wholly or partially assembled on site alone or with other units and attached to a permanent foundation.

(e) The commissioner of revenue may adopt rules under the Administrative Procedure Act to establish additional criteria for the classification of manufactured homes and sectional structures under this subdivision.

(f) A storage shed, deck, or similar improvement constructed on property that is leased or rented as a site for a manufactured home, sectional structure, park trailer, or travel trailer is taxable as provided in this section. In the case of property that is leased or rented as a site for a travel trailer, a storage shed, deck, or similar improvement on the site that is considered personal property under this paragraph is taxable only if its total estimated market value is over $10,000. The property is taxable as personal property to the lessee of the site if it is not owned by the owner of the site. The property is taxable as real estate if it is owned by the owner of the site. As a condition of permitting the owner of the manufactured home, sectional structure, park trailer, or travel trailer to construct improvements on the leased or rented site, the owner of the site

must obtain the permanent home address of the lessee or user of the site. The site owner must provide the name and address to the assessor upon request.

History: *1993 c 375 art 3 s 15; 2000 c 490 art 5 s 11; 2002 c 377 art 4 s 15; art 9 s 3; 1Sp2005 c 3 art 1 s 13; 2008 c 154 art 2 s 9; 1Sp2017 c 1 art 2 s 9; 1Sp2021 c 8 art 3 s 3*

273.126 MS 2002 [Repealed, 1Sp2001 c 5 art 3 s 96]

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

273.128 CERTIFICATION OF LOW-INCOME RENTAL PROPERTY.

Subdivision 1. **Requirement.** (a) Low-income rental property classified as class 4d(1) under section 273.13, subdivision 25, is entitled to valuation under this section if at least 20 percent of the units in the rental housing property meet any of the following qualifications:

(1) the units are subject to a housing assistance payments contract under Section 8 of the United States Housing Act of 1937, as amended;

(2) the units are rent-restricted and income-restricted units of a qualified low-income housing project receiving tax credits under section 42(g) of the Internal Revenue Code;

(3) the units are financed by the Rural Housing Service of the United States Department of Agriculture and receive payments under the rental assistance program pursuant to section 521(a) of the Housing Act of 1949, as amended; or

(4) the units are subject to rent and income restrictions under the terms of financial assistance provided to the rental housing property by the federal government or the state of Minnesota, or a local unit of government, as evidenced by a document recorded against the property. The restrictions under this clause must require assisted units to be occupied by residents whose household income at the time of initial occupancy does not exceed 60 percent of the greater of area or state median income, adjusted for family size, as determined by the United States Department of Housing and Urban Development. The restriction must also require the rents for assisted units to not exceed 30 percent of 60 percent of the greater of area or state median income, adjusted for family size, as determined by the United States Department of Housing and Urban Development.

(b) The owner of a property certified as class 4d(1) under this section must use the property tax savings received from the 4d(1) classification for one or more of the following eligible uses: property maintenance, property security, improvements to the property, rent stabilization, or increases to the property's replacement reserve account. To maintain the class 4d(1) classification, the property owner must annually reapply and certify to the Housing Finance Agency that the property tax savings were used for one or more eligible uses.

(c) In order to meet the requirements of this section, property which received the 4d(1) classification in the prior year must demonstrate compliance with paragraph (b).

Subd. 1a. **Approval.** A property owner must receive approval by resolution of the governing body of the city or town where the property is located before submitting an initial application to the Housing Finance Agency, as required under subdivision 2, for property that has not, in whole or in part, been classified as class 4d(1) under section 273.13, subdivision 25, prior to assessment year 2024. A property owner that receives approval as required under this subdivision, and the certification made under subdivision 3, shall not be required to seek approval under this subdivision prior to submitting an application under subdivision 2 in each subsequent year. If the property is located in a city or town in which the net tax capacity of 4d(1)

property did not exceed two percent of the total net tax capacity in the city or town in the prior assessment year, the property owner does not need to receive approval under this subdivision. The commissioner of revenue must annually certify to the Housing Finance Agency a list of the cities and towns in which the net tax capacity of 4d(1) property exceeded two percent of the total net tax capacity in the prior assessment year.

Subd. 2. **Application.** (a) Application for certification under this section must be filed by March 31 of the levy year, or at a later date if the Housing Finance Agency deems practicable. The application must be filed with the Housing Finance Agency, on a form prescribed by the agency, and must contain the information required by the Housing Finance Agency.

(b) Each application must include:

(1) the property tax identification number; and

(2) evidence that the property meets the requirements of subdivisions 1 and 1a.

(c) The Housing Finance Agency may charge an application fee approximately equal to the costs of processing and reviewing the applications but not to exceed $10 per unit. If imposed, the applicant must pay the application fee to the Housing Finance Agency. The fee must be deposited in the housing development fund.

Subd. 3. **Certification.** By June 1 of each levy year, the Housing Finance Agency must certify to the appropriate county or city assessors, the specific properties that are qualified under this section and the number of units in the building that qualify. In making the certification, the Housing Finance Agency may rely on the application and any other supporting information that the agency deems necessary from the property owner.

History: *1Sp2005 c 3 art 1 s 14; 2008 c 154 art 2 s 10; 2008 c 366 art 11 s 12; 2023 c 64 art 3 s 15-17; 1Sp2025 c 13 art 2 s 7*

273.13 CLASSIFICATION OF PROPERTY.

Subdivision 1. **How classified.** All real and personal property subject to a general property tax and not subject to any gross earnings or other in-lieu tax is hereby classified for purposes of taxation as provided by this section.

Subd. 2. MS 1984 [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 2a. MS 1984 [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 3. MS 1984 [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 4. MS 1986 [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 5. MS 1969 [Repealed, Ex1971 c 31 art 22 s 5]

Subd. 5a. MS 1984 [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 6. MS 1986 [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 6a. MS 1984 [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 7. MS 1986 [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 7a. MS 1986 [Repealed, 1988 c 719 art 5 s 81]

Subd. 7b. MS 1984 [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 7c. MS 1984 [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 7d. MS 1984 [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 8. MS 1965 [Repealed, Ex1967 c 32 art 4 s 3]

Subd. 8a. MS 1986 [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 9. MS 1987 Supp [Repealed, 1988 c 719 art 5 s 81]

Subd. 10. MS 1984 [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 11. MS 1984 [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 12. MS 1984 [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 13. MS 1971 [Repealed, 1974 c 313 s 1]

Subd. 14. MS 1982 [Repealed, 1984 c 593 s 46]

Subd. 14a. MS 1986 [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 15. MS 1969 [Repealed, Ex1971 c 31 art 36 s 2]

Subd. 15a. MS 1987 Supp [Repealed, 1988 c 719 art 5 s 81]

Subd. 15b. MS 1982 [Repealed, 1983 c 342 art 2 s 30]

Subd. 16. MS 1984 [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 17. MS 1984 [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 17a. MS 1984 [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 17b. MS 1986 [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 17c. MS 1984 [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 17d. MS 1984 [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 18. MS 1982 [Repealed, 1983 c 222 s 45]

Subd. 19. MS 1986 [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 20. MS 1984 [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 21. MS 1984 [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 21a. MS 2012 [Repealed, 2014 c 308 art 9 s 94]

Subd. 21b. **Net tax capacity.** "Net tax capacity" means the product of the appropriate classification rates in this section and taxable market values.

Subd. 22. **Class 1.** (a) Except as provided in subdivision 23 and in paragraphs (b) and (c), real estate which is residential and used for homestead purposes is class 1a. In the case of a duplex or triplex in which one of the units is used for homestead purposes, the entire property is deemed to be used for homestead

purposes. The market value of class 1a property must be determined based upon the value of the house, garage, and land.

The first $500,000 of market value of class 1a property has a net classification rate of one percent of its market value; and the market value of class 1a property that exceeds $500,000 has a classification rate of 1.25 percent of its market value.

(b) Class 1b property includes homestead real estate or homestead manufactured homes used for the purposes of a homestead by:

(1) any person who is blind as defined in section 256D.35, or the person who is blind and the spouse of the person who is blind;

(2) any person who is permanently and totally disabled or by the person with a disability and the spouse of the person with a disability; or

(3) the surviving spouse of a veteran who was permanently and totally disabled homesteading a property classified under this paragraph for taxes payable in 2008.

Property is classified and assessed under clause (2) only if the government agency or income-providing source certifies, upon the request of the homestead occupant, that the homestead occupant satisfies the disability requirements of this paragraph, and that the property is not eligible for the valuation exclusion under subdivision 34.

Property is classified and assessed under paragraph (b) only if the commissioner of revenue or the county assessor certifies that the homestead occupant satisfies the requirements of this paragraph.

Permanently and totally disabled for the purpose of this subdivision means a condition which is permanent in nature and totally incapacitates the person from working at an occupation which brings the person an income. The first $50,000 market value of class 1b property has a net classification rate of 0.45 percent of its market value. The remaining market value of class 1b property is classified as class 1a property, class 2a property, or class 4d(2) property, whichever is appropriate.

(c) Class 1c property is commercial use real and personal property that abuts public water as defined in section 103G.005, subdivision 15, or abuts a state trail administered by the Department of Natural Resources, and is devoted to temporary and seasonal residential occupancy for recreational purposes but not devoted to commercial purposes for more than 250 days in the year preceding the year of assessment, and that includes a portion used as a homestead by the owner, which includes a dwelling occupied as a homestead by a shareholder of a corporation that owns the resort, a partner in a partnership that owns the resort, or a member of a limited liability company that owns the resort even if the title to the homestead is held by the corporation, partnership, or limited liability company. For purposes of this paragraph, property is devoted to a commercial purpose on a specific day if any portion of the property, excluding the portion used exclusively as a homestead, is used for residential occupancy and a fee is charged for residential occupancy. Class 1c property must contain three or more rental units. A "rental unit" is defined as a cabin, condominium, townhouse, sleeping room, or individual camping site equipped with water and electrical hookups for recreational vehicles. Class 1c property must provide recreational activities such as the rental of ice fishing houses, boats and motors, snowmobiles, downhill or cross-country ski equipment; provide marina services, launch services, or guide services; or sell bait and fishing tackle. Any unit in which the right to use the property is transferred to an individual or entity by deeded interest, or the sale of shares or stock, no longer qualifies for class 1c even though it may remain available for rent. A camping pad offered for rent by a property that otherwise qualifies for class 1c is also class 1c, regardless of the term of the rental agreement, as long as the use of the camping

pad does not exceed 250 days. If the same owner owns two separate parcels that are located in the same township, and one of those properties is classified as a class 1c property and the other would be eligible to be classified as a class 1c property if it was used as the homestead of the owner, both properties will be assessed as a single class 1c property; for purposes of this sentence, properties are deemed to be owned by the same owner if each of them is owned by a limited liability company, and both limited liability companies have the same membership. The portion of the property used as a homestead is class 1a property under paragraph (a). The remainder of the property is classified as follows: the first $1,500,000 of market value is tier I, the next $3,000,000 of market value is tier II, and any remaining market value is tier III. The classification rates for class 1c are: tier I, 0.50 percent; tier II, 1.0 percent; and tier III, 1.25 percent. Owners of real and personal property devoted to temporary and seasonal residential occupancy for recreation purposes in which all or a portion of the property was devoted to commercial purposes for not more than 250 days in the year preceding the year of assessment desiring classification as class 1c, must submit a declaration to the assessor designating the cabins or units occupied for 250 days or less in the year preceding the year of assessment by January 15 of the assessment year. Those cabins or units and a proportionate share of the land on which they are located must be designated as class 1c as otherwise provided. The remainder of the cabins or units and a proportionate share of the land on which they are located must be designated as class 3a commercial. The owner of property desiring designation as class 1c property must provide guest registers or other records demonstrating that the units for which class 1c designation is sought were not occupied for more than 250 days in the year preceding the assessment if so requested. The portion of a property operated as a (1) restaurant, (2) bar, (3) gift shop, (4) conference center or meeting room, and (5) other nonresidential facility operated on a commercial basis not directly related to temporary and seasonal residential occupancy for recreation purposes does not qualify for class 1c.

(d) Class 1d property includes structures that meet all of the following criteria:

(1) the structure is located on property that is classified as agricultural property under section 273.13, subdivision 23;

(2) the structure is occupied exclusively by seasonal farm workers during the time when they work on that farm, and the occupants are not charged rent for the privilege of occupying the property, provided that use of the structure for storage of farm equipment and produce does not disqualify the property from classification under this paragraph;

(3) the structure meets all applicable health and safety requirements for the appropriate season; and

(4) the structure is not salable as residential property because it does not comply with local ordinances relating to location in relation to streets or roads.

The market value of class 1d property has the same classification rates as class 1a property under paragraph (a).

Subd. 23. **Class 2.** (a) An agricultural homestead consists of class 2a agricultural land that is homesteaded, along with any class 2b rural vacant land that is contiguous to the class 2a land under the same ownership. The market value of the house and garage and immediately surrounding one acre of land has the same classification rates as class 1a or 1b property under subdivision 22. The value of the remaining land including improvements up to the first tier valuation limit of agricultural homestead property has a classification rate of 0.5 percent of market value. The remaining property over the first tier has a classification rate of one percent of market value. For purposes of this subdivision, the "first tier valuation limit of agricultural homestead property" and "first tier" means the limit certified under section 273.11, subdivision 23.

(b) Class 2a agricultural land consists of parcels of property, or portions thereof, that are agricultural land and buildings. Class 2a property has a classification rate of one percent of market value, unless it is part of an agricultural homestead under paragraph (a). Class 2a property must also include any property that would otherwise be classified as 2b, but is interspersed with class 2a property, including but not limited to sloughs, wooded wind shelters, acreage abutting ditches, ravines, rock piles, land subject to a setback requirement, and other similar land that is impractical for the assessor to value separately from the rest of the property or that is unlikely to be able to be sold separately from the rest of the property.

An assessor may classify the part of a parcel described in this subdivision that is used for agricultural purposes as class 2a and the remainder in the class appropriate to its use.

(c) Class 2b rural vacant land consists of parcels of property, or portions thereof, that are unplatted real estate, rural in character and not used for agricultural purposes, including land used for growing trees for timber, lumber, and wood and wood products, that is not improved with a structure. The presence of a minor, ancillary nonresidential structure as defined by the commissioner of revenue does not disqualify the property from classification under this paragraph. Any parcel of 20 acres or more improved with a structure that is not a minor, ancillary nonresidential structure must be split-classified, and ten acres must be assigned to the split parcel containing the structure. If a parcel of 20 acres or more is enrolled in the sustainable forest management incentive program under chapter 290C, the number of acres assigned to the split parcel improved with a structure that is not a minor, ancillary nonresidential structure must equal three acres or the number of acres excluded from the sustainable forest incentive act covenant due to the structure, whichever is greater. Class 2b property has a classification rate of one percent of market value unless it is part of an agricultural homestead under paragraph (a), or qualifies as class 2c under paragraph (d).

(d) Class 2c managed forest land consists of no less than 20 and no more than 1,920 acres statewide per taxpayer that is being managed under a forest management plan that meets the requirements of chapter 290C, but is not enrolled in the sustainable forest resource management incentive program. It has a classification rate of .65 percent, provided that the owner of the property must apply to the assessor in order for the property to initially qualify for the reduced rate and provide the information required by the assessor to verify that the property qualifies for the reduced rate. If the assessor receives the application and information before May 1 in an assessment year, the property qualifies beginning with that assessment year. If the assessor receives the application and information after April 30 in an assessment year, the property may not qualify until the next assessment year. The commissioner of natural resources must concur that the land is qualified. The commissioner of natural resources shall annually provide county assessors verification information on a timely basis. The presence of a minor, ancillary nonresidential structure as defined by the commissioner of revenue does not disqualify the property from classification under this paragraph.

(e) Agricultural land as used in this section means:

(1) contiguous acreage of ten acres or more, used during the preceding year for agricultural purposes; or

(2) contiguous acreage used during the preceding year for an intensive livestock or poultry confinement operation, provided that land used only for pasturing or grazing does not qualify under this clause.

"Agricultural purposes" as used in this section means the raising, cultivation, drying, or storage of agricultural products for sale, or the storage of machinery or equipment used in support of agricultural production by the same farm entity. For a property to be classified as agricultural based only on the drying or storage of agricultural products, the products being dried or stored must have been produced by the same farm entity as the entity operating the drying or storage facility. "Agricultural purposes" also includes (i)

enrollment in a local conservation program or the Reinvest in Minnesota program under sections 103F.501 to 103F.535 or the federal Conservation Reserve Program as contained in Public Law 99-198 or a similar state or federal conservation program if the property was classified as agricultural (A) under this subdivision for taxes payable in 2003 because of its enrollment in a qualifying program and the land remains enrolled or (B) in the year prior to its enrollment, or (ii) use of land, not to exceed three acres, to provide environmental benefits such as buffer strips, old growth forest restoration or retention, or retention ponds to prevent soil erosion. For purposes of this section, a "local conservation program" means a program administered by a town, statutory or home rule charter city, or county, including a watershed district, water management organization, or soil and water conservation district, in which landowners voluntarily enroll land and receive incentive payments equal to at least $50 per acre in exchange for use or other restrictions placed on the land. In order for property to qualify under the local conservation program provision, a taxpayer must apply to the assessor by February 1 of the assessment year and must submit the information required by the assessor, including but not limited to a copy of the program requirements, the specific agreement between the land owner and the local agency, if applicable, and a map of the conservation area. Agricultural classification shall not be based upon the market value of any residential structures on the parcel or contiguous parcels under the same ownership.

"Contiguous acreage," for purposes of this paragraph, means all of, or a contiguous portion of, a tax parcel as described in section 272.193, or all of, or a contiguous portion of, a set of contiguous tax parcels under that section that are owned by the same person.

(f) Agricultural land under this section also includes:

(1) contiguous acreage that is less than ten acres in size and exclusively used in the preceding year for raising or cultivating agricultural products;

(2) contiguous acreage that contains a residence and is less than 11 acres in size, if the contiguous acreage exclusive of the house, garage, and surrounding one acre of land was used in the preceding year for one or more of the following three uses:

(i) for an intensive grain drying or storage operation, or for intensive machinery or equipment storage activities used to support agricultural activities on other parcels of property operated by the same farming entity;

(ii) as a nursery, provided that only those acres used intensively to produce nursery stock are considered agricultural land; or

(iii) for intensive market farming; or

(3) contiguous acreage that contains a residence and is less than 15 acres in size, if the contiguous acreage inclusive of the house, garage, and surrounding one acre of land was used in the preceding year for market farming and the owner provides the county assessor with the filed federal Schedule F (Form 1040) for the most recent completed tax year that reports gross income of at least $20,000.

For purposes of this paragraph, "market farming" means the cultivation of one or more fruits or vegetables or production of animal or other agricultural products for sale to local markets by the farmer or an organization with which the farmer is affiliated, and "contiguous acreage" means all of a tax parcel as described in section 272.193, or all of a set of contiguous tax parcels under that section that are owned by the same person.

(g) Land shall be classified as agricultural even if all or a portion of the agricultural use of that property is the leasing to, or use by another person for agricultural purposes.

Classification under this subdivision is not determinative for qualifying under section 273.111.

(h) The property classification under this section supersedes, for property tax purposes only, any locally administered agricultural policies or land use restrictions that define minimum or maximum farm acreage.

(i) The term "agricultural products" as used in this subdivision includes production for sale of:

(1) livestock, dairy animals, dairy products, poultry and poultry products, fur-bearing animals, horticultural and nursery stock, floriculture, fruit of all kinds, vegetables, forage, grains, bees, and apiary products by the owner;

(2) aquacultural products for sale and consumption, as defined under section 17.47, if the aquaculture occurs on land zoned for agricultural use;

(3) the commercial boarding of horses, which may include related horse training and riding instruction, if the boarding is done on property that is also used for raising pasture to graze horses or raising or cultivating other agricultural products as defined in clause (1);

(4) property which is owned and operated by nonprofit organizations used for equestrian activities, excluding racing;

(5) game birds and waterfowl bred and raised (i) on a game farm licensed under section 97A.105, provided that the annual licensing report to the Department of Natural Resources, which must be submitted annually by March 30 to the assessor, indicates that at least 500 birds were raised or used for breeding stock on the property during the preceding year and that the owner provides a copy of the owner's most recent schedule F; or (ii) for use on a shooting preserve licensed under section 97A.115;

(6) insects primarily bred to be used as food for animals;

(7) trees, grown for sale as a crop, including short rotation woody crops, and not sold for timber, lumber, wood, or wood products; and

(8) maple syrup taken from trees grown by a person licensed by the Minnesota Department of Agriculture under chapter 28A as a food processor.

(j) If a parcel used for agricultural purposes is also used for commercial or industrial purposes, including but not limited to:

(1) wholesale and retail sales;

(2) processing of raw agricultural products or other goods;

(3) warehousing or storage of processed goods; and

(4) office facilities for the support of the activities enumerated in clauses (1), (2), and (3), the assessor shall classify the part of the parcel used for agricultural purposes as class 1b, 2a, or 2b, whichever is appropriate, and the remainder in the class appropriate to its use. The grading, sorting, and packaging of raw agricultural products for first sale is considered an agricultural purpose. A greenhouse or other building where floricultural, horticultural or nursery products are grown that is also used for the conduct of retail sales must be classified as agricultural if it is primarily used for the growing of floricultural, horticultural or nursery products from seed, cuttings, or roots and occasionally as a showroom for the retail sale of those products. Use of a greenhouse or building only for the display of already grown floricultural, horticultural or nursery products does not qualify as an agricultural purpose.

"Floriculture," for the purposes of this paragraph, includes production of bedding and garden plants, foliage plants, potted flowering plants, and cut flowers.

(k) The assessor shall determine and list separately on the records the market value of the homestead dwelling and the one acre of land on which that dwelling is located. If any farm buildings or structures are located on this homesteaded acre of land, their market value shall not be included in this separate determination.

(l) Class 2d airport landing area consists of a landing area or public access area of a privately owned public use airport. It has a classification rate of one percent of market value. To qualify for classification under this paragraph, a privately owned public use airport must be licensed as a public airport under section 360.018. For purposes of this paragraph, "landing area" means that part of a privately owned public use airport properly cleared, regularly maintained, and made available to the public for use by aircraft and includes runways, taxiways, aprons, and sites upon which are situated landing or navigational aids. A landing area also includes land underlying both the primary surface and the approach surfaces that comply with all of the following:

(i) the land is properly cleared and regularly maintained for the primary purposes of the landing, taking off, and taxiing of aircraft; but that portion of the land that contains facilities for servicing, repair, or maintenance of aircraft is not included as a landing area;

(ii) the land is part of the airport property; and

(iii) the land is not used for commercial or residential purposes.

The land contained in a landing area under this paragraph must be described and certified by the commissioner of transportation. The certification is effective until it is modified, or until the airport or landing area no longer meets the requirements of this paragraph. For purposes of this paragraph, "public access area" means property used as an aircraft parking ramp, apron, or storage hangar, or an arrival and departure building in connection with the airport.

(m) Class 2e consists of land with a commercial aggregate deposit that is not actively being mined and is not otherwise classified as class 2a or 2b, provided that the land is not located in a county that has elected to opt-out of the aggregate preservation program as provided in section 273.1115, subdivision 6. It has a classification rate of one percent of market value. To qualify for classification under this paragraph, the property must be at least ten contiguous acres in size and the owner of the property must record with the county recorder of the county in which the property is located an affidavit containing:

(1) a legal description of the property;

(2) a disclosure that the property contains a commercial aggregate deposit that is not actively being mined but is present on the entire parcel enrolled;

(3) documentation that the conditional use under the county or local zoning ordinance of this property is for mining; and

(4) documentation that a permit has been issued by the local unit of government or the mining activity is allowed under local ordinance. The disclosure must include a statement from a registered professional geologist, engineer, or soil scientist delineating the deposit and certifying that it is a commercial aggregate deposit.

For purposes of this section and section 273.1115, "commercial aggregate deposit" means a deposit that will yield crushed stone or sand and gravel that is suitable for use as a construction aggregate; and "actively mined" means the removal of top soil and overburden in preparation for excavation or excavation of a commercial deposit.

(n) When any portion of the property under this subdivision or subdivision 22 begins to be actively mined, the owner must file a supplemental affidavit within 60 days from the day any aggregate is removed stating the number of acres of the property that is actively being mined. The acres actively being mined must be (1) valued and classified under subdivision 24 in the next subsequent assessment year, and (2) removed from the aggregate resource preservation property tax program under section 273.1115, if the land was enrolled in that program. Copies of the original affidavit and all supplemental affidavits must be filed with the county assessor, the local zoning administrator, and the Department of Natural Resources, Division of Land and Minerals. A supplemental affidavit must be filed each time a subsequent portion of the property is actively mined, provided that the minimum acreage change is five acres, even if the actual mining activity constitutes less than five acres.

(o) The definitions prescribed by the commissioner under paragraphs (c) and (d) are not rules and are exempt from the rulemaking provisions of chapter 14, and the provisions in section 14.386 concerning exempt rules do not apply.

Subd. 24. **Class 3.** Commercial and industrial property and utility real and personal property is class 3a.

(1) Except as otherwise provided, each parcel of commercial, industrial, or utility real property has a classification rate of 1.5 percent of the first tier of market value, and 2.0 percent of the remaining market value. In the case of contiguous parcels of property owned by the same person or entity, only the value equal to the first-tier value of the contiguous parcels qualifies for the reduced classification rate, except that contiguous parcels owned by the same person or entity shall be eligible for the first-tier value classification rate on each separate business operated by the owner of the property, provided the business is housed in a separate structure. For the purposes of this subdivision, the first tier means the first $150,000 of market value. Real property owned in fee by a utility for transmission line right-of-way shall be classified at the classification rate for the higher tier.

For purposes of this subdivision, parcels are considered to be contiguous even if they are separated from each other by a road, street, waterway, or other similar intervening type of property. Connections between parcels that consist of power lines or pipelines do not cause the parcels to be contiguous. Property owners who have contiguous parcels of property that constitute separate businesses that may qualify for the first-tier classification rate shall notify the assessor by July 1, for treatment beginning in the following taxes payable year.

(2) All personal property that is: (i) part of an electric generation, transmission, or distribution system; or (ii) part of a pipeline system transporting or distributing water, gas, crude oil, or petroleum products; and (iii) not described in clause (3), and all railroad operating property has a classification rate as provided under clause (1) for the first tier of market value and the remaining market value. In the case of multiple parcels in one county that are owned by one person or entity, only one first tier amount is eligible for the reduced rate.

(3) The entire market value of personal property that is: (i) tools, implements, and machinery of an electric generation, transmission, or distribution system; (ii) tools, implements, and machinery of a pipeline system transporting or distributing water, gas, crude oil, or petroleum products; or (iii) the mains and pipes

used in the distribution of steam or hot or chilled water for heating or cooling buildings, has a classification rate as provided under clause (1) for the remaining market value in excess of the first tier.

(4) Real property used for raising, cultivating, processing, or storing cannabis plants, cannabis flower, or cannabis products for sale has a classification rate as provided under clause (1) for the first tier of market value and the remaining market value. As used in this paragraph, "cannabis plant" has the meaning given in section 342.01, subdivision 19, "cannabis flower" has the meaning given in section 342.01, subdivision 16, and "cannabis product" has the meaning given in section 342.01, subdivision 20.

Subd. 24a. MS 2000 [Repealed, 1Sp2001 c 5 art 3 s 96]

Subd. 25. **Class 4.** (a) Class 4a is residential real estate containing four or more units and used or held for use by the owner or by the tenants or lessees of the owner as a residence for rental periods of 30 days or more, excluding property qualifying for class 4d. Class 4a also includes hospitals licensed under sections 144.50 to 144.56, other than hospitals exempt under section 272.02, and contiguous property used for hospital purposes, without regard to whether the property has been platted or subdivided. The market value of class 4a property has a classification rate of 1.25 percent.

(b) Class 4b includes:

(1) residential real estate containing less than four units, including property rented as a short-term rental property for more than 14 days in the preceding year, that does not qualify as class 4bb, other than seasonal residential recreational property;

(2) manufactured homes not classified under any other provision;

(3) a dwelling, garage, and surrounding one acre of property on a nonhomestead farm classified under subdivision 23, paragraph (b) containing two or three units; and

(4) unimproved property that is classified residential as determined under subdivision 33.

For the purposes of this paragraph, "short-term rental property" means nonhomestead residential real estate rented for periods of less than 30 consecutive days.

The market value of class 4b property has a classification rate of 1.25 percent.

(c) Class 4bb includes:

(1) nonhomestead residential real estate containing one unit, other than seasonal residential recreational property;

(2) a single family dwelling, garage, and surrounding one acre of property on a nonhomestead farm classified under subdivision 23, paragraph (b); and

(3) a condominium-type storage unit having an individual property identification number that is not used for a commercial purpose.

Class 4bb property has the same classification rates as class 1a property under subdivision 22.

Property that has been classified as seasonal residential recreational property at any time during which it has been owned by the current owner or spouse of the current owner does not qualify for class 4bb.

(d) Class 4c property includes:

(1) except as provided in subdivision 22, paragraph (c), real and personal property devoted to commercial temporary and seasonal residential occupancy for recreation purposes, for not more than 250 days in the year preceding the year of assessment. For purposes of this clause, property is devoted to a commercial purpose on a specific day if any portion of the property is used for residential occupancy, and a fee is charged for residential occupancy. Class 4c property under this clause must contain three or more rental units. A "rental unit" is defined as a cabin, condominium, townhouse, sleeping room, or individual camping site equipped with water and electrical hookups for recreational vehicles. A camping pad offered for rent by a property that otherwise qualifies for class 4c under this clause is also class 4c under this clause regardless of the term of the rental agreement, as long as the use of the camping pad does not exceed 250 days. In order for a property to be classified under this clause, either (i) the business located on the property must provide recreational activities, at least 40 percent of the annual gross lodging receipts related to the property must be from business conducted during 90 consecutive days, and either (A) at least 60 percent of all paid bookings by lodging guests during the year must be for periods of at least two consecutive nights; or (B) at least 20 percent of the annual gross receipts must be from charges for providing recreational activities, or (ii) the business must contain 20 or fewer rental units, and must be located in a township or a city with a population of 2,500 or less located outside the metropolitan area, as defined under section 473.121, subdivision 2, that contains a portion of a state trail administered by the Department of Natural Resources. For purposes of item (i)(A), a paid booking of five or more nights shall be counted as two bookings. Class 4c property also includes commercial use real property used exclusively for recreational purposes in conjunction with other class 4c property classified under this clause and devoted to temporary and seasonal residential occupancy for recreational purposes, up to a total of two acres, provided the property is not devoted to commercial recreational use for more than 250 days in the year preceding the year of assessment and is located within two miles of the class 4c property with which it is used. In order for a property to qualify for classification under this clause, the owner must submit a declaration to the assessor designating the cabins or units occupied for 250 days or less in the year preceding the year of assessment by January 15 of the assessment year. Those cabins or units and a proportionate share of the land on which they are located must be designated class 4c under this clause as otherwise provided. The remainder of the cabins or units and a proportionate share of the land on which they are located will be designated as class 3a. The owner of property desiring designation as class 4c property under this clause must provide guest registers or other records demonstrating that the units for which class 4c designation is sought were not occupied for more than 250 days in the year preceding the assessment if so requested. The portion of a property operated as a (1) restaurant, (2) bar, (3) gift shop, (4) conference center or meeting room, and (5) other nonresidential facility operated on a commercial basis not directly related to temporary and seasonal residential occupancy for recreation purposes does not qualify for class 4c. For the purposes of this paragraph, "recreational activities" means renting ice fishing houses, boats and motors, snowmobiles, downhill or cross-country ski equipment; providing marina services, launch services, or guide services; or selling bait and fishing tackle;

(2) qualified property used as a golf course if:

(i) it is open to the public on a daily fee basis. It may charge membership fees or dues, but a membership fee may not be required in order to use the property for golfing, and its green fees for golfing must be comparable to green fees typically charged by municipal courses; and

(ii) it meets the requirements of section 273.112, subdivision 3, paragraph (d).

A structure used as a clubhouse, restaurant, or place of refreshment in conjunction with the golf course is classified as class 3a property;

(3) real property up to a maximum of three acres of land owned and used by a nonprofit community service oriented organization and not used for residential purposes on either a temporary or permanent basis, provided that:

(i) the property is not used for a revenue-producing activity for more than six days in the calendar year preceding the year of assessment; or

(ii) the organization makes annual charitable contributions and donations at least equal to the property's previous year's property taxes and the property is allowed to be used for public and community meetings or events for no charge, as appropriate to the size of the facility.

For purposes of this clause:

(A) "charitable contributions and donations" has the same meaning as lawful gambling purposes under section 349.12, subdivision 25, excluding those purposes relating to the payment of taxes, assessments, fees, auditing costs, and utility payments;

(B) "property taxes" excludes the state general tax;

(C) a "nonprofit community service oriented organization" means any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious, fraternal, civic, or educational purposes, and which is exempt from federal income taxation pursuant to section 501(c)(3), (8), (10), or (19) of the Internal Revenue Code; and

(D) "revenue-producing activities" shall include but not be limited to property or that portion of the property that is used as an on-sale intoxicating liquor or 3.2 percent malt liquor establishment licensed under chapter 340A, a restaurant open to the public, bowling alley, a retail store, gambling conducted by organizations licensed under chapter 349, an insurance business, or office or other space leased or rented to a lessee who conducts a for-profit enterprise on the premises.

Any portion of the property not qualifying under either item (i) or (ii) is class 3a. The use of the property for social events open exclusively to members and their guests for periods of less than 24 hours, when an admission is not charged nor any revenues are received by the organization shall not be considered a revenue-producing activity.

The organization shall maintain records of its charitable contributions and donations and of public meetings and events held on the property and make them available upon request any time to the assessor to ensure eligibility. An organization meeting the requirement under item (ii) must file an application by May 1 with the assessor for eligibility for the current year's assessment. The commissioner shall prescribe a uniform application form and instructions;

(4) postsecondary student housing of not more than one acre of land that is owned by a nonprofit corporation organized under chapter 317A and is used exclusively by a student cooperative, sorority, or fraternity for on-campus housing or housing located within two miles of the border of a college campus;

(5)(i) manufactured home parks as defined in section 327.14, subdivision 3, excluding manufactured home parks described in items (ii) and (iii), (ii) manufactured home parks as defined in section 327.14, subdivision 3, that are described in section 273.124, subdivision 3a, and (iii) class I manufactured home parks as defined in section 327C.015, subdivision 2;

(6) real property that is actively and exclusively devoted to indoor fitness, health, social, recreational, and related uses, is owned and operated by a not-for-profit corporation, and is located within the metropolitan area as defined in section 473.121, subdivision 2;

(7) a leased or privately owned noncommercial aircraft storage hangar not exempt under section 272.01, subdivision 2, and the land on which it is located, provided that:

(i) the land is on an airport owned or operated by a city, town, county, Metropolitan Airports Commission, or group thereof; and

(ii) the land lease, or any ordinance or signed agreement restricting the use of the leased premise, prohibits commercial activity performed at the hangar.

If a hangar classified under this clause is sold after June 30, 2000, a bill of sale must be filed by the new owner with the assessor of the county where the property is located within 60 days of the sale;

(8) a privately owned noncommercial aircraft storage hangar not exempt under section 272.01, subdivision 2, and the land on which it is located, provided that:

(i) the land abuts a public airport; and

(ii) the owner of the aircraft storage hangar provides the assessor with a signed agreement restricting the use of the premises, prohibiting commercial use or activity performed at the hangar;

(9) residential real estate, a portion of which is used by the owner for homestead purposes, and that is also a place of lodging, if all of the following criteria are met:

(i) rooms are provided for rent to transient guests that generally stay for periods of 14 or fewer days;

(ii) meals are provided to persons who rent rooms, the cost of which is incorporated in the basic room rate;

(iii) meals are not provided to the general public except for special events on fewer than seven days in the calendar year preceding the year of the assessment; and

(iv) the owner is the operator of the property.

The market value subject to the 4c classification under this clause is limited to five rental units. Any rental units on the property in excess of five, must be valued and assessed as class 3a. The portion of the property used for purposes of a homestead by the owner must be classified as class 1a property under subdivision 22;

(10) real property up to a maximum of three acres and operated as a restaurant as defined under section 157.15, subdivision 12, provided it: (i) is located on a lake as defined under section 103G.005, subdivision 15, paragraph (a), clause (3); and (ii) is either devoted to commercial purposes for not more than 250 consecutive days, or receives at least 60 percent of its annual gross receipts from business conducted during four consecutive months. Gross receipts from the sale of alcoholic beverages must be included in determining the property's qualification under item (ii). The property's primary business must be as a restaurant and not as a bar. Gross receipts from gift shop sales located on the premises must be excluded. Owners of real property desiring 4c classification under this clause must submit an annual declaration to the assessor by February 1 of the current assessment year, based on the property's relevant information for the preceding assessment year;

(11) lakeshore and riparian property and adjacent land, not to exceed six acres, used as a marina, as defined in section 86A.20, subdivision 5, which is made accessible to the public and devoted to recreational use for marina services. The marina owner must annually provide evidence to the assessor that it provides services, including lake or river access to the public by means of an access ramp or other facility that is either located on the property of the marina or at a publicly owned site that abuts the property of the marina. No more than 800 feet of lakeshore may be included in this classification. Buildings used in conjunction with a marina for marina services, including but not limited to buildings used to provide food and beverage services, fuel, boat repairs, or the sale of bait or fishing tackle, are classified as class 3a property; and

(12) real and personal property devoted to noncommercial temporary and seasonal residential occupancy for recreation purposes.

Class 4c property has a classification rate of 1.5 percent of market value, except that (i) each parcel of noncommercial seasonal residential recreational property under clause (12) has the same classification rates as class 4bb property, (ii) manufactured home parks assessed under clause (5), item (i), have the same classification rate as class 4b property, the market value of manufactured home parks assessed under clause (5), item (ii), have a classification rate of 0.75 percent if more than 50 percent of the lots in the park are occupied by shareholders in the cooperative corporation or association and a classification rate of one percent if 50 percent or less of the lots are so occupied, and class I manufactured home parks as defined in section 327C.015, subdivision 2, have a classification rate of 1.0 percent, (iii) commercial-use seasonal residential recreational property and marina recreational land as described in clause (11), has a classification rate of one percent for the first $500,000 of market value, and 1.25 percent for the remaining market value, (iv) the market value of property described in clause (4) has a classification rate of one percent, (v) the market value of property described in clauses (2), (6), and (10) has a classification rate of 1.25 percent, (vi) that portion of the market value of property in clause (9) qualifying for class 4c property has a classification rate of 1.25 percent, and (vii) property qualifying for classification under clause (3) that is owned or operated by a congressionally chartered veterans organization has a classification rate of one percent. The commissioner of veterans affairs must provide a list of congressionally chartered veterans organizations to the commissioner of revenue by June 30, 2017, and by January 1, 2018, and each year thereafter.

(e) Class 4d property includes:

(1) qualifying low-income rental housing certified to the assessor by the Housing Finance Agency under section 273.128, subdivision 3. If only a portion of the units in the building qualify as low-income rental housing units as certified under section 273.128, subdivision 3, only the proportion of qualifying units to the total number of units in the building qualify for class 4d(1). The remaining portion of the building shall be classified by the assessor based upon its use. Class 4d(1) also includes the same proportion of land as the qualifying low-income rental housing units are to the total units in the building. For all properties qualifying as class 4d(1), the market value determined by the assessor must be based on the normal approach to value using normal unrestricted rents; and

(2) a unit that is owned by the occupant and used as a homestead by the occupant, and otherwise meets all the requirements for community land trust property under section 273.11, subdivision 12, provided that by December 31 of each assessment year, the community land trust certifies to the assessor that (i) the community land trust owns the real property on which the unit is located, and (ii) the unit owner is a member in good standing of the community land trust. For all units qualifying as class 4d(2), the market value determined by the assessor must be based on the normal approach to value without regard to any restrictions that apply because the unit is a community land trust property.

(f) Class 4d(1) property has a classification rate of 0.25 percent. Class 4d(2) property has a classification rate of 0.75 percent.

Subd. 25a. **Elderly assisted living facility property.** "Elderly assisted living facility property" means residential real estate containing more than one unit held for use by the tenants or lessees as a residence for periods of 30 days or more, along with community rooms, lounges, activity rooms, and related facilities, designed to meet the housing, health, and financial security needs of the elderly. The real estate may be owned by an individual, partnership, limited partnership, for-profit corporation or nonprofit corporation exempt from federal income taxation under United States Code, title 26, section 501(c)(3) or related sections.

An admission or initiation fee may be required of tenants. Monthly charges may include charges for the residential unit, meals, housekeeping, utilities, social programs, a health care alert system, or any combination of them. On-site health care may be provided by in-house staff or an outside health care provider.

The assessor shall classify elderly assisted living facility property, depending upon the property's ownership, occupancy, and use. The applicable classification rates shall apply based on its classification, if taxable.

Subd. 26. MS 1986 [Repealed, 1987 c 268 art 6 s 53]

Subd. 27. MS 1986 [Repealed, 1987 c 268 art 6 s 53]

Subd. 28. MS 1986 [Repealed, 1987 c 268 art 6 s 53]

Subd. 29. MS 1986 [Repealed, 1987 c 268 art 6 s 53]

Subd. 30. MS 1986 [Repealed, 1988 c 719 art 5 s 81]

Subd. 31. **Class 5.** Class 5 property includes:

(1) unmined iron ore and low-grade iron-bearing formations as defined in section 273.14; and

(2) all other property not otherwise classified.

Class 5 property has a classification rate of 2.0 percent of market value.

Subd. 32. MS 1997 Supp [Repealed, 1998 c 389 art 2 s 21]

Subd. 33. **Classification of unimproved property.** (a) All real property that is not improved with a structure must be classified according to its current use.

(b) Except as provided in subdivision 23, paragraph (c) or (d), real property that is not improved with a structure and for which there is no identifiable current use must be classified according to its highest and best use permitted under the local zoning ordinance. If the ordinance permits more than one use, the land must be classified according to the highest and best use permitted under the ordinance. If no such ordinance exists, the assessor shall consider the most likely potential use of the unimproved land based upon the use made of surrounding land or land in proximity to the unimproved land.

Subd. 34. **Homestead of veteran with a disability or family caregiver.** (a) All or a portion of the market value of property owned by a veteran and serving as the veteran's homestead under this section is excluded in determining the property's taxable market value if the veteran has a service-connected disability of 70 percent or more as certified by the United States Department of Veterans Affairs. To qualify for exclusion under this subdivision, the veteran must have been honorably discharged from the United States

armed forces, as indicated by United States Government Form DD214 or other official military discharge papers.

(b)(1) For a disability rating of 70 percent or more, $150,000 of market value is excluded, except as provided in clause (2); and

(2) for a total (100 percent) and permanent disability, $300,000 of market value is excluded.

(c) If a veteran with a disability qualifying for a valuation exclusion under paragraph (b), clause (2), predeceases the veteran's spouse, and if upon the death of the veteran the spouse holds the legal or beneficial title to the homestead and permanently resides there, the exclusion shall carry over to the benefit of the veteran's spouse until such time as the spouse remarries, or sells, transfers, or otherwise disposes of the property, except as otherwise provided in paragraph (n). Qualification under this paragraph requires an application under paragraph (h), and a spouse must notify the assessor if there is a change in the spouse's marital status, ownership of the property, or use of the property as a permanent residence.

(d) If the spouse of a member of any branch or unit of the United States armed forces who dies due to a service-connected cause while serving honorably in active service, as indicated on United States Government Form DD1300 or DD2064, holds the legal or beneficial title to a homestead and permanently resides there, the spouse is entitled to the benefit described in paragraph (b), clause (2), until such time as the spouse remarries or sells, transfers, or otherwise disposes of the property, except as otherwise provided in paragraph (n).

(e) If a veteran meets the disability criteria of paragraph (a) but does not own property classified as homestead in the state of Minnesota, then the homestead of the veteran's primary family caregiver, if any, is eligible for the exclusion that the veteran would otherwise qualify for under paragraph (b).

(f) In the case of an agricultural homestead, only the portion of the property consisting of the house and garage and immediately surrounding one acre of land qualifies for the valuation exclusion under this subdivision.

(g) A property qualifying for a valuation exclusion under this subdivision is not eligible for the market value exclusion under subdivision 35, or classification under subdivision 22, paragraph (b).

(h) To qualify for a valuation exclusion under this subdivision a property owner must apply to the assessor by December 31 of the first assessment year for which the exclusion is sought. Except as provided in paragraph (c), the owner of a property that has been accepted for a valuation exclusion must notify the assessor if there is a change in ownership of the property or in the use of the property as a homestead.

(i) A first-time application by a qualifying spouse for the market value exclusion under paragraph (d) must be made any time within two years of the death of the service member.

(j) For purposes of this subdivision:

(1) "active service" has the meaning given in section 190.05;

(2) "own" means that the person's name is present as an owner on the property deed;

(3) "primary family caregiver" means a person who is approved by the secretary of the United States Department of Veterans Affairs for assistance as the primary provider of personal care services for an eligible veteran under the Program of Comprehensive Assistance for Family Caregivers, codified as United States Code, title 38, section 1720G; and

(4) "veteran" has the meaning given the term in section 197.447.

(k) If a veteran did not apply for or receive the exclusion under paragraph (b), clause (2), before dying, or the exclusion under paragraph (b), clause (2), did not exist at the time of the veterans death, the veteran's spouse is entitled to the benefit under paragraph (b), clause (2), until the spouse remarries or sells, transfers, or otherwise disposes of the property, except as otherwise provided in paragraph (n), if:

(1) the spouse files a first-time application;

(2) upon the death of the veteran, the spouse holds the legal or beneficial title to the homestead and permanently resides there;

(3) the veteran met the honorable discharge requirements of paragraph (a); and

(4) the United States Department of Veterans Affairs certifies that:

(i) the veteran met the total (100 percent) and permanent disability requirement under paragraph (b), clause (2); or

(ii) the spouse has been awarded dependency and indemnity compensation.

(l) The purpose of this provision of law providing a level of homestead property tax relief for veterans with a disability, their primary family caregivers, and their surviving spouses is to help ease the burdens of war for those among our state's citizens who bear those burdens most heavily.

(m) By July 1, the county veterans service officer must certify the disability rating and permanent address of each veteran receiving the benefit under paragraph (b) to the assessor.

(n) A spouse who received the benefit in paragraph (c), (d), or (k) but no longer holds the legal or beneficial title to the property may continue to receive the exclusion for a property other than the property for which the exclusion was initially granted until the spouse remarries or sells, transfers, or otherwise disposes of the property, provided that:

(1) the spouse applies under paragraph (h) for the continuation of the exclusion allowed under this paragraph;

(2) the spouse holds the legal or beneficial title to the property for which the continuation of the exclusion is sought under this paragraph, and permanently resides there;

(3) the estimated market value of the property for which the exclusion is sought under this paragraph is less than or equal to the estimated market value of the property that first received the exclusion, based on the value of each property on the date of the sale of the property that first received the exclusion; and

(4) the spouse has not previously received the benefit under this paragraph for a property other than the property for which the exclusion is sought.

(o) If a spouse had previously received the exclusion under paragraph (c) or (d) and the exclusion expired prior to taxes payable in 2020, the spouse may reapply under this section for the exclusion under paragraph (c) or (d).

Subd. 35. **Homestead market value exclusion.** (a) Prior to determining a property's net tax capacity under this section, property classified as 4d(2) under subdivision 25, paragraph (e), clause (2), class 1a, or 1b under subdivision 22, and the portion of property classified as class 2a under subdivision 23 consisting

of the house, garage, and surrounding one acre of land, shall be eligible for a market value exclusion as determined under paragraph (b).

(b) For a homestead valued at $95,000 or less, the exclusion is 40 percent of market value. For a homestead valued between $95,000 and $517,200, the exclusion is $38,000 minus nine percent of the valuation over $95,000. For a homestead valued at $517,200 or more, there is no valuation exclusion. The valuation exclusion shall be rounded to the nearest whole dollar, and may not be less than zero.

(c) Any valuation exclusions or adjustments under section 273.11 shall be applied prior to determining the amount of the valuation exclusion under this subdivision.

(d) In the case of a property that is classified as part homestead and part nonhomestead, (i) the exclusion shall apply only to the homestead portion of the property, but (ii) if a portion of a property is classified as nonhomestead solely because not all the owners occupy the property, not all the owners have qualifying relatives occupying the property, or solely because not all the spouses of owners occupy the property, the exclusion amount shall be initially computed as if that nonhomestead portion were also in the homestead class and then prorated to the owner-occupant's percentage of ownership. For the purpose of this section, when an owner-occupant's spouse does not occupy the property, the percentage of ownership for the owner-occupant spouse is one-half of the couple's ownership percentage.

History: *(1993) 1913 c 483 s 1; 1923 c 140; 1933 c 132; 1933 c 359; 1937 c 365 s 1; Ex1937 c 86 s 1; 1939 c 48; 1941 c 436; 1941 c 437; 1941 c 438; 1943 c 172 s 1; 1943 c 648 s 1; 1945 c 274 s 1; 1945 c 527 s 1; 1947 c 537 s 1; 1949 c 723 s 1; 1951 c 510 s 1; 1951 c 585 s 1; 1953 c 358 s 1,2; 1953 c 400 s 1; 1953 c 747 s 1,2; 1955 c 751 s 1,2; 1957 c 866 s 1; 1957 c 959 s 1; 1959 c 40 s 1; 1959 c 338 s 1; 1959 c 541 s 1; 1959 c 562 s 3; Ex1959 c 70 art 1 s 2; 1961 c 243 s 1; 1961 c 322 s 1; 1961 c 340 s 3; 1961 c 475 s 1; 1961 c 710 s 1; 1963 c 426 s 1; 1965 c 259 s 1; 1967 c 606 s 1; Ex1967 c 32 art 1 s 2-4; art 4 s 1; art 9 s 1,2; 1969 c 251 s 1; 1969 c 399 s 49; 1969 c 407 s 1; 1969 c 417 s 1; 1969 c 422 s 1,2; 1969 c 709 s 4,5; 1969 c 760 s 1; 1969 c 763 s 1; 1969 c 965 s 2; 1969 c 1126 s 2; 1969 c 1128 s 1,2; 1969 c 1132 s 1; 1969 c 1137 s 1; 1971 c 226 s 1; 1971 c 427 s 3-12,16,17; 1971 c 747 s 1; 1971 c 791 s 1; 1971 c 797 s 3,4; Ex1971 c 31 art 9 s 1; art 22 s 1,2,4,6,7,8; Ex1971 c 31 art 36 s 1; 1973 c 355 s 1,2; 1973 c 456 s 1; 1973 c 492 s 14; 1973 c 582 s 3; 1973 c 590 s 1; 1973 c 650 art 14 s 1,2; art 20 s 3; art 24 s 3; 1973 c 774 s 1; 1974 c 545 s 3; 1974 c 556 s 16; 1975 c 46 s 3; 1975 c 339 s 9; 1975 c 359 s 23; 1975 c 376 s 1; 1975 c 395 s 1; 1975 c 437 art 1 s 25,27,28; 1976 c 2 s 96,159-161,170; 1976 c 181 s 2; 1976 c 245 s 1; 1977 c 319 s 1,2; 1977 c 347 s 43,44; 1977 c 423 art 3 s 5-8; 1978 c 767 s 7-11; 1979 c 303 art 2 s 11-17; art 10 s 5; 1979 c 334 art 1 s 25; 1980 c 437 s 5; 1980 c 562 s 1; 1980 c 607 art 2 s 7-15; art 4 s 4; 1981 c 188 s 1; 1981 c 356 s 248; 1981 c 365 s 9; 1Sp1981 c 1 art 2 s 7-11; art 5 s 2; 1Sp1981 c 3 s 1; 1Sp1981 c 4 art 2 s 27; 2Sp1981 c 1 s 6; 3Sp1981 c 1 art 1 s 2; 1982 c 523 art 6 s 1; art 14 s 1; art 23 s 2; 1982 c 642 s 9; 1983 c 216 art 1 s 43,44; 1983 c 222 s 11-13; 1983 c 342 art 2 s 9-18; art 8 s 1; 1984 c 502 art 3 s 9-14; art 7 s 1,2; 1984 c 522 s 2; 1984 c 593 s 22-28; 1984 c 654 art 5 s 58; 1985 c 248 s 70; 1985 c 300 s 6; 1Sp1985 c 14 art 3 s 5-12; art 4 s 45-56; 1986 c 444; 1Sp1986 c 1 art 4 s 18-21; 1987 c 268 art 5 s 4; art 6 s 18,20-23; 1987 c 291 s 208-209; 1987 c 384 art 1 s 25; 1988 c 719 art 5 s 13-19; 1989 c 277 art 2 s 28,29; 1989 c 304 s 137; 1Sp1989 c 1 art 2 s 1-8,11; 1990 c 480 art 7 s 7; 1990 c 604 art 3 s 16-19; 1991 c 249 s 31; 1991 c 291 art 1 s 20-25; 1992 c 363 art 1 s 12; 1992 c 511 art 2 s 17,18; art 4 s 4,5; 1993 c 224 art 1 s 27; 1993 c 375 art 3 s 16; art 5 s 23-26; 1994 c 416 art 1 s 18,19; 1994 c 483 s 1; 1994 c 587 art 5 s 10,11; 1995 c 264 art 3 s 9,10; 1996 c 471 art 3 s 10-12; 1997 c 231 art 1 s 6-10; art 2 s 20,21; 3Sp1997 c 3 s 28; 1998 c 254 art 1 s 74; 1998 c 389 art 2 s 8-12; 1999 c 243 art 5 s 15-20; 1999 c 248 s 18; 1999 c 249 s 22; 2000 c 490 art 5 s 12,13; 1Sp2001 c 5 art 3 s 32-36; 2002 c 377 art 4 s 16,17; art 10 s 6; 2003 c 127 art 2 s 13,14; art 5 s 17; 2003 c 128 art 3 s 45; 1Sp2003 c 21 art 4 s 4; 2005 c 151 art 3 s 12; 1Sp2005 c 3 art 1 s 15,16; 2006 c 259 art 4 s 13; art 5 s 1,2; 2008 c 154 art 2 s 11-14; 2008 c 366 art*

6 s 26-28,44; art 11 s 13; art 15 s 14,15; 2009 c 12 art 2 s 6; 2009 c 88 art 2 s 18; art 10 s 6-8; 2010 c 389 art 1 s 13-15; 2011 c 112 art 3 s 4; art 11 s 8; 1Sp2011 c 7 art 5 s 6-8; art 6 s 3; 2012 c 294 art 2 s 6; 2013 c 143 art 4 s 18; art 14 s 29; art 17 s 9; 2014 c 308 art 2 s 10; art 10 s 4,12; 1Sp2017 c 1 art 2 s 10-13; art 15 s 17; 1Sp2019 c 6 art 4 s 15,16; art 24 s 4,5; 5Sp2020 c 3 art 8 s 2,3; 1Sp2021 c 14 art 6 s 6-8; 2022 c 55 art 2 s 3; 2023 c 63 art 2 s 4; 2023 c 64 art 3 s 18-20; 1Sp2025 c 13 art 2 s 8; art 11 s 3; 2026 c 128 art 4 s 5

273.131 MS 1961 [Repealed, 1965 c 45 s 73]

273.1311 MS 1986 [Repealed, 1987 c 268 art 6 s 53]

273.1312 MS 1986 [Repealed, 1987 c 291 s 244]

273.1313 MS 1986 [Repealed, 1987 c 291 s 244]

273.1314 MS 1986 [Repealed, 1983 c 342 art 8 s 10; 1987 c 291 s 244]

273.1315 CERTIFICATION OF CLASS 1B PROPERTY.

Subdivision 1. MS 2024 [Repealed, 2026 c 88 art 1 s 226]

Subd. 2. **Class 1b homestead declaration 2009 and thereafter.** (a) Any property owner seeking classification and assessment of the owner's homestead as class 1b property pursuant to section 273.13, subdivision 22, paragraph (b), after October 1, 2008, shall file with the county assessor a class 1b homestead declaration, on a form prescribed by the commissioner of revenue. The declaration must contain the following information:

(1) the information necessary to verify that, on or before June 30 of the filing year, the property owner or the owner's spouse satisfies the requirements of section 273.13, subdivision 22, paragraph (b), for class 1b classification; and

(2) any additional information prescribed by the commissioner.

(b) The declaration must be filed on or before October 1 to be effective for property taxes payable during the succeeding calendar year. The Social Security numbers, individual taxpayer identification numbers, and income and medical information received from the property owner pursuant to this subdivision are private data on individuals as defined in section 13.02. If approved by the assessor, the declaration remains in effect until the property no longer qualifies under section 273.13, subdivision 22, paragraph (b). Failure to notify the assessor within 30 days that the property no longer qualifies under that paragraph because of a sale, change in occupancy, or change in the status or condition of an occupant shall result in the penalty provided in section 273.124, subdivision 13b, computed on the basis of the class 1b benefits for the property, and the property shall lose its current class 1b classification.

History: *1983 c 342 art 2 s 20; 1984 c 522 s 4; 1Sp1985 c 14 art 4 s 61; 1986 c 444; 1988 c 719 art 5 s 20,82,83; 1990 c 426 art 1 s 36; 2003 c 127 art 2 s 15; 2005 c 151 art 5 s 22; 2008 c 154 art 2 s 15; 2013 c 82 s 22,23; 2023 c 64 art 3 s 21*

273.1316 MS 1998 [Repealed, 2000 c 490 art 5 s 40]

273.1317 MS 1996 [Repealed, 1997 c 231 art 1 s 21]

273.1318 MS 1996 [Repealed, 1997 c 231 art 1 s 21]

273.1319 SINGLE FAMILY HOUSING; NONCOMPLIANCE; MINNEAPOLIS AND ST. PAUL.

(a) If the city determines that a residential rental property classified as class 4bb under section 273.13, subdivision 25, is not in compliance with the city's applicable rental licensing requirements and housing codes, the city shall notify the property owner of the specific items that are not in compliance. The owner has 60 days to correct the noncompliance items identified by the city. If they have not been corrected within the 60-day time period to the satisfaction of the city, the city shall notify the assessor that the property is out of compliance and is no longer eligible for the class 4bb property classification. Notwithstanding any other provision of law, the assessor shall reclassify the property for the current assessment year, for taxes payable in the following year as class 4b property. The assessor shall notify the property owner of the action.

(b) This section applies only to property located in the cities of Minneapolis and St. Paul.

(c) This section is effective for each of the cities of Minneapolis and St. Paul upon compliance with section 645.021, subdivision 3, by the governing body of the city.

History: *1997 c 231 art 1 s 11*

NOTE: This section was approved by the city of Minneapolis on October 10, 1997, and filed with the Secretary of State on November 14, 1997. This section was not approved by the city of St. Paul.

273.132 MS 1988 [Repealed, 1988 c 719 art 5 s 81]

273.1321 VACANT COMMERCIAL INDUSTRIAL PROPERTIES.

Subdivision 1. **Authority.** A city may establish, by ordinance, a program to encourage redevelopment, provide for better utilization of commercial-industrial property, and eliminate blighting influences by revoking the eligibility of individual commercial-industrial properties to receive the credit authorized under section 273.1398, subdivision 4. The program may revoke eligibility of a property only if:

(1) the property has been vacant, as defined in subdivision 3, clause (1), (2), or (3), for three or more consecutive years prior to the current assessment year; or

(2) the property has been vacant as defined under subdivision 3, clause (4), for five or more consecutive years prior to the current assessment year.

Subd. 2. **Minimum program requirements.** The program must provide:

(1) standards for determining whether a property is vacant;

(2) written assessment notice by the city or county to the property owner informing the owner that the property's eligibility will be revoked;

(3) opportunity for the property owner to appeal the revocation at the local and county board of appeal and equalization;

(4) timely notice to the county assessor of the property's eligibility revocation, or if the city has a city assessor and the city assessor has revoked the property's eligibility; and

(5) any other provisions the city determines are necessary or appropriate to the operation of the program to achieve its purposes.

Subd. 3. **Definition of vacant.** A program established under this section may provide that a property is vacant if the property is:

(1) condemned, dangerous, or having multiple building code violations;

(2) condemned and illegally occupied;

(3) either occupied or unoccupied, during which time the enforcement officer for the municipality has issued multiple orders to correct nuisance conditions; or

(4) unoccupied and not utilized for a commercial or industrial purpose.

Subd. 4. **Notice to property owner.** The municipality shall give notice to the property owner stating that the property may cease to be eligible for the credit under section 273.1398, subdivision 4, unless the property is occupied, the conditions in subdivision 3, clauses (1) to (3), are remedied, and the property is used for a commercial or industrial purpose for at least 180 days during the next 12-month period.

History: *1Sp2005 c 3 art 1 s 17*

ADJUSTMENTS, RELIEF, AND CREDITS

273.1325 ADJUSTMENT OF NET TAX CAPACITY.

Subdivision 1. **Computation.** The Department of Revenue must annually conduct an assessment/sales ratio study of the taxable property in each county, city, town, and school district in accordance with the procedures in subdivisions 2 and 3. Based upon the results of this assessment/sales ratio study, the Department of Revenue must determine an equalized net tax capacity for the various classes of taxable property in each taxing district, the aggregate of which is designated as the adjusted net tax capacity. The adjusted net tax capacity must be reduced by the captured tax capacity of tax increment districts under section 469.177, subdivision 2, fiscal disparities contribution tax capacities under sections 276A.06 and 473F.08, and the tax capacity of transmission lines required to be subtracted from the local tax base under section 273.425; and increased by fiscal disparities distribution tax capacities under sections 276A.06 and 473F.08. The adjusted net tax capacities shall be determined using the net tax capacity percentages in effect for the assessment year following the assessment year of the study. The Department of Revenue must make whatever estimates are necessary to account for changes in the classification system. The Department of Revenue may incur the expense necessary to make the determinations. The commissioner of revenue may reimburse any county or governmental official for requested services performed in ascertaining the adjusted net tax capacity. On or before March 15 annually, the Department of Revenue shall file with the chair of the Tax Committee of the house of representatives and the chair of the Committee on Taxes and Tax laws of the senate a report of adjusted net tax capacities for school districts. On or before June 30 annually, the Department of Revenue shall file its final report on the adjusted net tax capacities for school districts established by the previous year's assessments and the current year's net tax capacity percentages with the commissioner of education and each county auditor for those school districts for which the auditor has the responsibility for determination of local tax rates. A copy of the report so filed shall be mailed to the clerk of each school district involved and to the county assessor or supervisor of assessments of the county or counties in which each school district is located.

Subd. 2. **Methodology.** In making its annual assessment/sales ratio studies, the Department of Revenue must use a methodology consistent with the most recent Standard on Assessment Ratio Studies published by the assessment standards committee of the International Association of Assessing Officers. The commissioner of revenue shall supplement this general methodology with specific procedures necessary for execution of the study in accordance with other Minnesota laws impacting the assessment/sales ratio study. The commissioner shall document these specific procedures in writing and shall publish the procedures in

the State Register, but these procedures will not be considered "rules" pursuant to the Minnesota Administrative Procedure Act. When property is sold and the purchaser changes its use in a manner that would result in a change of classification of the property, the assessment sales ratio study under this subdivision must take into account that changed classification as soon as practicable. A change in status from homestead to nonhomestead or from nonhomestead to homestead is not a change under this subdivision. For purposes of this section, sections 270.12, subdivision 2, clause (6), and 278.05, subdivision 4, the commissioner of revenue shall exclude from the assessment/sales ratio study the sale of any nonagricultural property which does not contain an improvement, if (1) the statutory basis on which the property's taxable value as most recently assessed is less than market value as defined in section 273.11, or (2) the property has undergone significant physical change or a change of use since the most recent assessment.

Subd. 3. **Agricultural lands.** For purposes of determining the adjusted net tax capacity of agricultural lands for the calculation of adjusted net tax capacities, the market value of agricultural lands must be the price for which the property would sell in an arm's-length transaction.

Subd. 4. **Forced sales.** The commissioner of revenue may include forced sales in the assessment/sales ratio studies if it is determined by the commissioner of revenue that these forced sales indicate true market value.

Subd. 5. **Stipulated values and abatements.** The estimated market value to be used in calculating sales ratios must be the value established by the assessor before any stipulations resulting from appeals by property owners and before any abatement unless the abatement was granted for the purpose of correcting mere clerical errors.

Subd. 6. **Sales of industrial property.** Separate sales ratios must be calculated for commercial property and for industrial property. These two classes shall be combined only in jurisdictions in which there is not an adequate sample of sales in each class.

History: *Ex1971 c 31 art 20 s 3; 1973 c 582 s 3; 1973 c 683 s 5-10,27; 1974 c 521 s 22,23; 1975 c 432 s 25-33; 1976 c 134 s 78; 1976 c 239 s 35; 1976 c 271 s 44-46; 1977 c 307 s 29; 1977 c 423 art 3 s 1,2; art 4 s 1; 1977 c 447 art 1 s 8-15,17; 1978 c 706 s 32; 1978 c 733 s 20,21; 1978 c 764 s 46-51; 1978 c 767 s 1; 1979 c 334 art 1 s 7-11; art 3 s 4,5; 1980 c 429 s 1; 1980 c 443 s 1; 1980 c 509 s 33; 1980 c 607 art 4 s 1; art 7 s 8; 1980 c 609 art 1 s 7; 1981 c 358 art 1 s 18,19,48; 1982 c 424 s 130; 1984 c 502 art 11 s 1; 1Sp1985 c 14 art 3 s 1; art 4 s 18; 1986 c 444; 1Sp1986 c 1 art 4 s 9; 1Sp1986 c 3 art 1 s 82; 1987 c 268 art 6 s 3; art 7 s 3-10; 1987 c 384 art 2 s 1; 1988 c 719 art 5 s 2,84; 1989 c 329 art 13 s 1; art 13 s 20; 1Sp1989 c 1 art 2 s 11; art 9 s 1; 1992 c 511 art 2 s 5; 1992 c 556 s 1; 1993 c 224 art 1 s 4; 1994 c 416 art 1 s 4; 1995 c 233 art 2 s 56; 1995 c 264 art 5 s 1; 1Sp1995 c 3 art 16 s 13; 1998 c 397 art 4 s 39-47,51; art 11 s 3; 2003 c 130 s 12; 2008 c 154 art 2 s 2; 2013 c 143 art 14 s 15,110; 2014 c 308 art 9 s 29; art 10 s 5*

273.133 Subdivision 1. MS 1986 [Repealed 1Sp1985 c 14 art 4 s 98]

Subd. 2. MS 1986 [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 2a. MS 1986 [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 3. MS 1987 [Repealed 1Sp1985 c 14 art 4 s 98]

273.134 TACONITE AND IRON ORE AREAS; TAX RELIEF AREA; DEFINITIONS.

(a) For purposes of this section and sections 273.135 and 273.1391, "municipality" means any city, however organized, or town, which meets the following qualifications:

(1) it is a municipality in which the assessed valuation of unmined iron ore on May 1, 1941, was not less than 40 percent of the assessed valuation of all real property; or

(2) it is a municipality in which, on January 1, 1977, or the applicable assessment date, there is a taconite concentrating plant or where taconite is mined or quarried or where there is located an electric generating plant which qualifies as a taconite facility.

"The applicable assessment date" is the date as of which property is listed and assessed for the tax in question.

(b) For the purposes of section 273.135, "tax relief area" means the geographic area contained within the boundaries of a school district which meets the following qualifications:

(1) it is a school district in which the assessed valuation of unmined iron ore on May 1, 1941, was not less than 40 percent of the assessed valuation of all real property and whose boundaries are within 20 miles of a taconite mine or plant; or

(2) it is a school district in which, on January 1, 1977, or the applicable assessment date, there is a taconite concentrating plant or where taconite is mined or quarried or where there is located an electric generating plant which qualifies as a taconite facility.

History: *1969 c 1156 s 4; Ex1971 c 31 art 30 s 8; 1973 c 123 art 5 s 7; 1973 c 650 art 2 s 1; 1977 c 423 art 10 s 2; 1994 c 416 art 1 s 20; 1Sp2001 c 5 art 6 s 4; 2003 c 127 art 11 s 1*

273.1341 TACONITE ASSISTANCE AREA.

A "taconite assistance area" means the geographic area that falls within the boundaries of a school district that contains:

(1) a municipality in which the assessed valuation of unmined iron ore on May 1, 1941, was not less than 40 percent of the assessed valuation of all real property;

(2) a municipality in which on January 1, 1977, or the applicable assessment date, there is a taconite concentrating plant or where taconite is mined or quarried or where there is located an electric generating plant which qualifies as a taconite facility; or

(3) a municipality:

(i) that is located in a county that contains a school district described in clause (1) or (2); and

(ii) where active mining of materials subject to the tax under section 298.015, subdivision 1, is occurring, or where a mine subject to the minimum payment under section 298.015, subdivision 3, is located.

History: *2003 c 127 art 11 s 2; 1Sp2003 c 21 art 11 s 10; 2023 c 64 art 6 s 2*

273.1342 ELECTRIC GENERATING PLANTS IN TACONITE TAX RELIEF AREAS.

For purposes of definitions of "taconite tax relief area" and "taconite assistance area" in sections 273.134, 273.1341, and related laws, the elimination of the property tax exemption for certain electric generating plants under Laws 2008, chapter 154, article 8, section 6, does not change the status of any electric generating plant qualifying as a taconite facility.

History: *2008 c 366 art 10 s 14*

273.135 HOMESTEAD PROPERTY TAX RELIEF.

Subdivision 1. **Reduction in tax; tax relief area.** The property tax to be paid in respect to property taxable within a tax relief area as defined in section 273.134, paragraph (b), on homestead property, as otherwise determined by law and regardless of the market value of the property, and on nonhomestead portions of property classified as both homestead and nonhomestead property as provided in section 273.124, subdivision 11, for all purposes shall be reduced in the amount prescribed by subdivision 2, subject to the limitations contained therein.

Subd. 2. **Reduction amount.** The amount of the reduction authorized by subdivision 1 shall be:

(a) In the case of property located within a municipality as defined under section 273.134, paragraph (a), 66 percent of the tax, provided that the reduction shall not exceed the maximum amounts specified in paragraph (c).

(b) In the case of property located within the boundaries of a school district which qualifies as a tax relief area under section 273.134, paragraph (b), but which is outside the boundaries of a municipality which meets the qualifications prescribed in section 273.134, paragraph (a), 57 percent of the tax, provided that the reduction shall not exceed the maximum amounts specified in paragraph (c).

(c) The maximum reduction of the tax is $515 on property described in paragraph (a) and paragraph (b).

Subd. 2a. MS 1988 [Repealed, 1Sp1989 c 1 art 3 s 34]

Subd. 3. **Certification to commissioner.** Not later than December 1 of each year, each county auditor having jurisdiction over one or more tax relief areas shall certify to the commissioner of revenue an estimate of the total amount of the reduction, determined under subdivision 2, in taxes payable the next succeeding year with respect to all tax relief areas in the county.

Subd. 4. MS 1980 [Repealed, 1Sp1981 c 1 art 10 s 30]

Subd. 5. **Reduction additional.** For the purposes of this section, the amount of property tax to be paid shall be determined after the allowance of any reduction prescribed by section 273.13, and the reduction prescribed by this section shall be in addition to that prescribed by section 273.13.

History: *1969 c 1156 s 5; 1971 c 427 s 13; 1971 c 742 s 1; Ex1971 c 31 art 30 s 9; 1973 c 582 s 3; 1973 c 775 s 1,2; 1975 c 437 art 11 s 3,4; 1977 c 423 art 10 s 3,4; 1980 c 437 s 6; 1980 c 607 art 7 s 1; 1983 c 342 art 2 s 21; 1984 c 502 art 7 s 3-4; 1984 c 593 s 29; 1Sp1985 c 14 art 4 s 62,63; 1986 c 444; 1987 c 268 art 6 s 25; 1988 c 719 art 5 s 22,82,83; 1989 c 277 art 2 s 30; 1Sp1989 c 1 art 2 s 11; art 3 s 11; 1992 c 511 art 4 s 6; 1993 c 375 art 5 s 28; 1998 c 389 art 10 s 2; 1Sp2001 c 5 art 6 s 5,6; 2003 c 127 art 11 s 3,4; 1Sp2017 c 1 art 18 s 2; 2024 c 127 art 69 s 2*

273.136 TACONITE PROPERTY TAX RELIEF ACCOUNT; REPLACEMENT OF REVENUE.

Subdivision 1. **Payment from county.** Payment from the county shall be made as provided herein for the purpose of replacing revenue lost as a result of the reduction of property taxes provided in section 273.135.

Subd. 2. **Reduction amounts submitted to county.** The commissioner of revenue shall determine, not later than April 1 of each year, the amount of reduction resulting from section 273.135 in each county containing a tax relief area as defined by section 273.134, paragraph (b), basing determinations on a review of information reported to the commissioner under section 270C.85, subdivision 2, clause (4). The commissioner may make changes as deemed necessary. The commissioner of revenue, after such review,

shall submit to the St. Louis County auditor, on or before April 15, the amount of the first half payment payable hereunder and on or before September 15 the amount of the second half payment.

Subd. 3. **Payment times.** The St. Louis County auditor shall pay out of the taconite property tax relief account to each county treasurer one-half of the amount certified under subdivision 2 not later than May 15 and the remaining half not later than October 15 of each year.

Subd. 4. **Distribution of funds.** The county treasurer shall distribute as part of the May and October settlements the funds received as if they had been collected as a part of the property tax reduced by section 273.135.

History: *1969 c 1156 s 6; 1973 c 492 s 14; 1973 c 582 s 3; 1973 c 775 s 3,4; 1Sp1981 c 3 s 2; 1Sp1985 c 14 art 10 s 3-6; 1986 c 444; 1Sp1986 c 1 art 4 s 22; 1Sp2001 c 5 art 6 s 7; 1Sp2019 c 6 art 18 s 10*

273.137 MS 1990 [Repealed, 1991 c 291 art 12 s 35]

273.138 Subdivision 1. MS 1982 [Repealed, 1983 c 342 art 5 s 16]

Subd. 2. MS 2002 [Repealed, 1Sp2003 c 21 art 6 s 17]

Subd. 3. MS 2002 [Repealed, 1Sp2003 c 21 art 6 s 17]

Subd. 4. MS 1982 [Repealed, 1983 c 342 art 5 s 16]

Subd. 5. MS 2002 [Repealed, 1Sp2003 c 21 art 6 s 17]

Subd. 6. MS 2002 [Repealed, 1Sp2003 c 21 art 6 s 17]

Subd. 7. MS 1975 Supp [Repealed, 1977 c 447 art 6 s 13]

Subd. 7. MS 2002 [Repealed, 1Sp2003 c 21 art 6 s 17]

273.1381 MS 1994 [Repealed, 1994 c 587 art 3 s 21 para (b)]

273.1382 MS 2000 [Repealed, 1Sp2001 c 5 art 3 s 96]

273.1383 MS 2012 [Repealed, 2014 c 308 art 9 s 94]

273.1384 AGRICULTURAL HOMESTEAD MARKET VALUE CREDIT.

Subdivision 1. MS 2010 [Repealed, 1Sp2011 c 7 art 6 s 27]

Subd. 2. **Agricultural homestead market value credit.** Property classified as agricultural homestead under section 273.13, subdivision 23, paragraph (a), is eligible for an agricultural credit. The credit is computed using the property's agricultural credit market value, defined for this purpose as the property's market value excluding the market value of the house, garage, and immediately surrounding one acre of land. The credit is equal to 0.3 percent of the first $115,000 of the property's agricultural credit market value plus 0.1 percent of the property's agricultural credit market value in excess of $115,000, subject to a maximum credit of $490 for a full agricultural homestead. In the case of property that is classified as part homestead and part nonhomestead solely because not all the owners occupy or farm the property, not all the owners have qualifying relatives occupying or farming the property, or solely because not all the spouses of owners occupy the property, the credit is computed on the amount of agricultural credit market value corresponding to the percentage of homestead, and the maximum credit equals $490 multiplied by the percentage of homestead.

Subd. 3. **Credit reimbursements.** The county auditor shall determine the tax reductions allowed under subdivision 2 within the county for each taxes payable year and shall certify that amount to the commissioner of revenue under section 270C.85, subdivision 2, clause (4). Any prior year adjustments shall also be certified. The commissioner shall review the certifications for accuracy, and may make such changes as are deemed necessary, or return the certification to the county auditor for correction. The credit under this section must be used to proportionately reduce the net tax capacity-based property tax payable to each local taxing jurisdiction as provided in section 273.1393.

Subd. 4. **Payment.** (a) The commissioner of revenue shall reimburse each local taxing jurisdiction, other than school districts, for the tax reductions granted under subdivision 2 in two equal installments on October 31 and December 26 of the taxes payable year for which the reductions are granted, including in each payment the prior year adjustments certified on the abstracts for that taxes payable year. The reimbursements related to tax increments shall be issued in one installment each year on December 26.

(b) The commissioner of revenue shall certify the total of the tax reductions granted under subdivision 2 for each taxes payable year within each school district to the commissioner of the Department of Education and the commissioner of education shall pay the reimbursement amounts to each school district as provided in section 273.1392.

Subd. 5. **Appropriation.** An amount sufficient to make the payments required by this section to taxing jurisdictions other than school districts is annually appropriated from the general fund to the commissioner of revenue. An amount sufficient to make the payments required by this section for school districts is annually appropriated from the general fund to the commissioner of education.

Subd. 6. MS 2010 [Repealed, 1Sp2011 c 7 art 6 s 27]

History: *1Sp2001 c 5 art 3 s 37; 2002 c 377 art 4 s 18,19; 2003 c 130 s 12; 2005 c 151 art 4 s 2; 2006 c 259 art 5 s 3,4; 2008 c 366 art 6 s 29; 2010 c 215 art 13 s 2; 1Sp2010 c 1 art 13 s 1; 1Sp2011 c 7 art 6 s 4,5; 2014 c 308 art 1 s 2; 1Sp2017 c 1 art 4 s 1; 1Sp2019 c 6 art 4 s 17; art 18 s 11*

273.1385 MS 2024 [Repealed, 2026 c 88 art 1 s 226]

273.1386 MS 2012 [Repealed, 2014 c 308 art 9 s 94]

273.1387 SCHOOL BUILDING BOND AGRICULTURAL CREDIT.

Subdivision 1. **Eligibility.** All class 2a, 2b, and 2c property under section 273.13, subdivision 23, other than property consisting of the house, garage, and immediately surrounding one acre of land of an agricultural homestead, is eligible to receive the credit under this section.

Subd. 2. **Credit amount.** For each qualifying property, the school building bond agricultural credit is equal to 70 percent of the property's eligible net tax capacity multiplied by the school debt tax rate determined under section 275.08, subdivision 1b.

Subd. 3. **Credit reimbursements.** The county auditor shall determine the tax reductions allowed under this section within the county for each taxes payable year and shall certify that amount to the commissioner of revenue under section 270C.85, subdivision 2, clause (4). Any prior year adjustments shall also be certified. The commissioner shall review the certifications for accuracy, and may make such changes as are deemed necessary, or return the certification to the county auditor for correction. The credit under this section must be used to reduce the school district net tax capacity-based property tax as provided in section 273.1393.

Subd. 4. **Payment.** The commissioner of revenue shall certify the total of the tax reductions granted under this section for each taxes payable year within each school district to the commissioner of education, who shall pay the reimbursement amounts to each school district as provided in section 273.1392.

Subd. 5. **Appropriation.** An amount sufficient to make the payments required by this section is annually appropriated from the general fund to the commissioner of education.

History: *1Sp2017 c 1 art 4 s 2; 1Sp2019 c 6 art 5 s 2; art 18 s 12; 2023 c 25 s 153*

273.139 MS 1982 [Repealed, 1983 c 342 art 5 s 16]

273.1391 SUPPLEMENTARY HOMESTEAD PROPERTY TAX RELIEF.

Subdivision 1. **Homestead property tax reduction; tax relief area.** The property tax to be paid in respect to property taxable within a tax relief area described in subdivision 2 on homestead property, as otherwise determined by law and regardless of the market value of the property, for all purposes shall be reduced in the amount prescribed by subdivision 2, subject to the limitations contained therein.

Subd. 2. **Reduction amount.** The amount of the reduction authorized by subdivision 1 shall be:

(a) In the case of property located within a school district which does not meet the qualifications of section 273.134, paragraph (b), as a tax relief area, but which is located in a county with a population of less than 100,000 in which taconite is mined or quarried and wherein a school district is located which does meet the qualifications of a tax relief area, and provided that at least 90 percent of the area of the school district which does not meet the qualifications of section 273.134, paragraph (b), lies within such county, 57 percent of the tax on qualified property located in the school district that does not meet the qualifications of section 273.134, paragraph (b), provided that the amount of said reduction shall not exceed the maximum amounts specified in paragraph (d). The reduction provided by this paragraph shall only be applicable to property located within the boundaries of the county described therein.

(b) In the case of property located within a school district which does not meet the qualifications of section 273.134, paragraph (b), as a tax relief area, but which is located in a school district in a county containing a city of the first class and a municipality as defined in section 273.134, paragraph (a), but not in a school district containing a city of the first class or adjacent to a school district containing a city of the first class unless the school district so adjacent contains a municipality as defined in section 273.134, paragraph (a), 57 percent of the tax, but not to exceed the maximums specified in paragraph (d).

(c) In the case of property located within the boundaries of a municipality that meets the qualifications in section 273.134, paragraph (a), but not the qualifications of a tax relief area in section 273.134, paragraph (b), 66 percent of the tax, provided that the reduction shall not exceed $315.10. In the case of property located within the boundaries of a school district which qualifies as a taconite assistance area under section 273.1341, but does not qualify as a tax relief area under section 273.134, paragraph (b), but which is outside the boundaries of a municipality which meets the qualifications of the preceding sentence, 57 percent of the tax, provided that the reduction shall not exceed the maximum amounts specified in paragraph (d).

(d) Except as otherwise provided in this section, the maximum reduction of the tax is $289.80.

Subd. 2a. MS 1988 [Repealed, 1Sp1989 c 1 art 3 s 34]

Subd. 3. **Certification; payment by commissioner.** Not later than December 1, each county auditor having jurisdiction over one or more tax relief areas defined in subdivision 2 shall certify to the commissioner of revenue an estimate of the total amount of the reduction, determined under subdivision 2, in taxes payable

the next succeeding year with respect to all tax relief areas in the auditor's county. The commissioner shall make payments to the county at the times provided in section 477A.015. The county treasurer shall distribute as part of the May and October settlements the funds received from the commissioner.

Subd. 4. **Additional reduction.** For the purposes of this section, the amount of property tax to be paid shall be determined after the allowance of any reduction prescribed by section 273.13, and the reduction prescribed by this section shall be in addition to that prescribed by section 273.13.

Subd. 5. **Appropriation.** A sum sufficient to make the payments required by section 477A.15 and this section is annually appropriated from the general fund to the commissioner of revenue for the purpose of funding those sections.

History: *1980 c 607 art 7 s 7,11; 1983 c 342 art 2 s 22; 1984 c 502 art 7 s 5,6; 1984 c 593 s 31; 1Sp1985 c 14 art 4 s 64,65; 1986 c 444; 1Sp1986 c 1 art 4 s 23; 1987 c 268 art 6 s 26; 1988 c 719 art 5 s 23,82,83; 1989 c 277 art 2 s 31; 1Sp1989 c 1 art 2 s 11; art 3 s 12; 1990 c 480 art 7 s 8; 1992 c 511 art 4 s 7; 1998 c 389 art 10 s 3; 1Sp2001 c 5 art 6 s 8,9; 2003 c 127 art 11 s 5*

273.1392 PAYMENT; SCHOOL DISTRICTS.

The amounts of bovine tuberculosis credit reimbursements under section 273.113; conservation tax credits under section 273.119; disaster or emergency reimbursement under sections 273.1231 to 273.1235; agricultural credits under sections 273.1384 and 273.1387; aids and credits under section 273.1398; enterprise zone property credit payments under section 469.171; metropolitan agricultural preserve reduction under section 473H.10; and electric generation transition aid under section 477A.24 for school districts, shall be certified to the Department of Education by the Department of Revenue. The amounts so certified shall be paid according to section 127A.45, subdivisions 9, 10, and 13.

History: *1982 c 641 art 2 s 12; 1983 c 342 art 7 s 5; 1Sp1985 c 14 art 4 s 66; 1987 c 268 art 5 s 6; art 6 s 27; 1988 c 719 art 5 s 24; 1Sp1989 c 1 art 3 s 13; art 9 s 25; 1991 c 199 art 2 s 19; 1Sp1993 c 1 art 2 s 4; 1Sp1995 c 3 art 16 s 13; 1997 c 31 art 3 s 6; 1998 c 397 art 11 s 3; 1Sp2001 c 5 art 3 s 38; 2002 c 377 art 10 s 7; 2003 c 130 s 12; 2004 c 228 art 3 s 5; 1Sp2007 c 2 art 3 s 11; 2010 c 389 art 8 s 9; 2012 c 187 art 1 s 46; 2017 c 40 art 1 s 93; 1Sp2017 c 1 art 4 s 3; 2023 c 64 art 4 s 1*

273.1393 COMPUTATION OF NET PROPERTY TAXES.

Notwithstanding any other provisions to the contrary, "net" property taxes are determined by subtracting the credits in the order listed from the gross tax:

(1) disaster credit as provided in sections 273.1231 to 273.1235;

(2) powerline credit as provided in section 273.42;

(3) agricultural preserves credit as provided in section 473H.10;

(4) enterprise zone credit as provided in section 469.171;

(5) disparity reduction credit;

(6) conservation tax credit as provided in section 273.119;

(7) the school bond credit as provided in section 273.1387;

(8) agricultural credit as provided in section 273.1384;

(9) taconite homestead credit as provided in section 273.135;

(10) supplemental homestead credit as provided in section 273.1391; and

(11) the bovine tuberculosis zone credit, as provided in section 273.113.

The combination of all property tax credits must not exceed the gross tax amount.

History: *1985 c 300 s 8; 1Sp1985 c 14 art 4 s 67; 1987 c 268 art 5 s 7; art 6 s 28; 1987 c 291 s 210; 1988 c 719 art 5 s 25; 1989 c 277 art 2 s 32; 1997 c 231 art 1 s 13; 1Sp2001 c 5 art 3 s 39; 1Sp2007 c 2 art 3 s 11; 2008 c 366 art 6 s 30; 1Sp2011 c 7 art 6 s 6; 1Sp2017 c 1 art 4 s 4*

273.1394 MS 1987 Supp [Repealed, 1988 c 719 art 5 s 81]

273.1395 MS 1987 Supp [Repealed, 1988 c 719 art 5 s 81]

273.1396 MS 1987 Supp [Repealed, 1988 c 719 art 5 s 81]

273.1397 MS 1987 Supp [Repealed, 1988 c 719 art 5 s 81]

273.1398 DISPARITY REDUCTION AID AND CREDIT.

Subdivision 1. **Definitions.** (a) In this section, the terms defined in this subdivision have the meanings given them.

(b) "Unique taxing jurisdiction" means the geographic area subject to the same set of local tax rates.

(c) For purposes of calculating and allocating disparity reduction aid authorized in subdivision 3, "gross taxes levied on all properties," "gross taxes," or "taxes levied" means the total net tax capacity based taxes levied on all properties except that levied on the captured value of tax increment districts as defined in section 469.177, subdivision 2, and that levied on the portion of commercial industrial properties' assessed value or gross tax capacity, as defined in section 473F.02, subdivision 3, subject to the areawide tax as provided in section 473F.08, subdivision 6, in a unique taxing jurisdiction. "Gross taxes" are before any reduction for disparity reduction aid but "taxes levied" are after any reduction for disparity reduction aid. Gross taxes levied or taxes levied cannot be less than zero.

Subd. 1a. MS 2002 [Repealed, 2004 c 228 art 3 s 18]

Subd. 2. MS 2002 [Repealed, 1Sp2003 c 21 art 6 s 17]

Subd. 2a. MS 1993 Supp [Repealed, 1994 c 416 art 1 s 65]

Subd. 2b. MS 1990 [Repealed, 1990 c 604 art 4 s 21]

Subd. 2c. MS 2002 [Repealed, 1Sp2003 c 21 art 6 s 17]

Subd. 2d. **Aids determined as of June 30.** For aid amounts authorized under subdivision 3: (i) if the effective date for a municipal incorporation, consolidation, annexation, detachment, dissolution, or township organization is on or before June 30 of the year preceding the aid distribution year, the change in boundaries or form of government shall be recognized for aid determinations for the aid distribution year; (ii) if the effective date for a municipal incorporation, consolidation, annexation, detachment, dissolution, or township organization is after June 30 of the year preceding the aid distribution year, the change in boundaries or form of government shall not be recognized for aid determinations until the following year.

Subd. 2e. MS 2002 [Repealed, 2004 c 228 art 3 s 18]

Subd. 3. **Disparity reduction aid.** The amount of disparity aid certified for each taxing district within each unique taxing jurisdiction is the amount certified for taxes payable in the prior year.

Subd. 3a. **Disparity reduction aid to cities.** Notwithstanding the provisions of subdivision 3 or section 275.08, subdivision 1d, the amount of disparity reduction aid for a city for aid payable in calendar year 1994 and thereafter is zero, and the local tax rate for taxes payable in 1994 and thereafter for a city shall not be adjusted under section 275.08, subdivision 1d. For purposes of this subdivision, city means a statutory or home rule charter city.

Subd. 4. **Disparity reduction credit.** (a) Class 4a and class 3a property qualifies for a disparity reduction credit if the property is located in a border city that is eligible to have an enterprise zone, as defined in section 469.166.

(b) The credit is an amount sufficient to reduce (i) the taxes levied on class 4a property to 1.6 percent of the property's taxable market value and (ii) the tax on class 3a property to 1.6 percent of taxable market value.

(c) The county auditor shall annually certify the costs of the credits to the Department of Revenue. The department shall reimburse local governments for the property taxes forgone as the result of the credits in proportion to their total levies.

Subd. 4a. MS 2006 [Repealed, 2007 c 13 art 2 s 11]

Subd. 4b. MS 2012 [Repealed, 2014 c 308 art 9 s 94]

Subd. 4c. MS 2006 [Repealed, 2007 c 13 art 2 s 11]

Subd. 4d. MS 2002 [Repealed, 1Sp2003 c 21 art 6 s 17]

Subd. 5. MS 1992 [Repealed, 1993 c 375 art 4 s 21]

Subd. 5a. MS 1992 [Repealed, 1Sp1993 c 1 art 2 s 7]

Subd. 5b. MS 1994 [Repealed, 1996 c 471 art 3 s 55]

Subd. 5c. MS 1992 [Repealed, 1Sp1993 c 1 art 2 s 7]

Subd. 6. **Payment.** The commissioner shall certify the aids provided in subdivision 3 before September 1 of the year preceding the distribution year to the county auditor of the affected local government. The aids provided in subdivision 3, must be paid to local governments other than school districts at the times provided in section 477A.015 for payment of local government aid to taxing jurisdictions, except that the first one-half payment of disparity reduction aid provided in subdivision 3 must be paid on or before August 31. The disparity reduction credit provided in subdivision 4 must be paid to taxing jurisdictions other than school districts at the time provided in section 473H.10, subdivision 3. Aids and credit reimbursements to school districts must be certified to the commissioner of education and paid under section 273.1392. Payment shall not be made to any taxing jurisdiction that has ceased to levy a property tax.

Subd. 7. MS 1995 Supp [Repealed, 1994 c 587 art 3 s 21 para (b)]

Subd. 8. **Appropriation.** An amount sufficient to pay the aids and credits provided under this section for school districts, intermediate school districts, or any group of school districts levying as a single taxing entity, is annually appropriated from the general fund to the commissioner of education. An amount sufficient to pay the aids and credits provided under this section for counties, cities, towns, and special taxing districts

is annually appropriated from the general fund to the commissioner of revenue. A jurisdiction's aid amount may be increased or decreased based on any prior year adjustments for property tax credit or aid programs.

History: *1988 c 719 art 5 s 26,84; 1989 c 277 art 2 s 33-36; 1989 c 329 art 6 s 47; 1Sp1989 c 1; art 2 s 11; art 3 s 14-21,33; art 6 s 8; 1990 c 480 art 7 s 9-13; 1990 c 604 art 3 s 20; art 4 s 2-4; 1991 c 130 s 37; 1991 c 199 art 1 s 62; 1991 c 291 art 3 s 1-4; art 12 s 10; 1991 c 292 art 7 s 22; 1992 c 499 art 12 s 29; 1992 c 511 art 1 s 8,9; art 3 s 1; art 4 s 8,27; 1993 c 224 art 1 s 28,29; art 14 s 16; 1993 c 375 art 3 s 18-20; art 4 s 3-5; 1Sp1993 c 1 art 2 s 5; 1994 c 416 art 1 s 21,22; 1994 c 587 art 3 s 8; 1995 c 264 art 3 s 11; art 16 s 10; 1Sp1995 c 3 art 16 s 13; 1996 c 471 art 3 s 13-15; art 11 s 1; 1997 c 7 art 1 s 109,110; 1997 c 31 art 3 s 7; 1997 c 231 art 11 s 6; 1998 c 254 art 1 s 75; 1998 c 389 art 2 s 15-17; 1998 c 397 art 11 s 3; 1999 c 243 art 5 s 22,23; art 11 s 2,3; 2000 c 260 s 43; 2000 c 490 art 6 s 3; 1Sp2001 c 5 art 3 s 40; art 5 s 5-8; 2002 c 377 art 4 s 20,21; art 6 s 3,4; art 10 s 8; 2003 c 127 art 5 s 18,19; 2003 c 130 s 12; 1Sp2003 c 21 art 6 s 1-4; 2004 c 228 art 1 s 76 subd 7; art 3 s 6-9; 2006 c 259 art 5 s 5; 2008 c 154 art 13 s 30; 2008 c 277 art 1 s 58; 2012 c 294 art 2 s 7; 2013 c 143 art 2 s 1; art 14 s 30,31; 2014 c 275 art 1 s 89; 2014 c 308 art 1 s 3; art 9 s 30*

273.1399 MS 2000 [Repealed, 1Sp2001 c 5 art 3 s 96; art 15 s 41]

MINERALS

273.14 DEFINITIONS.

Subdivision 1. **Words, terms, and phrases.** Unless the language or context clearly indicates that a different meaning is intended, the following words, terms, and phrases, for the purposes of sections 273.14 to 273.16, shall be given the meanings subjoined to them.

Subd. 2. **Person.** The word "person" shall be construed to include individuals, copartnerships, companies, joint stock companies, corporations, and all associations, however and for whatever purpose organized.

Subd. 3. **Deposit.** The word "deposit" means a body of iron-bearing materials which, in accordance with good engineering and metallurgical practice, should be mined as a unit.

Subd. 4. **Low-grade iron-bearing formations.** "Low-grade iron-bearing formations" mean those commercial deposits of iron-bearing materials, not including paint rock, located beneath the surface of the earth, which in their natural state require beneficiation to make them suitable for blast furnace use, and which, after such beneficiation, produce in tonnage less than 50 percent of iron ore concentrates from the tonnage of low-grade iron-bearing formations delivered to a beneficiation plant and which formations must be mined in accordance with good engineering and metallurgical practice to produce such concentrates.

Subd. 5. **Beneficiation.** "Beneficiation" means the process of concentrating that portion of the iron-bearing formations entering the beneficiating plant.

Subd. 6. **Concentrates.** "Concentrates" means such ores which by the process of beneficiation have been made suitable for blast furnace use.

Subd. 7. **Tonnage recovery or tonnage recovery of iron ore concentrates.** The term "tonnage recovery" or "tonnage recovery of iron ore concentrates" means the proportion which the weight of concentrates recovered or recoverable after beneficiation bears to the weight of the low-grade iron-bearing materials entering the beneficiating plant.

History: *(1993-2) 1937 c 364 s 1*

273.15 MS 1984 [Repealed, 1Sp1985 c 14 art 4 s 98]

273.16 DETERMINATION OF CLASSIFICATION.

The classification of iron-bearing formations under the provisions of sections 273.14 to 273.16 shall be determined in the manner provided. Any person engaged in the business of mining, whose tonnage recovery of iron ore concentrates for a taxable year in producing concentrates from the iron-bearing material entering the beneficiating plant has been less than 50 percent, may file a petition with the commissioner of revenue requesting classification of the deposit under the provisions of sections 273.14 to 273.16. The taxpayer shall furnish any available data and information concerning the operation of the deposit as the commissioner of revenue requires. The commissioner shall, upon receipt of it, submit the petition and data to the University of Minnesota mines experiment station. The mines experiment station shall consider the deposit referred to in the petition as a unified commercial operation. Based on all engineering data and information furnished, it shall file a written report with the commissioner of revenue, who, after hearing, shall approve or disapprove the report. If a classification is made covering the deposit and property, the commissioner of revenue shall give appropriate notice of it to the taxing districts affected by it. If the commissioner of revenue disapproves of the classification, the commissioner's findings and order on it may be reviewed by the court of appeals on petition of the party aggrieved presented to the court within 30 days after the date of the order. The classifications shall also be subject to further review by the mines experiment station, from time to time, upon request of the commissioner of revenue or upon further petition by the taxpayer. Valuations determined hereunder shall be subject to the provisions of sections 270C.921 to 270C.928.

History: *(1993-4) 1937 c 364 s 3; 1973 c 582 s 3; 1983 c 247 s 119; 1986 c 444; 2005 c 151 art 2 s 17*

273.165 TAXATION OF SEPARATE MINERAL INTERESTS AND UNMINED IRON ORE.

Subdivision 1. **Mineral interest.** "Mineral interest," for the purpose of this subdivision, means an interest in any minerals, including but not limited to gas, coal, oil, or other similar interest in real estate, which is owned separately and apart from the fee title to the surface of such real property. Mineral interests which are recorded in the office of either the county recorder or registrar of titles, whether or not filed pursuant to sections 93.52 to 93.551, are taxed as provided in this subdivision unless specifically excluded by this subdivision. A tax of 40 cents per acre or portion of an acre of mineral interest is imposed and is payable annually. If an interest is a fractional undivided interest in an area, the tax due on the interest per acre or portion of an acre is equal to the product obtained by multiplying the fractional interest times 40 cents, computed to the nearest cent. However, the minimum annual tax on any mineral interest is $3.20. No such tax on mineral interests is imposed on the following: (1) mineral interests valued and taxed under other laws relating to the taxation of minerals, gas, coal, oil, or other similar interests; or (2) mineral interests which are exempt from taxation pursuant to constitutional or related statutory provisions. Taxes received under this subdivision must be apportioned to the taxing districts included in the area taxed in the same proportion as the surface interest local tax rate of a taxing district bears to the total local tax rate applicable to surface interests in the area taxed. The tax imposed by this subdivision is not included within any limitations as to rate or amount of taxes which may be imposed in an area to which the tax imposed by this subdivision applies. The tax imposed by this subdivision does not cause the amount of other taxes levied or to be levied in the area, which are subject to any such limitation, to be reduced in any amount. Twenty percent of the revenues received from the tax imposed by this subdivision must be distributed under the provisions of section 116J.64.

Subd. 2. **Iron ore.** Unmined iron ore included in class 5, paragraph (b), must be assessed with and as a part of the real estate in which it is located, but its net tax capacity would be as established in section 273.13, subdivision 31. The real estate in which iron ore is located, other than the ore, must be classified and assessed

in accordance with the provisions of the appropriate classes. In assessing any tract or lot of real estate in which iron ore is known to exist, the assessable net tax capacity of the ore exclusive of the land in which it is located, and the assessable net tax capacity of the land exclusive of the ore must be determined and set down separately and the aggregate of the two must be assessed against the tract or lot.

History: *1Sp1985 c 14 art 4 s 68; 1987 c 268 art 6 s 32; 1988 c 719 art 5 s 27,84; 1989 c 329 art 13 s 20; 1Sp1989 c 1 art 2 s 11; 1994 c 587 art 5 s 12; 2005 c 4 s 34; 2023 c 25 s 154*

273.1651 TAXATION AND FORFEITURE OF STOCKPILED METALLIC MINERALS MATERIAL.

Subdivision 1. **Definition.** "Stockpiled metallic minerals material," for purposes of this section, means surface overburden, rock, lean ore, tailings, or other material that has been removed from the ground and deposited elsewhere on the surface in the process of iron ore, taconite, or other metallic minerals mining, or in the process of beneficiation. Stockpiled metallic minerals material does not include processed metallic minerals concentrates in the form of pellets, chips, briquettes, fines, or other form which have been prepared for or are in the process of shipment.

Subd. 2. **Purpose.** The purpose of this section is to clarify the ownership of stockpiled metallic minerals material in this state. Depending on the intent of the person who extracted the material from the ground, stockpiled metallic minerals material may or may not be owned separately and apart from the fee title to the surface of the real property. The legislature finds that the uncertainty of ownership of stockpiled metallic minerals material located on real property that becomes tax forfeited has created a burden on the public owner of the surface of the real property and an impediment to productive management or use of a public resource.

Subd. 3. **Taxation and forfeiture.** From and after July 1, 1997, for purposes of taxation, the definition of "real property," as contained in section 272.03, subdivision 1, includes stockpiled metallic minerals material. Nothing in this subdivision shall be construed to subject stockpiled metallic minerals material to the general property tax when the stockpiled metallic minerals material is exempt from the general property tax pursuant to section 298.015 or 298.25. If the surface of the real property forfeits for delinquent taxes, stockpiled metallic minerals material located on the real property forfeits with the surface of the property.

Subd. 4. **Prior forfeiture.** Stockpiled metallic minerals material located on real property that forfeited prior to July 1, 1997, or forfeits due to a judgment for delinquent taxes issued prior to July 1, 1997, shall be assessed and taxed as real property. The tax applies only to stockpiled metallic minerals material located on real property that remains in the ownership of the state or a political subdivision of the state. The tax shall be based on the market value of the rental of the property for storage of stockpiled metallic minerals material.

Subd. 5. **Exceptions; tax laws.** (a) The tax imposed pursuant to this section shall not be imposed on the following:

(1) stockpiled metallic minerals material valued and taxed under other laws relating to the taxation of minerals, gas, coal, oil, or other similar interests;

(2) stockpiled metallic minerals material that is exempt from taxation pursuant to constitutional or related statutory provisions; or

(3) stockpiled metallic minerals material that is owned by the state.

(b) All laws for the enforcement of taxes on real property shall apply to the tax imposed pursuant to this section on stockpiled metallic minerals material.

Subd. 6. **Fee owner.** For purposes of section 276.041, the owner of stockpiled metallic minerals material is a fee owner.

History: *1997 c 231 art 8 s 4*

273.166 MS 2002 [Repealed, 1Sp2003 c 21 art 6 s 17]

REAL PROPERTY ASSESSMENT AND LISTING

273.17 ASSESSMENT OF REAL PROPERTY.

Subdivision 1. **Property additions; classification changes.** In every year, on January 2, the assessor shall also assess all real property that may have become subject to taxation since the last previous assessment, including all real property platted since the last real estate assessment, and all buildings or other structures of any kind, whether completed or in process of construction, of over $1,000 in value, the value of which has not been previously added to or included in the valuation of the land on which they have been erected. The assessor shall make return thereof to the county auditor, with a return of personal property, showing the tract or lot on which each structure has been erected and the market value added thereto by such erection. Every assessor shall list, without revaluing, in each year, on a form to be prescribed by the commissioner of revenue, all parcels of land that shall have become homesteads or shall have ceased to be homesteads for taxation purposes since the last real estate assessment, and other parcels of land when the use of the land requires a change in classification or the land has been incorrectly classified in a previous assessment.

The county auditor shall note such change in the net tax capacity upon the tax lists, caused by a change in classification, and shall calculate the taxes for such year on such changed net tax capacity. In case of the destruction by fire, flood, or otherwise of any building or structure, over $100 in value, which has been erected previous to the last valuation of the land on which it stood, or the value of which has been added to any former valuation, the assessor shall determine, as nearly as practicable, how much less such land would sell for at private sale in consequence of such destruction, and make return thereof to the auditor.

Subd. 2. **Record of changes.** In counties where the county auditor has elected to discontinue the preparation of assessment books as provided by section 273.03, subdivision 2, such changes as provided for in subdivision 1, shall be recorded in a separate record prepared under the direction of the county assessor and shall identify, by description or property identification number, or both, the real estate affected, the previous year's net tax capacities and the new market values and net tax capacities, provided that if only property identification numbers are used they shall be such that shall permit positive identification of the real estate to which they apply. Such record shall further indicate the total amount of increase or decrease in net tax capacity contained therein. The county assessor shall make return of such record to the county auditor who shall be the official custodian thereof.

Such record shall be known as "County assessor's changes in real estate valuations for the year." Such records on file in the county auditor's office may be destroyed when they are more than ten years old pursuant to the conditions for destruction of government records contained in sections 138.161 to 138.25.

History: *(1994) RL s 811; 1917 c 254; 1937 c 206 s 1; 1963 c 781 s 2; 1967 c 578 s 2; 1973 c 582 s 3; 1974 c 376 s 1; 1975 c 339 s 4,8; 1975 c 437 art 8 s 8; 1976 c 345 s 2; 1979 c 303 art 2 s 19; 1986 c 444; 1988 c 719 art 5 s 84; 1989 c 329 art 13 s 20; 1995 c 264 art 16 s 11*

273.18 LISTING, VALUATION, AND ASSESSMENT OF EXEMPT PROPERTY BY COUNTY AUDITORS.

(a) In every sixth year after the year 2010, the county auditor shall enter the description of each tract of real property exempt by law from taxation, with the name of the owner, and the assessor shall value and assess the same in the same manner that other real property is valued and assessed, and shall designate in each case the purpose for which the property is used.

(b) The county auditor shall include in the exempt property information that the commissioner may require under section 270C.85, subdivision 2, clause (4), the total number of acres of all natural resources lands for which in lieu payments are made under sections 477A.11 to 477A.14 and 477A.17. The assessor shall estimate its market value, provided that if the assessor is not able to estimate the market value of the land on a per parcel basis, the assessor shall furnish the commissioner of revenue with an estimate of the average value per acre of this land within the county.

History: *(1995) RL s 812; 1925 c 211 s 1; 1997 c 231 art 2 s 22; 2014 c 308 art 9 s 31; 1Sp2019 c 6 art 18 s 13; 1Sp2021 c 14 art 13 s 9*

273.19 LESSEES AND EQUITABLE OWNERS.

Subdivision 1. **Tax-exempt property; lease.** Except as provided in subdivision 3 or 4, tax-exempt property held under a lease for a term of at least one year, and not taxable under section 272.01, subdivision 2, or under a contract for the purchase thereof, shall be considered, for all purposes of taxation, as the property of the person holding it. In this subdivision, "tax-exempt property" means property owned by the United States, the state or any of its political subdivisions, a school, or any religious, scientific, or benevolent society or institution, incorporated or unincorporated, or any corporation whose property is not taxed in the same manner as other property. This subdivision does not apply to property exempt from taxation under section 272.01, subdivision 2, paragraph (b), clauses (2), (3), and (4), or to property exempt from taxation under section 272.0213.

Subd. 1a. **Lease defined.** For purposes of this section, a lease includes any agreement, except a cooperative farming agreement pursuant to section 97A.135, subdivision 3, or a lease executed pursuant to section 272.68, subdivision 4, permitting a nonexempt person or entity to use the property, regardless of whether the agreement is characterized as a lease. A lease has a "term of at least one year" if the term is for a period of less than one year and the lease permits the parties to renew the lease without requiring that similar terms for leasing the property will be offered to other applicants or bidders through a competitive bidding or other form of offer to potential lessees or users.

Subd. 2. **Seaway port authority property; exception.** The provisions of subdivision 1 shall not apply to any property owned by a seaway port authority exempt from taxation under the provisions of section 272.01, subdivision 3.

Subd. 3. **Property located within a federal reservation.** The net tax capacity of property held under a lease for a term of at least one year which (i) is located within a federal reservation; (ii) has been conveyed to the state of Minnesota by the federal government; and (iii) had been occupied and used by a branch of the armed services of the United States, shall be no greater than the value added to the property by improvements to the property made by the lessee.

Subd. 4. **Property located within a national park.** Property held under a lease for a term of at least one year which is owned by the United States and located within a national park shall be exempt, provided the property was acquired by the United States by condemnation or purchased by the United States under

threat of condemnation, and within a reasonable time leased back for noncommercial residential purposes to the person owning the property at the time of acquisition by the United States. If property exempt under this subdivision is subsequently leased or subleased for a term of at least one year to another person, it shall no longer qualify for the exemption provided in this subdivision and shall be placed on the assessment rolls as provided in section 272.02, subdivision 38, and taxed pursuant to subdivision 1 of this section.

The value of improvements made to property otherwise exempt pursuant to this subdivision which are owned by the lessee or to which the lessee has salvage rights shall be taxable to the lessee pursuant to subdivision 1.

Subd. 5. MS 2004 [Repealed, 2005 c 151 art 5 s 46]

History: *(1996) RL s 813; Ex1959 c 1 s 2; 1967 c 865 s 2; 1978 c 756 s 1,2; 1980 c 607 art 2 s 16; 1Sp1981 c 1 art 2 s 13,14; 1984 c 502 art 3 s 15; 1985 c 300 s 9; 1987 c 268 art 8 s 4-7; 1988 c 719 art 5 s 84; 1989 c 239 s 2; 1989 c 329 art 13 s 20; 1990 c 391 art 8 s 34; 2005 c 151 art 5 s 23; 2008 c 366 art 6 s 31; 2013 c 143 art 17 s 10*

273.20 ASSESSOR MAY ENTER DWELLINGS, BUILDINGS, OR STRUCTURES.

Any officer authorized by law to assess property for taxation may, when necessary to the proper performance of duties, enter any dwelling-house, building, or structure, and view the same and the property therein.

Any officer authorized by law to assess property for ad valorem tax purposes shall have reasonable access to land and structures as necessary for the proper performance of their duties. A property owner may refuse to allow an assessor to inspect their property. This refusal by the property owner must be either verbal or expressly stated in a letter to the county assessor. If the assessor is denied access to view a property, the assessor is authorized to estimate the property's estimated market value by making assumptions believed appropriate concerning the property's finish and condition.

History: *(1997) RL s 814; 1986 c 444; 1999 c 243 art 5 s 24*

273.21 NEGLECT BY AUDITOR OR ASSESSOR; PENALTY.

Every county auditor and every town or district assessor who in any case refuses or knowingly neglects to perform any duty enjoined by this chapter, or who consents to or connives at any evasion of its provisions whereby any proceeding required by this chapter is prevented or hindered, or whereby any property required to be listed for taxation is unlawfully exempted, or entered on the tax list at less than its market value, shall, for every such neglect, refusal, consent, or connivance, forfeit and pay to the state not less than $200, nor more than $1,000, to be recovered in any court of competent jurisdiction.

History: *(1998) RL s 815; 1975 c 339 s 8; 1986 c 444*

273.22 MS 1992 [Repealed, 1994 c 416 art 1 s 65]

273.23 MS 1982 [Repealed, 1983 c 222 s 45]

273.24 MS 1982 [Repealed, 1983 c 222 s 45]

273.25 MS 2024 [Repealed, 2026 c 128 art 10 s 3]

PERSONAL PROPERTY ASSESSMENT AND LISTING

273.26 PERSONAL PROPERTY; WHERE LISTED.

Except as otherwise in this chapter provided, personal property shall be listed and assessed in the county, town, or district where the owner, agent, or trustee resides.

History: *(2003) RL s 820*

273.27 MS 1982 [Repealed, 1984 c 593 s 46]

273.28 MS 1982 [Repealed, 1983 c 222 s 45]

273.29 MS 1982 [Repealed, 1983 c 222 s 45]

273.30 MS 1982 [Repealed, 1983 c 222 s 45]

273.31 MS 1982 [Repealed, 1983 c 222 s 45]

273.32 ELEVATORS AND WAREHOUSES ON RAILROAD.

All elevators and warehouses, with the machinery and fixtures therein, situated upon the land of any railroad company, which are not in good faith owned, operated, and exclusively controlled by such company, shall be listed and assessed as personal property in the town or district where situated, in the name of the owner, if known, and, if not known, as "owner unknown."

History: *(2008) RL s 825*

273.33 EXPRESS, STAGE AND TRANSPORTATION COMPANIES; PIPELINES.

Subdivision 1. **Listing and assessment in county.** The personal property of express, stage and transportation companies, and of pipeline companies engaged in the business of transporting products, except as otherwise provided by law, shall be listed and assessed in the county, town or district where the same is usually kept.

Subd. 2. **Listing and assessment by commissioner.** The personal property, consisting of the pipeline system of mains, pipes, and equipment attached thereto, of pipeline companies and others engaged in the operations or business of transporting products by pipelines, shall be listed with and assessed by the commissioner of revenue and the values provided to the city or county assessor by order. This subdivision shall not apply to the assessment of the products transported through the pipelines nor to the lines of local commercial gas companies engaged primarily in the business of distributing products to consumers at retail nor to pipelines used by the owner thereof to supply products exclusively for such owner's own consumption and not for resale to others. If more than 85 percent of the products actually transported over the pipeline is used for the owner's own consumption and not for resale to others, then this subdivision shall not apply; provided, however, that in that event, the pipeline shall be assessed in proportion to the percentage of products actually transported over such pipeline that is not used for the owner's own consumption. On or before August 1, the commissioner shall certify to the auditor of each county, the amount of such personal property assessment against each company in each district in which such property is located. If the commissioner determines that the amount of personal property assessment certified on or before August 1 is in error, the

commissioner may issue a corrected certification on or before October 1. The commissioner may correct errors that are merely clerical in nature until December 31.

History: *(2009) RL s 826; 1943 c 604 s 1; 1949 c 547 s 1; 1973 c 582 s 3; 1985 c 300 s 10,11; 1987 c 268 art 7 s 35; 1Sp1989 c 1 art 9 s 26; 1993 c 375 art 5 s 29; 2008 c 154 art 13 s 31; 2009 c 88 art 10 s 9; 2011 c 112 art 3 s 5; 2014 c 308 art 10 s 6; 1Sp2017 c 1 art 15 s 18,19*

273.34 MS 1982 [Repealed, 1983 c 222 s 45]

273.35 GAS AND WATER COMPANIES.

The personal property of gas and water companies shall be listed and assessed in the town or district where located, without regard to where the principal or other place of business of the company may be located.

History: *(2011) RL s 828; 1949 c 449 s 1*

273.36 ELECTRIC LIGHT AND POWER COMPANIES.

Personal property of electric light and power companies having a fixed situs in any city in this state shall be listed and assessed where situated, without regard to where the principal or other place of business of the company is located. Transmission lines having a voltage of 69 kv and above, all attachments and appurtenances thereto, having a fixed situs in this state, other than in an unorganized township, shall be listed and assessed where situated, without regard to where the principal or other place of business of the company is located.

History: *(2012) 1921 c 482; 1973 c 123 art 5 s 7; 1980 c 607 art 10 s 1*

273.37 COMPANIES SUPPLYING ELECTRIC POWER.

Subdivision 1. **Listing and assessment where situated.** Personal property of electric light and power companies, and other individuals and partnerships supplying electric light and power, having a fixed situs outside of the corporate limits of cities shall be listed and assessed in the district where situated, except as otherwise provided.

Subd. 2. **Listing and assessment by commissioner.** Transmission lines of less than 69 kv, transmission lines of 69 kv and above located in an unorganized township, and distribution lines, and equipment attached thereto, having a fixed situs outside the corporate limits of cities except distribution lines taxed as provided in sections 273.40 and 273.41, shall be listed with and assessed by the commissioner of revenue in the county where situated and the values provided to the city or county assessor by order. The commissioner shall assess such property at the percentage of market value fixed by law; and, on or before August 1, shall certify to the auditor of each county in which such property is located the amount of the assessment made against each company and person owning such property. If the commissioner determines that the amount of the assessment certified on or before August 1 is in error, the commissioner may issue a corrected certification on or before October 1. The commissioner may correct errors that are merely clerical in nature until December 31.

Subd. 3. MS 2004 [Repealed, 2005 c 151 art 5 s 46]

History: *(2012-1) 1925 c 306 s 1; 1939 c 321 s 1; 1949 c 554 s 1; 1971 c 427 s 19; 1973 c 123 art 5 s 7; 1973 c 582 s 3; 1980 c 607 art 10 s 2; 1987 c 268 art 6 s 33; art 7 s 36; 1988 c 719 art 5 s 28; 1Sp1989 c 1 art 9 s 27; 1995 c 264 art 3 s 12; 2000 c 490 art 5 s 15; 2008 c 154 art 13 s 32; 2009 c 88 art 10 s 10; 2011 c 112 art 3 s 6; 2014 c 308 art 10 s 7*

273.371 REPORTS OF UTILITY COMPANIES.

Subdivision 1. **Report required.** Every electric light, power, gas, water, express, stage, transportation, and pipeline 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 valuations, recommended valuations, and equalization required under sections 273.33, 273.35, 273.36, 273.37, and 273.3711. The commissioner shall prescribe the content, format, and manner of the report pursuant to section 270C.30, except that for cooperative associations defined in section 273.40, the information provided in the report must be aggregated to the unique taxing jurisdiction level and exclude information related to property subject to the in-lieu tax under section 273.41, and that a "law administered by the commissioner" includes the property tax laws. If all the required information is not available on March 31, the company shall file the information that is available on or before March 31, and the balance of the information as soon as it becomes available. 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. For purposes of this subdivision, "unique taxing jurisdiction" means the geographic area subject to the same set of local tax rates.

Subd. 2. **Extension.** The commissioner for good cause may extend the time for filing the report required by subdivision 1. The extension must not exceed 15 days.

Subd. 3. **Reports filed by the commissioner.** If a company fails to file a report required by subdivision 1, the commissioner may, from information in the commissioner's possession or obtainable by the commissioner, make and file a report for the company or make the valuations, recommended valuations, and equalizations required under sections 273.33, 273.35 to 273.37, and 273.3711.

History: *1Sp1989 c 1 art 9 s 28; 1990 c 604 art 3 s 21; 2008 c 154 art 13 s 33; 1Sp2017 c 1 art 16 s 21; 1Sp2019 c 6 art 4 s 18*

273.3711 RECOMMENDED AND ORDERED VALUES.

For purposes of sections 273.33, 273.35, 273.36, 273.37, 273.371, and 273.372, all preliminary values not required to be listed and assessed by the commissioner of revenue are recommended values. If the commissioner provides preliminary recommended values, the values must be certified to the auditor of each county in which the property is located on or before July 15. If the commissioner determines that the certified recommended value is in error the commissioner may issue a corrected certification on or before October 1. The commissioner may correct errors that are merely clerical in nature until December 31.

History: *2008 c 154 art 13 s 34; 2011 c 112 art 3 s 7; 2014 c 308 art 10 s 8; 1Sp2019 c 6 art 4 s 19*

273.372 PROCEEDINGS AND APPEALS; UTILITY OR RAILROAD VALUATIONS.

Subdivision 1. **Scope.** (a) As provided in this section, an appeal by a utility or railroad company concerning property for which the commissioner of revenue has provided the city or county assessor with valuations by order, or for which the commissioner has recommended values to the city or county assessor, must be brought against the commissioner, and not against the county or taxing district where the property is located.

(b) This section governs administrative appeals and appeals to court of a claim that utility or railroad operating property has been partially, unfairly, or unequally assessed, or assessed at a valuation greater than its real or actual value, misclassified, or that the property is exempt. This section applies only to property described in sections 270.81, subdivision 1, 273.33, 273.35, 273.36, and 273.37, and only with regard to taxable net tax capacities that have been provided to the city or county by the commissioner and which have

not been changed by city or county. If the taxable net tax capacity being appealed is not the taxable net tax capacity established by the commissioner, or if the appeal claims that the tax rate applied against the parcel is incorrect, or that the tax has been paid, this section does not apply.

Subd. 2. **Contents and filing of petition.** (a) In all appeals to court that are required to be brought against the commissioner under this section, the petition initiating the appeal must be served on the commissioner and must be filed with the Tax Court in Ramsey County, as provided in paragraph (b) or (c).

(b) If the appeal to court is from an order of the commissioner, it must be brought under chapter 271 and filed within the time period prescribed in section 271.06, subdivision 2, except that when the provisions of this section conflict with chapter 271 or 278, this section prevails. In addition, the petition must include all the parcels encompassed by that order which the petitioner claims have been partially, unfairly, or unequally assessed, assessed at a valuation greater than their real or actual value, misclassified, or are exempt. For this purpose, an order of the commissioner is either (1) a certification or notice of value by the commissioner for property described in subdivision 1, or (2) the final determination by the commissioner of an administrative appeal described in subdivision 4.

(c) If the appeal is from the tax that results from implementation of the commissioner's order, certification, or recommendation, it must be brought under chapter 278, and the provisions in that chapter apply, except that service shall be on the commissioner only and not on the local officials specified in section 278.01, subdivision 1, and if any other provision of this section conflicts with chapter 278, this section prevails. In addition, the petition must include either all the utility parcels or all the railroad parcels in the state in which the petitioner claims an interest and which the petitioner claims have been partially, unfairly, or unequally assessed, assessed at a valuation greater than their real or actual value, misclassified, or are exempt.

Subd. 3. **Notice.** Upon filing of any appeal in court by a utility company or railroad against the commissioner pursuant to this section, the commissioner shall give notice by first class mail to the county auditor of each county where property included in the petition is located.

Subd. 4. **Administrative appeals.** (a) Companies that submit the reports under section 270.82 or 273.371 by the date specified in that section, or by the date specified by the commissioner in an extension, may appeal administratively to the commissioner prior to bringing an action in court.

(b) Companies must file a written request for an appeal with the commissioner within 30 days after the notice date of the commissioner's valuation certification or other notice to the company. For purposes of this section, "notice date" means the notice date of the valuation certification, commissioner's order, recommendation, or other notice.

(c) The appeal need not be in any particular form but must contain the following information:

(1) name and address of the company;

(2) the date;

(3) its Minnesota identification number;

(4) the assessment year or period involved;

(5) the findings in the valuation that the company disputes;

(6) a summary statement specifying its reasons for disputing each item; and

(7) the signature of the company's duly authorized agent or representative.

(d) When requested in writing and within the time allowed for filing an administrative appeal, the commissioner may extend the time for filing an appeal for a period of not more than 15 days from the expiration of the time for filing the appeal.

(e) The commissioner shall conduct the conference either in person or by telephone upon the commissioner's entire files and records and such further information as may be offered. The conference must be held no later than 20 days after the date of the request for an appeal. Within 30 days after the conference the commissioner shall make a final determination of the matter and shall notify the company promptly of the determination. The conference is not a contested case hearing subject to chapter 14.

Subd. 5. **Agreement determining valuation.** When it appears to be in the best interest of the state, the commissioner may settle any matter under consideration regarding an appeal filed under this section. The agreement must be in writing and signed by the commissioner and the company or the company's authorized representative. The agreement is final and conclusive, and except upon a showing of fraud, malfeasance, or misrepresentation of a material fact, the case may not be reopened as to the matters agreed upon.

Subd. 6. **Dismissal of administrative appeal.** If a taxpayer files an administrative appeal from an order of the commissioner and also files an appeal to the Tax Court for that same order of the commissioner, the administrative appeal is dismissed and the commissioner is no longer required to make the determination of appeal under subdivision 4.

History: *2000 c 490 art 5 s 16; 2003 c 127 art 5 s 20; 2005 c 151 art 5 s 24; 2013 c 143 art 17 s 11; 1Sp2017 c 1 art 15 s 20-23; 2018 c 182 art 1 s 71*

273.38 PERCENTAGE OF ASSESSMENTS; EXCEPTIONS.

The distribution systems, not including substations, or transmission or generation equipment, of cooperative associations organized under the provisions of Laws 1923, chapter 326, and laws amendatory thereof and supplemental thereto, and engaged in the electrical heat, light and power business, upon a mutual, nonprofit and cooperative plan, shall be assessed and taxed as provided in sections 273.40 and 273.41.

History: *(2012-2) 1925 c 306 s 2; 1939 c 321 s 2; 1949 c 554 s 2; 1971 c 427 s 20; 1973 c 582 s 3; 1974 c 47 s 1; 1Sp1985 c 14 art 4 s 69; 1987 c 268 art 6 s 34; 1Sp2025 c 13 art 2 s 9*

273.39 RURAL AREA.

As used in sections 273.39 to 273.41, the term "rural area" shall be deemed to mean any area of the state not included within the boundaries of any statutory city or home rule charter city, and such term shall be deemed to include both farm and nonfarm population thereof.

History: *(2012-5) 1939 c 303 s 2; 1973 c 123 art 5 s 7; 2013 c 143 art 17 s 12*

273.40 ANNUAL TAX ON COOPERATIVE ASSOCIATIONS.

Cooperative associations organized under the provisions of Laws 1923, chapter 326, and laws amendatory thereof and laws supplemental thereto, and engaged in electrical heat, light, or power business upon a mutual, nonprofit, and cooperative plan in rural areas, as hereinafter defined, are hereby recognized as quasi-public in their nature and purposes; but such cooperative associations, which operate within the corporate limits of any city shall have a tax capacity of the market value of that portion of its property located within the corporate limits of any city as provided for in section 273.13, subdivisions 24 and 31.

History: *(2012-4) 1939 c 303 s 1; 1943 c 643 s 2; 1971 c 427 s 21; 1973 c 123 art 5 s 7; 1Sp1981 c 1 art 8 s 8; 1988 c 719 art 5 s 29*

273.41 AMOUNT OF TAX; DISTRIBUTION.

There is hereby imposed upon each such cooperative association on December 31 of each year a tax of $10 for each 100 members, or fraction thereof, of such association. The tax, when paid, shall be in lieu of all personal property taxes, state, county, or local, upon that part of the association's distribution system, not including substations, or transmission or generation equipment, located in rural areas. The tax shall be payable on or before March 1 of the next succeeding year, to the commissioner of revenue. If the tax, or any portion thereof, is not paid within the time herein specified for the payment thereof, there shall be added thereto a specific penalty equal to ten percent of the amount so remaining unpaid. Such penalty shall be collected as part of said tax, and the amount of said tax not timely paid, together with said penalty, shall bear interest at the rate specified in section 270C.40 from the time such tax should have been paid until paid. The commissioner shall deposit the amount so received in the general fund of the state treasury.

History: *1939 c 303 s 3; 1951 c 590 s 1; 1959 c 158 s 18; Ex1971 c 31 art 20 s 7; 1973 c 582 s 3; 1973 c 650 art 3 s 1; 1975 c 377 s 8; 2005 c 151 art 2 s 17; 1Sp2025 c 13 art 2 s 10*

273.42 RATE OF TAX; ENTRY AND CERTIFICATION; CREDIT ON PAYMENT; PROPERTY TAX CREDIT.

Subdivision 1. **Tax rate; payment.** The property set forth in section 273.37, subdivision 2, consisting of transmission lines of less than 69 kv and transmission lines of 69 kv and above located in an unorganized township, and distribution lines not taxed as provided in sections 273.38, 273.40 and 273.41 shall be taxed at the average local tax rate of taxes levied for all purposes throughout the county after disparity reduction aid is applied, and shall be entered on the tax lists by the county auditor against the owner thereof and certified to the county treasurer at the same time and in the same manner that other taxes are certified, and, when paid, shall be credited as follows: 50 percent to the general revenue fund of the county and 50 percent to the general school fund of the county, except that if there are high-voltage transmission lines as defined in section 216I.02, subdivision 8, the construction of which was commenced after July 1, 1974, and which are located in unorganized townships within the county, then the distribution of taxes within this subdivision shall be credited as follows: 50 percent to the general revenue fund of the county, 40 percent to the general school fund of the county and ten percent to a utility property tax credit fund, which is hereby established.

Subd. 2. **Property tax credit.** Owners of land that is an agricultural or nonagricultural homestead, nonhomestead agricultural land, rental residential property, and both commercial and noncommercial seasonal residential recreational property, as those terms are defined in section 273.13 listed on records of the county auditor or county treasurer over which runs a high-voltage transmission line with a capacity of 200 kilovolts or more, except a high-voltage transmission line the construction of which was commenced prior to July 1, 1974, shall receive a property tax credit in an amount determined by multiplying a fraction, the numerator of which is the length of high-voltage transmission line which runs over that parcel and the denominator of which is the total length of that particular line running over all property within the city or township by ten percent of the transmission line tax revenue derived from the tax on that portion of the line within the city or township pursuant to section 273.36. In the case of property owners in unorganized townships, the property tax credit shall be determined by multiplying a fraction, the numerator of which is the length of the qualifying high-voltage transmission line which runs over the parcel and the denominator of which is the total length of the qualifying high-voltage transmission line running over all property within all the unorganized townships within the county, by the total utility property tax credit fund amount available within the county for that year pursuant to subdivision 1. Where a right-of-way width is shared by more than one property owner, the numerator shall be adjusted by multiplying the length of line on the parcel by the proportion of the total width on the parcel owned by that property owner. The amount of credit for which the property qualifies shall not exceed 20 percent of the total gross tax on the parcel prior to deduction of the state paid agricultural

credit, provided that, if the property containing the right-of-way is included in a parcel which exceeds 40 acres, the total gross tax on the parcel shall be multiplied by a fraction, the numerator of which is the sum of the number of acres in each quarter-quarter section or portion thereof which contains a right-of-way and the denominator of which is the total number of acres in the parcel set forth on the tax statement, and the maximum credit shall be 20 percent of the product of that computation, prior to deduction of those credits. The auditor of the county in which the affected parcel is located shall calculate the amount of the credit due for each parcel and transmit that information to the county treasurer. The county auditor, in computing the credit received pursuant to section 273.135, shall reduce the gross tax by the amount of the credit received pursuant to this section, unless the amount of the credit would be less than $10.

If, after the county auditor has computed the credit to those qualifying property owners in unorganized townships, there is money remaining in the utility property tax credit fund, then that excess amount in the fund shall be returned to the general school fund of the county.

Subd. 3. **State tax on transmission and distribution lines.** Notwithstanding section 273.425, the entire tax capacity of property taxed at the average local tax rate under subdivision 1 is subject to the state tax rate provided in section 275.025. Notwithstanding subdivisions 1 and 2, the entire proceeds of the state tax levy for each such property must be distributed to the state under the procedures provided in chapter 276. No portion of the proceeds from the state levy on such property is distributed within the county under subdivision 1 or 2.

History: *(2012-3) 1925 c 306 s 3; 1949 c 554 s 3; 1978 c 658 s 4; 1979 c 303 art 2 s 20; 1980 c 607 art 10 s 3; 1Sp1981 c 1 art 2 s 15; 1982 c 523 art 16 s 1; 1Sp1985 c 14 art 4 s 70; 1Sp1986 c 1 art 4 s 24; 1987 c 268 art 6 s 35; 1Sp1989 c 1 art 2 s 11; 1990 c 604 art 3 s 22; 1Sp2001 c 5 art 3 s 44; 2003 c 127 art 5 s 21; 2014 c 275 art 1 s 90; 2025 c 20 s 227*

273.425 ADJUSTMENT OF LEVY.

When preparing tax lists pursuant to section 275.28 for each levy year for which credits will be payable under section 273.42, the county auditor shall deduct from the net tax capacity of the property within the county an amount equal to ten percent of the net tax capacity of transmission lines with respect to which a credit is to be paid and which are valued pursuant to section 273.36. The local tax rate necessary to be applied to this reduced total net tax capacity in order to raise the required amount of tax revenue for the local taxing authorities shall be applied to the net tax capacity of all taxable property in the county, including the entire net tax capacity of those transmission lines. The proceeds of the tax levied against the excluded ten percent of the net tax capacity of those transmission lines shall be available for purposes of funding of the credit provided in section 273.42. If the amount of that portion of the levy exceeds the amount necessary to fund the credits, the excess shall be distributed to the taxing districts within which the affected property is located in proportion to their respective local tax rates, to be used for general levy purposes.

History: *1979 c 303 art 2 s 21; 1982 c 523 art 16 s 2; 1988 c 719 art 5 s 84; 1989 c 329 art 13 s 20; 1Sp1989 c 1 art 2 s 11*

273.43 PERSONAL PROPERTY OF CERTAIN COMPANIES, WHERE LISTED.

The personal property of street railroad, street railway, plank road, gravel road, turnpike, or bridge companies shall be listed in the county, town, city, or district where such property is situated, and where such personal property is situated in different counties, towns, cities, or districts, such part of such personal property situated in such county, town, city, or district, shall be listed and assessed by the commissioner of

revenue in the taxing district where the same is situated, without regard to where the principal or any other place of business of such company is located.

History: *(2013) RL s 829; 1913 c 25 s 1; 1973 c 123 art 5 s 7; 1973 c 582 s 3*

273.44 MS 1982 [Repealed, 1983 c 222 s 45]

273.45 MS 1982 [Repealed, 1983 c 222 s 45]

273.46 ASSIGNEES AND RECEIVERS.

Personal property in the hands of an assignee or receiver shall be listed and assessed at the place of listing before the appointment of the assignee or receiver.

History: *(2016) RL s 832; 1986 c 444*

273.47 PROPERTY MOVED BETWEEN JANUARY AND MARCH.

The owner of personal property, removing from one county, town, or district to another between January 2 and March 1, shall be assessed in either in which the owner is first called upon by the assessor. A person moving into this state from another state between those dates shall list the property the person owns on January 2 of such year in the county, town, or district in which the person resides, unless it appears to the assessor that the person is held for tax of the current year on the property in another state.

History: *(2017) RL s 833; 1969 c 709 s 8; 1986 c 444*

273.48 WHERE LISTED IN CASE OF DOUBT.

In case of doubt as to the proper place of listing personal property, or where it cannot be listed as in this chapter provided, if between places in the same county, the place for listing and assessing shall be determined by the county board of equalization; and, if between different counties, or places in different counties, by the commissioner of revenue; and when determined in either case shall be as binding as if fixed hereby.

History: *(2018) RL s 834; 1911 c 223 s 1; 1973 c 582 s 3*

273.49 MS 1992 [Repealed, 1993 c 375 art 3 s 47]

273.50 LISTS MAY BE DESTROYED.

The county auditor may destroy any list or statement of personal property on file in the auditor's office after the expiration of six years from the date when the taxes thereon have been paid or become delinquent. If any proceeding has been begun to enforce payment of such taxes, such list or statement shall not be destroyed before the expiration of one year from the return of an execution unsatisfied, or the termination of the proceeding.

History: *(2020) RL s 837; 1986 c 444*

273.51 MS 1945 [Impliedly repealed, see Bemis Bro Bag Co v Wallace, 197 Minn 216, 266 NW 690]

273.52 MS 1982 [Repealed, 1983 c 222 s 45]

273.53 MS 1967 [Repealed, 1969 c 9 s 99]

273.54 MS 1967 [Repealed, 1969 c 9 s 99]

273.55 MS 1967 [Repealed, 1969 c 9 s 99]

273.56 MS 1982 [Repealed, 1984 c 593 s 46]

273.57 MS 1967 [Repealed, 1969 c 9 s 99]

273.58 MS 1967 [Repealed, 1969 c 9 s 99]

273.59 MS 1967 [Repealed, 1969 c 9 s 99]

273.60 MS 1967 [Repealed, 1969 c 9 s 99]

273.61 MS 1967 [Repealed, 1969 c 9 s 99]

273.62 MS 1967 [Repealed, 1969 c 9 s 99]

273.63 MS 1967 [Repealed, 1969 c 9 s 99]

273.64 MS 1967 [Repealed, 1969 c 9 s 99]

273.65 MS 2024 [Repealed, 2026 c 128 art 10 s 3]

273.66 MS 2024 [Repealed, 2026 c 128 art 10 s 3]

273.67 MS 2024 [Repealed, 2026 c 128 art 10 s 3]

273.68 FAILURE TO OBTAIN LIST.

In case of failure to obtain a statement of personal property, the assessor shall ascertain the amount and value of such property, and assess the same at such amount as the assessor believes to be the market value thereof. When requested, the assessor shall sign and deliver to the person assessed a copy of the statement showing the valuation of the property so listed.

History: *(2033) RL s 846; 1975 c 339 s 8; 1986 c 444*

273.69 MS 1969 [Repealed, Ex1971 c 31 art 31 s 1]

273.70 MS 1969 [Repealed, Ex1971 c 31 art 31 s 1]

273.71 MS 1986 [Repealed, 1987 c 291 s 244]

273.72 MS 1986 [Repealed, 1987 c 291 s 244]

273.73 MS 1986 [Repealed, 1987 c 291 s 244]

273.74 MS 1986 [Repealed, 1987 c 291 s 244]

273.75 MS 1986 [Repealed, 1987 c 291 s 244]

273.76 MS 1986 [Repealed, 1987 c 291 s 244]

273.77 MS 1986 [Repealed, 1987 c 291 s 244]

273.78 MS 1986 [Repealed, 1987 c 291 s 244]

273.80 MS 2012 [Repealed, 2014 c 308 art 9 s 94]

273.86 MS 1986 [Repealed, 1987 c 291 s 244]

273.88 EQUALIZATION OF PUBLIC UTILITY STRUCTURES.

After making the apportionment provided in Minnesota Rules, part 8100.0600, the commissioner must equalize the values of the operating structures to the level accepted by the State Board of Equalization if the appropriate sales ratio for each county, as conducted by the Department of Revenue pursuant to section 270.12, subdivision 2, clause (6), is outside the range accepted by the State Board of Equalization. The commissioner must not equalize the value of the operating structures if the sales ratio determined pursuant to this subdivision is within the range accepted by the State Board of Equalization.

History: *1Sp2017 c 1 art 15 s 24*