CHAPTER 284

ACTIONS INVOLVING TAX TITLES

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284.01 MS 1998 [Repealed, 1999 c 243 art 13 s 21]

284.02 MS 1998 [Repealed, 1999 c 243 art 13 s 21]

284.03 MS 1998 [Repealed, 1999 c 243 art 13 s 21]

284.04 MS 1998 [Repealed, 1999 c 243 art 13 s 21]

284.05 MS 1998 [Repealed, 1999 c 243 art 13 s 21]

284.06 MS 1998 [Repealed, 1999 c 243 art 13 s 21]

284.07 COUNTY AUDITOR'S CERTIFICATE TO BE PRIMA FACIE EVIDENCE.

The county auditor's certificate of forfeiture recorded by the county auditor as provided by section 281.23, subdivision 9, and acts supplemental thereto, or by any other law hereafter enacted providing for the recording of such a certificate or a certified copy of such certificate or of the record thereof, shall, for all purposes, be prima facie evidence that all requirements of the law respecting the taxation and forfeiture of the lands therein described were complied with, and that at the date of the certificate absolute title to such lands had vested in the state by reason of forfeiture for delinquent taxes, as set forth in the certificate.

History: *(2190-1) 1939 c 341 s 1; 1998 c 254 art 1 s 80; 2005 c 4 s 37; 2006 c 259 art 5 s 7*

284.08 ACTIONS TO TRY TITLE; VENUE; LIS PENDENS; SERVICE.

Any person claiming adversely to the state, or its successor in interest, any right, title, or interest in or lien upon any land claimed to have been forfeited to the state for taxes may maintain an action against the state, or its successor in interest, for the purpose of determining the title to such land and the adverse claims and the rights of the parties, respectively, therein. Such action shall be brought in the district court of the county in which the land lies. The complaint shall be filed in the office of the court administrator before the commencement of the action. A notice of the pendency of the action, describing the land, shall be recorded in the office of the county recorder of the county, or, in the case of registered land, in the office of the registrar of titles, and the action shall not be deemed to be commenced unless, in addition to other requirements, such notice is so filed. In the case of such lands held by the state in trust for its taxing districts and agencies, the

summons, together with a copy of the complaint, shall be served upon the county auditor, also upon the county attorney, who shall defend the action. In the case of such lands otherwise held by the state the summons, together with a copy of the complaint, shall be served upon the attorney general, who shall defend the action.

History: *(2190-2) 1939 c 341 s 2; 1976 c 181 s 2; 1Sp1986 c 3 art 1 s 82; 2005 c 4 s 38*

284.09 MS 1976 [Repealed, 1977 c 265 s 3]

284.10 CLAIMANT TO DEPOSIT TAXES IN COURT.

In any action respecting lands claimed to have been forfeited to the state for taxes, no cause of action or defense asserted by any party adversely to the state, or its successor in interest, based in whole or in part upon any ground other than the claim that the land was tax exempt or that the taxes have been paid, shall be entertained unless the party asserting the same shall, at the time of filing the party's complaint or answer, as the case may be, deposit with the court administrator in which the action is pending, for the use of the state and its successor in interest, if any, as their interests may appear, a sum equal to the amount of the taxes and special assessments, with interest, penalties, and costs thereon, accrued against the land at the time of forfeiture, together with interest at the rate of four percent per annum on such sum from the date of forfeiture to the date of filing the complaint or answer. If the forfeiture of the land to the state be invalidated by the court's decision, the court shall order the sum to be applied on the lien to be determined in such cases as hereinafter provided. If the forfeiture be not invalidated by the decision, the court shall order the sum returned to the depositor.

History: *(2190-4) 1939 c 341 s 4; 1986 c 444; 1Sp1986 c 3 art 1 s 82*

284.11 STATE MAY BRING ACTION TO QUIET TITLE.

The title of the state, or its successor in interest, to any lands claimed to have been absolutely forfeited to the state for delinquent taxes may be quieted and all adverse claims thereto and the rights of all parties therein, respectively, may be determined, and, in the case of registered lands, the issuance of new certificates of title thereto may be obtained, by action brought by the state, or its successor in interest, as herein provided; provided, that before any such action shall be commenced the county auditor's certificate of forfeiture shall be filed as provided by section 281.23, subdivision 8, and acts supplementary thereto, or by any other law hereafter enacted providing for the recording of such a certificate.

History: *(2190-5) 1939 c 341 s 5; 2005 c 4 s 39*

284.12 COUNTY ATTORNEY OR ATTORNEY GENERAL TO BRING ACTION.

Actions respecting lands held by the state in trust for its taxing districts and other agencies shall be brought by the county attorney at the direction of the county board of the county in which the lands lie. Expenses of such actions shall be paid from the forfeited tax sale fund and charged against the shares of the taxing districts or agencies in which the lands lie, or from the general fund, as the county board may direct. Actions respecting lands held otherwise by the state shall be brought by the attorney general, and the expenses thereof shall be paid from such funds as may be appropriated and available therefor.

History: *(2190-6) 1939 c 341 s 6; 1969 c 399 s 1*

284.13 VENUE; LANDS INCLUDED.

Every such action shall be brought in the district court of the county in which the lands lie. The state may include in one action all of the land in any county claimed to have been absolutely forfeited to the state

for taxes, or any part or parts thereof. Any person who has succeeded to the interest of the state under such claim of forfeiture may include in one action all of the land in any county wherein the person has acquired such interest, or any part or parts thereof.

History: *(2190-7) 1939 c 341 s 7; 1986 c 444*

284.14 CONTENTS OF COMPLAINT.

The complaint shall set forth a description of the lands, shall allege that the state, or its successor in interest, as the case may be, is the absolute owner thereof, in fee simple, as a result of absolute forfeiture thereof to the state for delinquent taxes, and shall pray that the plaintiff's title and all adverse claims to such lands and the rights of all parties therein, respectively, be determined, and, in the case of registered lands, the complaint shall state that the same are registered and shall pray that a new certificate or certificates of title be issued to the person or persons entitled thereto. The complaint may contain any other allegations or provisions pertinent to the issues. In describing the lands, two or more adjacent parcels may be consolidated in a single description, if deemed expedient.

History: *(2190-8) 1939 c 341 s 8*

284.15 DEFENDANTS; UNKNOWN CLAIMANTS.

The owners of such lands at the time of forfeiture, all persons in actual possession of such lands, claiming adversely to the plaintiff, and all other persons claiming any interest in or lien thereon adverse to the plaintiff, so far as shown of record or known to the attorney for the plaintiff, shall be made defendants in the action; provided, that failure to join any person as a defendant shall not impair the effect of the action as to those joined. It shall not be necessary to specify in which parcels of land the defendants, respectively, are interested. The plaintiff may also add to the names of the defendants in the summons, complaint, and other papers in the action the following: "also all other persons or parties unknown claiming any right, title, estate, lien, or interest in the real estate described in the complaint herein," and all such persons and parties shall thereupon be deemed to be joined as defendants, and, upon being served as herein provided, shall be bound and concluded by the judgment.

History: *(2190-9) 1939 c 341 s 9*

284.16 COMPLAINT; SUMMONS.

The complaint shall be filed in the office of the court administrator of the district court. The summons shall be issued by the attorney for the plaintiff, and shall be in substantially the same form as in other civil actions relating to determination of titles, except that it shall require each defendant to file an answer with the court administrator within the time allowed for answering, instead of serving the same upon the attorney for the plaintiff, and shall contain, in addition to other provisions required by law, the following:

"And you are hereby notified that the object of said action, among other things, is to determine the title and adverse claims to the lands hereinafter described, claimed to have been absolutely forfeited to the state for delinquent taxes, and to obtain the issuance to the persons entitled thereto of new certificates of title to any of such lands which have been registered, and that such action affects the following described lands situated in the county of ....., State of Minnesota:

(Insert description of lands)."

History: *(2190-10) 1939 c 341 s 10; 1986 c 444; 1Sp1986 c 3 art 1 s 82*

284.17 SERVICE OF SUMMONS; MAILING; PUBLICATION; LIS PENDENS; RETURN.

The summons shall be served in the manner provided by law for the service of summons in other civil actions in the district court, except as otherwise herein provided. The summons shall be served upon all persons who are not residents of the state and upon those designated as "all other persons or parties unknown claiming any right, title, estate, lien, or interest in the lands described in the complaint herein" by publication for three consecutive weeks in a qualified legal newspaper published in the county in which the action is pending; provided, that personal service without the state may be made on any nonresident defendant in the manner provided by law. No affidavit of nonresidence, notice of lis pendens, or sheriff's return need be filed before the commencement of the publication or before the making of personal service without the state. At least 20 days before the trial of action, the attorney for the plaintiff shall mail a copy of the summons to each nonresident defendant whose post office address has been ascertained by diligent search and inquiry, of which the affidavit of the attorney, filed with the court administrator, shall be conclusive evidence. The return of the sheriff stating inability to find any defendant within the county and that such defendant cannot be found therein after diligent search, together with the affidavit of plaintiff's attorney stating the belief that such defendant is not a resident of the state, filed with the court administrator at any time before the trial, shall be prima facie evidence that the facts therein stated are true and that such defendant is not a resident of the state.

History: *(2190-11) 1939 c 341 s 11; 1986 c 444; 1Sp1986 c 3 art 1 s 82*

284.18 REGISTERED LANDS; RECORDING WITH REGISTRAR.

In case any of the lands involved in the action are registered, a copy of the summons, embracing a description of the registered lands but omitting the unregistered lands, shall be recorded with the registrar of titles, and such further notice shall be given as the court may direct before the issuance of any new certificate of title shall be ordered; provided, that failure to record such copy of the summons or to give such other notice shall not otherwise affect the validity of the proceedings.

History: *(2190-12) 1939 c 341 s 12; 2005 c 4 s 40*

284.19 ANSWERS; CONTENTS; PROCEDURE.

The defendants in the action may answer separately, or such of them as are jointly interested in any particular parcel or parcels of land may answer jointly. No answer merely alleging the defendant's title or denying the plaintiff's title generally shall be sufficient, but every answer shall describe the particular parcel or parcels of land in or upon which the defendant claims an interest or lien, together with the nature of such interest or lien, and shall state specifically the grounds upon which such claim is based and the grounds upon which the plaintiff's title is claimed to be defective or void. The answer may contain any other allegations or provisions pertinent to the issues. Every answer shall be filed with the court administrator within the time allowed for answering the summons, unless the time be extended by agreement of plaintiff's attorney or by order of the court. Before the trial the court administrator shall make and file a certificate as to all defendants who have not answered or otherwise appeared, and such certificate shall be prima facie evidence of the facts therein stated.

History: *(2190-13) 1939 c 341 s 13; 1986 c 444; 1Sp1986 c 3 art 1 s 82*

284.20 CLAIMANTS FILE NAMES WITH COURT ADMINISTRATOR; ENTITLED TO COPIES.

Any person having or claiming an interest in any land in any county may, upon payment of a fee of 50 cents, file with the court administrator of the county a statement of the following: name, place of residence, post office address, and a description of the land in which an interest is held or claimed. The court

administrator shall preserve all such statements, maintain an alphabetical index thereof, and furnish certificates thereof in like manner as certificates of judgments, upon payment of like fees. Every such statement shall be prima facie evidence and constructive notice of the name, residence, address, and claim of interest therein set forth to all persons interested in any action hereunder respecting the lands described in the statement. Service of summons, notices, or other process in any action hereunder respecting such lands may be made upon the maker of the statement at the place of residence stated, if within the state, as if the same were the maker's house of usual abode. If the residence stated be without the state, a copy of the summons and any other paper required to be mailed in the action shall be mailed to the maker of the statement at the address therein stated. Any such statement may be withdrawn by the maker at any time by written notice to the court administrator.

History: *(2190-14) 1939 c 341 s 14; 1986 c 444; 1Sp1986 c 3 art 1 s 82*

284.21 PRESENT LAWS TO GOVERN.

So far as applicable and not inconsistent herewith, all provisions of law relating to actions for the determination of titles in the district court shall apply to and govern actions under sections 284.07 to 284.26.

History: *(2190-15) 1939 c 341 s 15*

284.22 MS 1976 [Repealed, 1977 c 265 s 3]

284.23 QUITCLAIM DEEDS TO STATE; DISCLAIMER.

Any person having or claiming an interest in or lien upon land claimed to have been forfeited to the state for delinquent taxes may execute and deliver to the state a quitclaim deed to the land, conveying the person's right, title, and interest therein, in form approved by the attorney general; or, if an action respecting such land has been commenced against such person by the state, or its successor in interest, such person may either execute and deliver such deed, or may answer in the action, disclaiming any interest in or lien upon the land. If the state has conveyed the land, the deed shall inure to the benefit of the state's successor in interest. In either of the cases mentioned in this section, if a deed be delivered or disclaimer made at any time before the entry of judgment in an action brought by the state, or its successor in interest, as herein provided, the plaintiff shall not recover costs personally against the person executing such deed or disclaimer.

History: *(2190-17) 1939 c 341 s 17; 1986 c 444*

284.24 OPENING JUDGMENTS.

No judgment in any action brought hereunder by the state, or its successor in interest, shall be opened, vacated, or set aside for the purpose of permitting any defendant upon whom personal service of the summons was made either within or without the state, and who was in default, to come in and defend the action at any time. No judgment in any such action shall be opened, vacated, or set aside for the purpose of permitting any defendant upon whom service of the summons was made by publication, and who was in default, to come in and defend such action unless application therefor be made before the time to appeal from the judgment has expired. Upon the expiration of the time to appeal, the judgment shall become conclusive and shall not thereafter be opened at the instance of any defaulting defendant; provided, that this shall not impair the effect of the judgment prior to such time.

History: *(2190-18) 1939 c 341 s 18*

284.25 LIEN FOR TAXES.

Subdivision 1. **What facts determined by the court.** When, in any action or proceeding in court, the forfeiture to the state for taxes of any parcel of land which shall have been sold as provided by law is invalidated, except in the cases where such forfeiture is invalidated because the land was exempt from taxation or because all taxes were paid prior to forfeiture, the court shall determine, upon such hearing and evidence as it may require, the following facts:

(1) The amount of all taxes, special assessments, penalties, interest, and costs, if any, which were due against the land at the time of the supposed forfeiture;

(2) The amount of all subsequent taxes and special assessments that would have been assessed and levied against the land but for the supposed forfeiture;

(3) The amount of all taxes paid by the purchaser, or the heirs, representatives, or assigns of the purchaser, since the sale;

(4) The value of any improvements made on the land by the state before the sale;

(5) The value of any improvements made on the land by the purchaser, or the heirs, representatives, or assigns of the purchaser, after the sale;

(6) The net rental income received by the state, or its agencies, from the land prior to the sale thereof, after deducting all expenses of maintenance and repairs;

(7) The amount of the purchase price or portion thereof actually paid by the purchaser, or the heirs, representatives, or assigns of the purchaser.

Subd. 2. **Items included in lien.** Except as otherwise herein provided, the court shall thereupon adjudge and declare a lien in favor of the purchaser, or the heirs, representatives, or assigns of the purchaser, upon the land for the total amount of the foregoing items numbered (1) to (5), with interest on the respective items thereof from the time the same accrued or were paid by the purchaser, as the case may be, at four percent per annum, less the amount of item number (6).

Subd. 3. **In favor of state.** In all cases where the sum of items numbered (1) to (5), with interest as aforesaid, less item (6), exceeds the total amount of items (3), (5), and (7), with interest as aforesaid, the court shall deduct the amount of the excess from the lien in favor of the purchaser and adjudge and declare a lien for such excess in favor of the state, which shall be deemed to be a party to the proceeding for that purpose.

Subd. 4. **Priority.** The court shall adjudge that the land be sold by the sheriff to satisfy, first, the lien of the purchaser, or the heirs, representatives, or assigns of the purchaser, and, second, the lien of the state, if any, together with the costs of the judgment and sale, in the same manner and with like effect as in the case of sale of land on execution.

Subd. 5. **Refundment.** In case the amount of item (7), with interest as aforesaid, exceeds the total amount of items (1), (2), and (4), with interest as aforesaid, less item (6), the purchaser, or the heirs, representatives, or assigns of the purchaser, shall be entitled to refundment of the excess from the forfeited tax sale fund, payable by warrant of the county auditor upon order of the court.

Subd. 6. **Proceeds of sale, payment.** When land shall be sold in any such proceeding to satisfy a lien adjudged in favor of the state, the sheriff shall pay the proceeds of such sale, after payment of prior liens adjudged in the proceeding, and costs, to the county auditor, who shall note upon the tax records the receipts

of such sum and the purpose thereof, pursuant to the judgment of the court, and shall deposit the same with the county treasurer, to the credit of the forfeited tax sale fund.

Subd. 7. **State may bid in land.** At any sale of such land to satisfy a lien adjudged in favor of the state, the county auditor, with the approval of the county board, may bid in the land in the name of the state, paying the amount required out of the forfeited tax sale fund, and if the land be sold to the state and be not redeemed, it shall be held and disposed of as in case of lands forfeited for taxes.

History: *(2190-19) 1939 c 341 s 19; 1986 c 444*

284.251 DETERMINATION OF LIEN AGAINST LAND IN FAVOR OF STATE.

Subdivision 1. **Proceeding to forfeit land to state for nonpayment of taxes declared invalid.** Upon a judgment in any court declaring that a proceeding to forfeit land to the state for nonpayment of taxes is invalid, unless the forfeiture is declared invalid because the land was exempt from taxation at the time the taxes were assessed or because all taxes were paid prior to the time of the supposed forfeiture, and if the land involved has not been sold by the state as provided by law, the court entering the judgment shall, upon such notice and hearing as it may determine, declare and adjudge a lien against the land in favor of the state in an amount to be determined in accordance with this section, based upon the following facts:

(1) The amount of all taxes, special assessments, penalties, interest and costs, if any, which were due against the land at the time of the supposed forfeiture;

(2) The amount of all subsequent taxes and special assessments that would have been assessed against the land but for the supposed forfeiture;

(3) The value of the improvements made on the land by the state prior to the time the action to test the validity of the forfeiture proceeding was begun;

(4) The net rental income from the land and the net profit from the sale of products therefrom after deducting all expenses incurred in the production of the rentals or profits, received by the state, or its agencies, prior to the time that the action to test the validity of the forfeiture proceeding was begun.

Subd. 2. **Adjudication of lien.** Except as otherwise herein provided, the court shall thereupon declare and adjudge a lien in favor of the state upon the land for the total amount of the foregoing items numbered (1) to (3), with interest on the respective items thereof from the time the same accrued or were paid by the state, as the case may be, at six percent per annum, less the amount of item number (4).

Subd. 3. **Enforcement of lien.** Such lien may be enforced by an action in the district court of the county in which the land involved or some part thereof is situated, which action shall be begun and conducted in the same manner as provided by law for the enforcement of a judgment by execution as provided by chapter 550 except as herein otherwise provided.

Subd. 4. **Sale of land to satisfy lien.** When lands shall be sold in any such proceeding to satisfy a lien adjudged in favor of the state, the sheriff shall pay the proceeds of such sale, after payment of costs, to the county auditor, who shall note upon the tax records the receipt of such sum and the purpose thereof, pursuant to the judgment of the court, which sum shall be apportioned in the manner provided in section 282.08, for the apportionment of the net proceeds from the sale or rental of forfeited land.

Subd. 5. **Bid by county auditor at sale of land to satisfy lien.** At any sale of such land to satisfy a lien adjudged in favor of the state, the county auditor, with the approval of the county board, may bid in the land

in the name of the state, paying the amount required out of the forfeited tax sale fund, and if the land be sold to the state and be not redeemed, it shall be held and disposed of as in case of lands forfeited for taxes.

History: *1957 c 844 s 1*

284.26 TO BE SUPPLEMENTARY.

Except so far as may be necessary to give effect to their provisions, sections 284.07 to 284.26 shall be deemed supplementary to and not exclusive of other laws dealing with the same subject matter. The provisions of such other laws, so far as applicable and not inconsistent with sections 284.07 to 284.26, shall remain in force, subject to the provisions thereof.

History: *(2190-20) 1939 c 341 s 20*

284.27 COUNTY MAY QUIET TITLE.

In all cases where a prospective purchaser advances the expense therefor the county auditor may employ a special attorney to act for the state in prosecuting to judgment an action to quiet title and a proceeding to register title of any tract of land which the prospective purchaser is interested in purchasing when the state shall have first procured a Torrens certificate of title therefor; or for the purpose of procuring a new certificate of title in favor of the state by the necessary proceeding for that purpose where the title to the land is already registered under the Torrens system.

History: *(2139-27n) 1939 c 328 s 10*

284.28 TAX-FORFEITED LANDS; LIMITATIONS ON ADVERSE CLAIMS.

Subdivision 1. **Titles presumed valid.** (a) The title of the state, or its successors in interest, to land forfeited for delinquent taxes shall not be held invalid in any action or proceeding by reason of any failure, omission, error or defect in the proceedings respecting the taxation of the land or forfeiture thereof, including without limitation:

(i) substantial or prejudicial defects, including both nonjurisdictional and jurisdictional defects, in the tax forfeiture proceedings;

(ii) cases where the land was exempt from taxation;

(iii) cases where the taxes upon which the alleged forfeiture was based were in fact paid prior to forfeiture; and

(iv) prejudice to the interests of persons under disability referred to in subdivision 4, except within the limitation periods provided in this section. It is the policy of the state of Minnesota that except as otherwise provided in this section the failures, omissions, errors or defects shall not fetter the marketability of real estate.

(b) All provisions of law related to the title of the state or its successors in interest, shall be liberally construed in favor of the state, its officers, agents and its successors in interest. The burden of proving that the title of the state, or its successors in interest, is invalid shall rest upon the party asserting the invalidity.

Subd. 2. **Actions asserting procedural defects; time limits.** Except as provided in subdivision 5, no cause of action or defense shall be asserted or maintained upon any claim adverse to the state, or its successors in interest, including but not limited to any claim based upon any failure, omission, error, or defect described in subdivision 1, respecting any lands claimed to have been forfeited to the state for taxes, unless such cause

of action or defense is asserted in an action commenced within one year after the filing of the county auditor's certificate of forfeiture, as provided by section 281.23, subdivision 9, and acts supplementary thereto, or by any other law hereafter enacted providing for the filing and recording of such certificates.

Subd. 3. **Actions asserting invalid certificates; time limits.** Except as provided in subdivision 5, no cause of action or defense, claiming that any auditor's certificate of sale or state assignment certificate arising from the nonpayment of taxes on a parcel of land is invalid shall be asserted or maintained upon any claim adverse to the holder of the certificate or the holder's successors in interest, or to the state or its successors in interest, including but not limited to any claim based upon any failure, omission, error, or defect described in subdivision 1, respecting any such land, unless such cause of action or defense is asserted in an action commenced within one year after the filing of proof of service of the auditor's notice of expiration of the time for redemption, as provided by section 281.21, and acts supplementary thereto, or by any other law hereafter enacted providing for notice of expiration of time for redemption and the filing thereof.

Subd. 4. **Actions by persons under disability.** Except as provided in subdivision 5, no person under disability to sue during the one year periods provided by subdivisions 2 and 3 by reason of absence, infancy, mental illness resulting in commitment pursuant to chapter 253B, or any other disability shall have a right to assert any cause of action or defense adverse to the title of the state, or its successors in interest, in any proceeding at law or in equity for opening, vacating, setting aside or invalidating the forfeiture, the auditor's certificate of sale or the state assignment certificate. Persons under the disability to sue shall have the right to commence an action for recovery of damages out of the general fund after the disability is removed in accordance with subdivision 10.

Subd. 5. **Adverse possession; time limits.** In cases where the lands are and ever since the time of filing the auditor's certificate of forfeiture under section 281.23, subdivision 9, or filing of service of notice of expiration of redemption under section 281.21, have been in the actual, open, continuous, and exclusive possession of the owner, or the owner's successors in interest, claiming adversely to the state or its successors in interest, the period of limitations as to such owner, or the owner's successors in interest, shall be

(i) the time of the possession, or

(ii) the period of limitations provided in subdivisions 2 and 3, whichever period is greater.

Subd. 6. **Presumption of abandonment.** Any claimant failing to commence an action or assert a defense within the time prescribed by subdivisions 2 and 3 shall be conclusively presumed to have abandoned all right, title, and interest in the lands described in the county auditor's certificate of forfeiture or notice of expiration of redemption, which certificate of forfeiture when filed under section 281.23, subdivision 9, or notice of expiration of redemption when filed under section 281.21, shall constitute notice of the forfeiture of the lands affected to all persons having or claiming an interest therein. If no action or defense is asserted and notice of lis pendens recorded within the time prescribed by subdivisions 2 and 3, a certificate of sale or state assignment certificate recorded with the county recorder has the force and effect of a patent after the expiration of the period prescribed by subdivision 1, subject to the rights of persons described in subdivision 5 and any rights set forth in the certificate of sale or state assignment certificate.

Except as provided in subdivision 11, the time prescribed by subdivisions 2 and 3 shall not commence to run until June 15, 1977, as to any county auditor's certificate of forfeiture or notice of expiration of the time for redemption filed prior to June 15, 1977.

Subd. 7. **Compensation for unjust deprivation.** Any claimant who by reason of any material failure, omission, error or defect of any public officer or employee in the performance of the officer's or employee's duties under the laws relating to the taxation of land or forfeiture thereof is unjustly deprived of any land or

of any interest therein, may institute an action in the district court to recover compensation for such unjust deprivation out of the general fund provided in subdivision 8.

Subd. 8. **Fee; appropriation.** At the time of sale of a parcel of tax-forfeited land, the county auditor shall charge and collect in full an amount equal to three percent of the total sale price of land. Before filing a notice of expiration of time for redemption, in cases where an auditor's certificate of sale or a state assignment certificate has been issued, the county auditor shall charge and collect in full from the holder of the certificate an amount equal to three percent of the appraised value of the property for tax purposes. The amounts so collected by the auditor shall be deposited in the state treasury and credited to the general fund.

In determining compensation for the unjust deprivation suffered by the claimant, which may include severance damages sustained if the claimant owns adjoining land, the court shall take into account delinquent taxes, penalties, costs, and interest which would have been due and owing if the claimant had redeemed the land.

No claimant shall recover the value of improvements made to the land by other persons or the increment in value of land that occurs after the claimant has actual notice of the forfeiture proceeding. All claims ordered by the district court to be paid shall be obligations of the state and shall be paid out of the general fund from legislative appropriations, the collection of money by county auditors or from any other sources as provided by law.

There is appropriated from the general fund to the commissioner of management and budget amounts sufficient to pay the amount by which any claims ordered to be paid under this subdivision.

Subd. 9. **Defense of action.** In any action brought to recover loss or damage from the general fund, the commissioner of management and budget, in that official capacity, shall be named as defendant. The attorney general or, at the attorney general's request, the county attorney of the county in which the land or a major part of it lies, shall defend the commissioner of management and budget in all such actions.

Subd. 10. **Action to recover damages; time limit.** Any action or proceeding pursuant to this section to recover damages shall be commenced within ten years after the expiration of the periods within which claims may be asserted pursuant to subdivisions 2 and 3, and not afterwards. If, within this ten-year period the person entitled to bring such action or proceeding is under legal disability, such person, or anyone claiming under the person, may commence such action or proceeding within the period expiring two years after such disability is removed or within the ten-year period, whichever period is greater.

Subd. 11. **Barred rights.** Laws 1977, chapter 265 shall not affect any right already barred on June 15, 1977.

Subd. 12. **Applicability of pending action.** The period of limitations provided in subdivisions 2 and 3 shall not apply to any action or proceeding pending on June 15, 1977.

Subd. 13. **Section is supplementary.** Except as may be necessary to give effect to the provisions of Laws 1977, chapter 265, this section is supplementary to and not exclusive of other laws dealing with the same subject matter.

History: *1963 c 810 s 1-5; 1969 c 373 s 1; 1976 c 181 s 2; 1977 c 265 s 1; 1980 c 543 s 1-3; 1981 c 356 s 339; 1982 c 567 s 1; 1982 c 581 s 24; 1986 c 444; 1989 c 335 art 4 s 73-75; 1Sp1989 c 1 art 11 s 1,2; 1995 c 264 art 16 s 14; 1996 c 305 art 1 s 62,63; 2003 c 112 art 2 s 50; 2009 c 101 art 2 s 109*