

8100.0500 ADJUSTMENTS FOR NON-FORMULA-ASSESSED OR EXEMPT PROPERTY.

Subpart 1. **Deduction for exempt or non-formula-assessed property.** After the Minnesota portion of the unit value of the utility company, except for electric cooperatives, is determined, any property which is non-formula-assessed or which is exempt from ad valorem tax, is deducted from the Minnesota portion of the unit value. Only that qualifying property located within the state of Minnesota may be excluded.

Subp. 2. **Valuation formula not applicable to certain utility property.** The following properties are valued by the local or county assessor and, therefore, the formula provided herein for the valuation of utility property is not applicable to such property:

- A. land;
- B. nonoperating property; and
- C. rights-of-way.

Subp. 3. **Deduction for cost of land and rights-of-way; application to nonoperating property.** The Minnesota portion of the unit value is reduced by the value included in the unit value of the company for land, rights-of-way, nonoperating property, and exempt property. This amount is calculated by determining the ratio of the unit value computed in part 8100.0300, subpart 5, to the cost less depreciation allowed in part 8100.0300, subpart 3. This ratio is multiplied by the cost less depreciation of the property to be deducted.

Subp. 4. [Repealed, 31 SR 1317]

Subp. 4a. [Repealed, 31 SR 1317]

Subp. 5. **Burden of proof and responsibility of utility company.** The utility company has the burden of proof to establish that the value of any property should be excluded from the Minnesota portion of the unit value. Accordingly, the utility company has the responsibility to submit, in the form required by the commissioner of revenue, such schedules of exempt or non-formula-assessed property as the commissioner may require.

Statutory Authority: *MS s 270.06; 270.11; 270C.06*

History: *14 SR 1806; 17 SR 1279; 24 SR 1106; L 2005 c 151 art 1 s 114; 31 SR 1317*

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