

MINNESOTA STATUTES 1975 SUPPLEMENT

491.02 CONCILIATION COURTS

while the same is pending in the conciliation court except said original \$3 filing fee. Causes in this court shall be conducted by the parties without attorneys, but a removal to the municipal court, as provided in this chapter, may be taken through an attorney at law.

[1975 c 269 s 4]

491.03 Procedure.

[For text of subds 1 to 3, see M.S.1974]

Subd. 4. In case the controversy is as to the ownership or possession, or as to both the ownership and possession, of personal property where the value of same does not exceed the sum of \$1,000 and the action is commenced by the plaintiff filing, as herein provided, with the clerk a sworn statement as to his ownership, or right of possession, or both, of such property, the court in its discretion may, by order, direct the officer of the court to take possession of such property immediately, and to hold same subject to the further order of the court, without the giving of any bond.

[1975 c 263 s 3]

491.04 Jurisdiction, judgment.

Subdivision 1. In case the parties brought before the conciliation court, in the manner provided in this chapter, do not agree upon the judgment to be entered, then, in case the amount in controversy, whether the claim of the plaintiff or a counter-claim on the part of the defendant, exceeds the sum of \$1,000, and the judge is satisfied the counter-claim is in good faith, the case shall be forthwith dismissed and dropped from the docket, without prejudice, but if the amount involved in controversy be \$1,000 or less, or if the judge is of the opinion that the counter-claim, if any, therein in excess of \$1,000 is not in good faith, he shall retain jurisdiction and proceed summarily to hear and determine the cause and to enter judgment on his docket. The conclusion of the judge as to the good faith of any counter-claim shall be final and conclusive on all parties for the purposes of the jurisdiction of the court. In case such judgment is not removed, by demand of either party, to the municipal court within ten days after the entry thereof, as provided in this chapter, and the judgment remains unsatisfied, the judgment, on order of the judge shall be docketed in the municipal court by the clerk and shall thereupon be, and be enforced as, the judgment of the municipal court, or the judge may retain jurisdiction for the collection and satisfaction of the judgment by payment to him, but no execution shall issue from the conciliation court.

[1975 c 263 s 4]

[For text of subds 2 and 3, see M.S.1974]

CHAPTER 500. ESTATES IN REAL PROPERTY

Sec.
500.24 Corporate farming.

500.24 Corporate farming.

Subdivision 1. Definitions. For the purposes of this section, the terms defined in this subdivision have the meanings here given them:

(a) "Farming" means the cultivation of land for the production of (1) agricultural crops; (2) livestock or livestock products; (3) poultry or poultry products; (4) milk or dairy products; or (5) fruit or other horticultural products. It shall not include the production of timber or forest products; nor shall it include a contract whereby a processor or distributor of farm products or supplies provides spraying, harvesting or other farm services.

(b) "Family farm" means an unincorporated farming unit owned by one or more persons residing on the farm or actively engaging in farming.

MINNESOTA STATUTES 1975 SUPPLEMENT

ESTATES IN REAL PROPERTY 500.24

(c) "Family farm corporation" means a corporation founded for the purpose of farming and the ownership of agricultural land in which the majority of the voting stock is held by and the majority of the stockholders are persons or the spouses of persons related to each other within the third degree of kindred according to the rules of the civil law, and at least one of said related persons is residing on or actively operating the farm, and none of whose stockholders are corporations; provided that a family farm corporation shall not cease to qualify as such hereunder by reason of any devise or bequest of shares of voting stock.

(d) "Authorized farm corporation" means a corporation meeting the following standards:

- (1) Its shareholders do not exceed five in number;
- (2) All its shareholders, other than any estate are natural persons;
- (3) It does not have more than one class of shares; and
- (4) Its revenues from rent, royalties, dividends, interest and annuities does not exceed 20 percent of its gross receipts; and
- (5) A majority of the shareholders must be residing on the farm or actively engaging in farming.

(e) "Agricultural land" means land used for farming.

Subd. 2. Farming and ownership of agricultural land by corporations restricted. After May 20, 1973, no corporation shall engage in farming; nor shall any corporation, directly or indirectly, own, acquire, or otherwise obtain an interest, whether legal, beneficial or otherwise, in any title to real estate used for farming or capable of being used for farming in this state. Provided, however, that the restrictions provided in this subdivision shall not apply to the following:

(a) A bona fide encumbrance taken for purposes of security;

(b) A family farm corporation or an authorized farm corporation as defined in subdivision 1;

(c) Agricultural land and land capable of being used for farming owned by a corporation as of May 20, 1973 including the normal expansion of such ownership at a rate not to exceed 20 percent of the amount of land owned as of May 20, 1973, measured in acres, in any five year period, and including additional ownership reasonably necessary to meet the requirements of pollution control regulations;

(d) Agricultural land operated for research or experimental purposes, provided that any commercial sales from such farm shall be incidental to the research or experimental objectives of the corporation;

(e) Agricultural land operated by a corporation for the purpose of raising breeding stock for resale to farmers or operated for the purpose of growing seed, wild rice, nursery plants or sod;

(f) Agricultural land and land capable of being used for farming leased by a corporation in an amount, measured in acres, not to exceed the acreage under lease to such corporation as of May 20, 1973 and the additional acreage required for normal expansion at a rate not to exceed 20 percent of the amount of land leased as of May 20, 1973 in any five year period, and the additional acreage reasonably necessary to meet the requirements of pollution control regulations;

(g) Agricultural land when acquired as a gift (either by grant or a devise) by an educational, religious or charitable non-profit corporation; provided that all lands so acquired which are not operated for research or experimental purposes, or are not operated for the purpose of raising breeding stock for resale to farmers or operated for the purpose of growing seed, wild rice, nursery plants or sod must be disposed of within ten years after acquiring title thereto;

(h) Agricultural land acquired by a corporation other than a family farm corporation or authorized farm corporation, as defined in subdivision 1, for which the corporation has documented plans to use and subsequently uses the land within six years from the date of purchase for a specific nonfarming purpose, or if the land is zoned nonagricultural, or if the land is located within an incorporated area. A corporation may hold such agricultural land in such acreage as may be necessary to its nonfarm business operation; provided, however, that pending the development

MINNESOTA STATUTES 1975 SUPPLEMENT

500.24 ESTATES IN REAL PROPERTY

of agricultural land for nonfarm purposes, such land may not be used for farming except under lease to a family farm unit, a family farm corporation or an authorized farm corporation, or except when controlled through ownership, options, leaseholds, or other agreements by a corporation which has entered into an agreement with the United States of America pursuant to the New Community Act of 1968 (Title IV of the Housing and Urban Development Act of 1968, 42 U.S.C. 3901-3914) as amended, or a subsidiary or assign of such a corporation;

(i) Agricultural lands acquired by a corporation by process of law in the collection of debts, or by any procedure for the enforcement of a lien or claim thereon, whether created by mortgage or otherwise; provided, however, that all lands so acquired be disposed of within ten years after acquiring the title thereto, and further provided that the land so acquired shall not be used for farming during the ten year period except under a lease to a family farm unit, a family farm corporation or an authorized farm corporation. The aforementioned ten year limitation period shall be deemed a covenant running with the title to the land against any corporate grantee or assignee or the successor of such corporation;

(j) Agricultural land acquired by a corporation regulated under the provisions of Minnesota Statutes 1974, Chapter 216B, for purposes described in that chapter or by an electric generation or transmission cooperative for use in its business, provided, however, that such land may not be used for farming except under lease to a family farm unit, or a family farm corporation;

(k) Agricultural land, either leased or owned, totaling no more than 2700 acres, acquired after May 20, 1973 for the purpose of replacing or expanding asparagus growing operations, provided that such corporation had established 2000 acres of asparagus production;

(l) All agricultural land or land capable of being used for farming which was owned or leased by an authorized farm corporation as defined in Minnesota Statutes 1974, Section 500.24, Subdivision 1, Clause (d) but which does not qualify as an authorized farm corporation as defined in subdivision (1), clause (d);

(m) A corporation formed primarily for religious purposes whose sole income is derived from agriculture;

(n) Agricultural land owned or leased by a corporation prior to August 1, 1975, which was exempted from the restriction of subdivision 2 under the provisions of Laws 1973, Chapter 427, including normal expansion of such ownership or leasehold interest to be exercised at a rate not to exceed 20 percent of the amount of land owned or leased on August 1, 1975 in any five year period and the additional ownership reasonably necessary to meet requirements of pollution control regulations.

Subd. 3. Reports. (a) Every corporation which holds any interest in agricultural land or land used for the breeding, feeding, pasturing, growing, or raising of livestock, dairy or poultry, or products thereof, or land used for the production of agricultural crops or fruit or other horticultural products, other than a bona fide encumbrance taken for purposes of security, or which is engaged in farming or proposing to commence farming in this state after May 20, 1973, shall file with the commissioner of agriculture a report containing the following information:

- (1) The name of the corporation and its place of incorporation;
- (2) The address of the registered office of the corporation in this state, the name and address of its registered agent in this state and, in the case of a foreign corporation, the address of its principal office in its place of incorporation;
- (3) The acreage and location listed by quarter-quarter section, township and county of each lot or parcel of land in this state owned or leased by the corporation and used for the growing of crops or the keeping or feeding of poultry or livestock;
- (4) The names and addresses of the officers, shareholders owning more than 10 percent of the stock, including the percent of stock owned by each such shareholder and the members of the board of directors of the corporation; and
- (5) The farm products which the corporation produces or intends to produce on its agricultural land.

MINNESOTA STATUTES 1975 SUPPLEMENT

USES AND TRUSTS 501.72

The report of a corporation seeking to qualify hereunder as a family farm corporation or an authorized farm corporation shall contain the following additional information: The number of shares owned by persons residing on the farm or actively engaged in farming, or their relatives within the third degree of kindred according to the rules of the civil law or their spouses; the name, address and number of shares owned by each shareholder; and a statement as to percentage of gross receipts of the corporation derived from rent, royalties, dividends, interest and annuities. No corporation shall commence farming in this state until the commissioner of agriculture has inspected the report and certified that its proposed operations comply with the provisions of this section.

(b) Every corporation as described in clause (a) shall, prior to April 15 of each year, file with the commissioner of agriculture a report containing the information required in clause (a), based on its operations in the preceding calendar year and its status at the end of such year; provided that every corporation not engaged in farming on August 1, 1975, but engaged in activities described in clause (a) shall file the first required report prior to September 15, 1975.

(c) Failure to file a required report, or the willful filing of false information, shall constitute a gross misdemeanor.

Subd. 4. Enforcement. If the attorney general has reason to believe that a corporation is violating subdivision 2, he shall commence an action in the district court in which any agricultural lands relative to such violation are situated, or if situated in two or more counties, in any county in which a substantial part of the lands are situated. The attorney general shall file for record with the register of deeds or the registrar of titles of each county in which any portion of said lands are located a notice of the pendency of the action as provided in section 557.02. If the court finds that the lands in question are being held in violation of subdivision 2, it shall enter an order so declaring. The attorney general shall file for record any such order with the register of deeds or the registrar of titles of each county in which any portion of said lands are located. Thereafter, the corporation owning such land shall have a period of five years from the date of such order to divest itself of such lands. The aforementioned five year limitation period shall be deemed a covenant running with the title to the land against any corporate grantee or assignee or the successor of such corporation. Any lands not so divested within the time prescribed shall be sold at public sale in the manner prescribed by law for the foreclosure of a mortgage by action. In addition, any prospective or threatened violation may be enjoined by an action brought by the attorney general in the manner provided by law.

[1975 c 324 s 1]

CHAPTER 501. USES AND TRUSTS

Sec.		Sec.	
501.71	Citation. [New]	501.78	Investigatory powers; custodians to furnish copies of records. [New]
501.72	Charitable trusts; supervision by attorney general. [New]	501.79	Breach of trust; proceedings to secure compliance. [New]
501.73	Definitions. [New]	501.80	Contrary provisions of instrument invalid. [New]
501.74	Exclusions. [New]	501.81	Cost of investigations and proceedings; registration and filing fees. [New]
501.75	Register of trusts and trustees. [New]		
501.76	Filing of annual reports. [New]		
501.77	Public inspection of records. [New]		

501.71 Citation.

Sections 501.71 to 501.81 shall be known and may be cited as the supervision of charitable trusts and trustees act.

[1975 c 243 s 1]

501.72 Charitable trusts; supervision by attorney general.

Sections 501.71 to 501.81 shall apply to all charitable trusts and all trustees holding property for charitable purposes. The attorney general shall have and exercise, in addition to all the common law and statutory rights, duties and powers of the attorney general in connection with the supervision, administration and enforcement of charitable trusts, the rights, duties and powers set forth in sections 501.71