

MINNESOTA STATUTES 1979 SUPPLEMENT

268.37 DEPARTMENT OF ECONOMIC SECURITY

268.37 Coordination of residential weatherization program.

Subdivision 1. The department of economic security is the state agency to apply for, receive, and disburse federal money made available to the state by federal law or rules promulgated thereunder for the purpose of weatherizing the residences of low-income persons. The commissioner of economic security shall coordinate available federal money with any state money appropriated for this purpose.

Subd. 2. The commissioner shall make grants to community action agencies and other public or private nonprofit agencies for the purpose of weatherizing the residences of low-income persons. Grant applications shall be submitted in accordance with rules developed pursuant to 42 U.S.C., Sections 6861 to 6872, any other relevant federal weatherization program, and rules promulgated by the commissioner.

Subd. 3. The commissioner shall promulgate temporary rules as necessary to administer the grants program by July 1, 1979 and shall promulgate permanent rules by July 1, 1980. The rules shall describe: (a) procedures for the administration of grants, (b) data to be reported by grant recipients, and (c) other matters the commissioner finds necessary for the proper administration of the grant program including compliance with relevant federal regulations. Weatherization assistance shall be given to households where the total income does not exceed 125 percent of the poverty level as updated by the federal office of management and budget poverty guidelines.

Subd. 4. The commissioner shall submit reports to the legislature by March 1, 1980, and March 1, 1981, evaluating the weatherization program. The reports shall describe: (a) the number of households weatherized, (b) the average cost per household, (c) any change in energy consumption after weatherization, (d) outreach efforts, and (e) any other information the commissioner feels is relevant, including information routinely submitted to the federal government.

[Ex1979 c 2 s 37]

CHAPTER 270. DEPARTMENT OF REVENUE

Sec.		Sec.	
270.01	Department created.	270.83	Examinations and investigations.
270.02	Department of revenue; commissioner of revenue.	270.84	Annual valuation of operating property.
270.06	Powers and duties.	270.85	Review of valuation.
270.10	Orders, decisions, reports.	270.86	Apportionment of valuation.
270.80	Definitions.	270.87	Certification to county assessors.
270.81	Taxation and assessment of railroad company property.	270.88	Proceedings and appeals.
270.82	Reports of railroad companies.	270.89	Applicability of other provisions.
		270.90	Payment of taxes in 1979 and 1980 only.

270.01 Department created.

The department of revenue shall be under the supervision and control of a commissioner of revenue.

[1979 c 50 s 25]

270.02 Department of revenue; commissioner of revenue.

[For text of subs 1 to 3, see M.S.1978]

Subd. 4. **Department seal.** The department of revenue shall have a seal engraved with the words, "State of Minnesota, Department of Revenue". Such seal may be used to authenticate the official acts of the commissioner or any other members of the department, but the failure to use the seal shall not invalidate any such acts. Duplicate seals may be provided for the use of directors of divisions or other members of the department.

[1979 c 50 s 26]

270.06 Powers and duties.

It shall be the duty of the commissioner of revenue and he shall have power and authority:

MINNESOTA STATUTES 1979 SUPPLEMENT

DEPARTMENT OF REVENUE 270.06

(1) To have and exercise general supervision over the administration of the assessment and taxation laws of the state, over assessors, town, county, and city boards of review and equalization, and all other assessing officers in the performance of their duties, to the end that all assessments of property be made relatively just and equal in compliance with the laws of the state;

(2) To confer with, advise and give the necessary instructions and directions to local assessors and local boards of review throughout the state as to their duties under the laws of the state, and to that end call meetings of local assessors of each county, to be held at the county-seat of such county, for the purpose of receiving necessary instructions from the commissioner as to the laws governing the assessment and taxation of all classes of property, which meetings at least one member of each local board of review shall attend;

(3) To direct proceedings, actions, and prosecutions to be instituted to enforce the laws relating to the liability and punishment of public officers and officers and agents of corporations for failure or negligence to comply with the provisions of the laws of this state governing returns of assessment and taxation of property, and to cause complaints to be made against local assessors, members of boards of equalization, members of boards of review, or any other assessing or taxing officer, to the proper authority, for their removal from office for misconduct or negligence of duty;

(4) To require county attorneys to assist in the commencement of prosecutions in actions or proceedings for removal, forfeiture and punishment for violation of the laws of this state in respect to the assessment and taxation of property in their respective districts or counties;

(5) To require town, city, county, and other public officers to report information as to the assessment of property, collection of taxes received from licenses and other sources, and such other information as may be needful in the work of the department of revenue, in such form and upon such blanks as he may prescribe;

(6) To require individuals, copartnerships, companies, associations, and corporations to furnish information concerning their capital, funded or other debt, current assets and liabilities, earnings, operating expenses, taxes, as well as all other statements now required by law for taxation purposes;

(7) To summon witnesses to appear and give testimony, and to produce books, records, papers and documents relating to any tax matter which he may have authority to investigate or determine;

(8) To cause the deposition of witnesses residing within or without the state, or absent therefrom, to be taken, upon notice to the interested party, if any, in like manner that depositions of witnesses are taken in civil actions in the district court, in any matter which he may have authority to investigate or determine;

(9) To investigate the tax laws of other states and countries and to formulate and submit to the legislature such legislation as he may deem expedient to prevent evasions of assessment and taxing laws, and to secure just and equal taxation and improvement in the system of assessment and taxation in this state;

(10) To consult and confer with the governor upon the subject of taxation, the administration of the laws in regard thereto, and the progress of the work of the department of revenue, and to furnish the governor, from time to time, such assistance and information as he may require relating to tax matters;

(11) To transmit to the governor, on or before the third Monday in December of each even-numbered year, and to each member of the legislature, on or before November 15 of each even numbered year, the report of the department of revenue for the preceding years, showing all the taxable property in the state and the value of the same, in tabulated form;

(12) To visit at least one-half of the counties of the state annually and every county in the state at least once in two years and inquire into the methods of assessment and taxation and ascertain whether the assessors faithfully discharge their duties, particularly as to their compliance with the laws requiring the assessment of all property not exempt from taxation;

MINNESOTA STATUTES 1979 SUPPLEMENT

270.06 DEPARTMENT OF REVENUE

(13) To exercise and perform such further powers and duties as may be required or imposed upon the commissioner of revenue by law;

(14) The commissioner of revenue may promulgate rules and regulations for the administration and enforcement of the property tax. Such rules and regulations shall have the force and effect of law;

(15) To execute and administer any agreement with the secretary of the treasury of the United States regarding the exchange of information and administration of the tax laws of both the United States and the state of Minnesota;

(16) To administer and enforce the provisions of sections 325.64 to 325.76, the Minnesota unfair cigarette sales act.

[1979 c 303 art 10 s 4]

270.10 Orders, decisions, reports.

Subdivision 1. **In writing; approval by attorney general.** All orders and decisions of the commissioner of revenue, or any of his subordinates, respecting any tax, assessment, or other obligation, shall be in writing, filed in the offices of the department. No order or decision increasing or decreasing any tax, assessment, or other obligation by a sum exceeding \$500 on real or personal property, or the assessed valuation thereof, or other obligation relating thereto, the result of which is to increase or decrease the total amount payable including penalties and interest, by a sum exceeding \$1,000, and no order or decision increasing or decreasing any other tax by a sum exceeding \$1,000 exclusive of penalties and interest, shall be made without the written signature or facsimile signature of the commissioner, a deputy commissioner, assistant commissioner, division director, or acting division director in each case. Written notice of every order granting a reduction, abatement, or refundment exceeding \$1,000 of any tax exclusive of penalties and interest, shall be given within five days to the attorney general. The attorney general shall forthwith examine such order, and if he deems the same proper and legal he shall approve the same in writing, and may waive the right of appeal therefrom in behalf of the state; otherwise he shall take an appeal from the order in behalf of the state as herein provided; but written approval of the commissioner or his deputy and written notice to the attorney general, shall not be required with respect to the following orders: (1) orders reducing assessed valuation of property by reason of its classification as a homestead; (2) orders not involving refunds which have the effect only of correcting income and franchise tax assessments to conform to the amounts shown on final returns filed as provided by section 290.42, clause (6); (3) original orders for the refundment of gasoline and special fuel taxes.

[For text of subds 2 and 3, see M.S.1978]

[1979 c 50 s 27]

270.80 Definitions.

Subdivision 1. The following words and phrases when used in Laws 1979, Chapter 303, Article 7, Sections 1 to 13, unless the context clearly indicates otherwise, shall have the meanings ascribed to them in this section.

Subd. 2. "Railroad company" means any company which as a common carrier operates a railroad or a line or lines of railway situated within or partly within Minnesota.

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

Subd. 4. "Nonoperating property" means and includes all property other than property defined in subdivision 3. Nonoperating property shall include real property which is leased or rented or available for lease or rent to any person which is not a railroad company. Vacant land shall be presumed to be available for lease or rent if it has not been used as operating property for a period of one year preceding the valuation date. Nonoperating property also includes land which is not necessary and integral to

MINNESOTA STATUTES 1979 SUPPLEMENT

DEPARTMENT OF REVENUE 270.83

the performance of railroad transportation services and which is not used on a regular and continual basis in the performance of these services.

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

[1979 c 303 art 7 s 1]

270.81 Taxation and assessment of railroad company property.

Subdivision 1. The operating property of every railroad company doing business in Minnesota shall be valued by the commissioner in the manner prescribed by Laws 1979, Chapter 303, Article 7, Sections 1 to 13.

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

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

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

Subd. 5. Prior to the promulgation of permanent rules the commissioner may exercise temporary rule-making authority as provided in section 15.0412, subdivision 5, to implement the provisions of Laws 1979, Chapter 303. The commissioner shall solicit information and opinions from outside his department as provided in section 15.0412, subdivision 6, before adopting these rules. Notwithstanding the provisions of section 15.0412, subdivision 5, rules adopted pursuant to this section shall be effective until permanent rules are adopted pursuant to chapter 15 or until May 1, 1980, whichever occurs first.

[1979 c 303 art 7 s 2]

270.82 Reports of railroad companies.

Subdivision 1. Every railroad company doing business in Minnesota shall annually file with the commissioner on or before April 30 a report under oath setting forth the information prescribed by the commissioner to enable him to make the valuation and equalization required by Laws 1979, Chapter 303, Article 7, Sections 1 to 13.

Subd. 2. The commissioner for good cause may extend the time for filing the report required by subdivision 1.

[1979 c 303 art 7 s 3]

270.83 Examinations and investigations.

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

Subd. 2. For the purpose of making such examinations, the commissioner may appoint such persons as he may deem necessary. Such persons shall have the rights and powers of the examining of books, papers, records or memoranda, and of subpoenaing witnesses, administering oaths and affirmations, and taking of testimony, which are conferred upon the commissioner hereby. The clerk of any court of record, upon demand of any such person, shall issue a subpoena for the attendance of any witness or the produc-

MINNESOTA STATUTES 1979 SUPPLEMENT

270.83 DEPARTMENT OF REVENUE

tion of any books, papers, records, or memoranda before such person. The commissioner may also issue subpoenas for the appearance of witnesses before him or before such persons. Disobedience of subpoenas so issued shall be punished by the district court of the district in which the subpoena is issued for a contempt of the district court.

Subd. 3. If any railroad company shall refuse or neglect to make the report required by this section to the commissioner, or shall refuse or neglect to permit an inspection and examination of its property, records, books, accounts or other papers when requested by the commissioner, or shall refuse or neglect to appear before the commissioner or a person appointed under subdivision 2 when required so to do, the commissioner shall make the valuation provided for by Laws 1979, Chapter 303, Article 7, Sections 1 to 13 against the railroad company according to his best judgment on available information.

[1979 c 303 art 7 s 4]

270.84 Annual valuation of operating property.

Subdivision 1. The commissioner shall annually between April 30 and July 31 make a determination of the fair market value of the operating property of every railroad company doing business in this state as of January 2 of the year in which the valuation is made. In determining the fair market value of the portion of operating property within this state, the commissioner shall value the operating property as a unit, taking into consideration the value of the operating property of the entire system, and shall allocate to this state that part thereof which is a fair and reasonable proportion of said entire system valuation. If the commissioner uses original cost as a factor in determining the unit value of operating property, no depreciation or obsolescence allowance shall be permitted. However, if the commissioner uses replacement cost as a factor in determining the unit value of operating property, then a reasonable depreciation and obsolescence allowance may be used.

The commissioner shall give a report to the legislature in February 1980 and in February 1981 on the formula which he has used to determine the unit value of railroad operating property pursuant to Laws 1979, Chapter 303. This report shall also contain the valuation for payable 1980 and 1981 by company and the taxes payable in 1980 and 1981 by company based upon the valuation of operating property. The legislature may review the formula, the valuation, and the resulting taxes and may make changes in the formula that it deems necessary.

Subd. 2. After the commissioner has determined the fair market value of the operating property of each railroad company, he shall give notice by first class mail to the railroad company of the valuation.

[1979 c 303 art 7 s 5]

270.85 Review of valuation.

A railroad company may within 15 days of receipt of the notice of valuation file a written request for a conference with the commissioner relating to the value of its operating property. The commissioner shall thereupon designate a time and place for the conference which he shall conduct, upon commissioner's entire files and records and such further information as may be offered. Said conference shall be held no later than 30 days after mailing of the commissioner's valuation notice. At a reasonable time after such conference the commissioner shall make a final determination of the fair market value of the operating property of the railroad company and shall notify the company promptly thereof.

[1979 c 303 art 7 s 6]

270.86 Apportionment of valuation.

Upon determination by the commissioner of the fair market value of the operating property of each railroad company, he shall apportion such value to the respective counties and to the taxing districts therein in conformity with fair and reasonable rules and standards to be established by the commissioner pursuant to notice and hearing, except as provided in section 270.81. In establishing such rules and standards the commissioner

MINNESOTA STATUTES 1979 SUPPLEMENT

DEPARTMENT OF REVENUE 270.90

may consider (a) the physical situs of all station houses, depots, docks, wharves, and other buildings and structures with an original cost in excess of \$10,000; (b) the proportion that the length and type of all the tracks used by the railroad in such county and taxing district bears to the length and type of all the track used in the state; and (c) other facts as will result in a fair and equitable apportionment of value.

[1979 c 303 art 7 s 7]

270.87 Certification to county assessors.

When the commissioner has made his annual determination of the fair market value of the operating property of each company in each of the respective counties, and in the taxing districts therein, he shall certify the fair market value to the county assessor, which shall constitute the fair market value of the operating property of the railroad company in such county and the taxing districts therein upon which taxes shall be levied and collected in the same manner as on the commercial and industrial property of such county and the taxing districts therein.

[1979 c 303 art 7 s 8]

270.88 Proceedings and appeals.

The commissioner's final determination under section 270.85 and his certification to county assessors under section 270.87 shall be final orders appealable to the tax court in accordance with chapter 271. Appeals by railroad companies under Laws 1979, Chapter 303 shall be taken against the commissioner and not against the county or taxing district to which payment is made. Upon the filing of any appeal by a railroad company, the commissioner shall give notice thereof by first class mail to each county which would be affected by the appeal.

[1979 c 303 art 7 s 9]

270.89 Applicability of other provisions.

Section 297A.25, subdivision 1, clause (l) shall remain applicable to railroad companies subject to Laws 1979, Chapter 303.

[1979 c 303 art 7 s 10]

270.90 Payment of taxes in 1979 and 1980 only.

For the years 1979 and 1980 only, after the commissioner has determined the market value of the operating property of each company under the provisions of sections 270.84 and 270.85, he shall compute the assessed value of the operating property by applying the classification percentage contained in section 273.13, subdivision 9. By March 1, 1980 and 1981, the commissioner shall compute the tax due from each company by applying the average statewide mill rate. The statement of taxes shall be sent to each company on or before April 1, 1980 and 1981, and shall indicate the assessed value of operating property, the mill rate applied in determining the taxes and the total amount of taxes due and payable. That amount shall be compared to the amount of gross earnings tax imposed under section 295.02. If the amount paid pursuant to section 295.02 is less than the amount computed in this section, the additional tax shall be payable to the commissioner and shall be deposited by him in the general fund of the state treasury. The provisions of section 279.01 pertaining to due dates and penalties for late payment of taxes for nonhomestead property shall be applicable to the taxes payable under this section. If the amount paid pursuant to section 295.02 exceeds the amount computed in this section, the commissioner shall refund the amount of excess within 60 days. The amounts necessary to make the refunds provided in this section are appropriated to the commissioner from the general fund in the state treasury.

[1979 c 303 art 7 s 11]

CHAPTER 271. TAX COURT

Sec.
271.06 Appeals from orders.