

CHAPTER 273

TAXES; LISTING, ASSESSMENT

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**273.061 ESTABLISHMENT OF OFFICE FOR EACH COUNTY.**

*[For text of subds 1 to 10, see M.S.1980]*

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 *[Repealed, 1Sp1981 c 4 art 1 s 189]*

**273.11 VALUATION OF PROPERTY.**

Subdivision 1. **Generally.** Except as provided in subdivisions 2, 6 and 7 or section 273.17, subdivision 1, all property shall be valued at its market value. 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 he adopt as a criterion of value the price for which such property would sell at auction or at a forced sale, or in the aggregate with all the property in the town or district; but he shall value each article or description of property by itself, and at such sum or price as he believes the same to be fairly worth in money. 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 a fair, voluntary sale, for cash. In valuing real property which is vacant, the fact that such property is platted shall not be taken into account. An individual lot of such platted property shall not be assessed in excess of the assessment of the land as if it were unplatted until the lot is improved with a permanent improvement all or a portion of which is located upon the lot, or for a period of three years after final approval of said plat whichever is shorter. When a lot is sold or construction begun, the assessed value of that lot or any single contiguous lot fronting on the same street shall be eligible for reassessment. All property, or the use thereof, which is taxable under sections 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.

*[For text of subds 5 and 6, see M.S.1980]*

Subd. 7. **Agricultural land.** Agricultural land shall be valued at the lesser of its market value or the value which could be derived from its free market gross rental rate capitalized at a rate of 5.8 percent. Each county assessor shall survey the farm rental values of each grade of farmland in each township in the county. This information shall be used in reviews of valuations by the town boards of review.

**History:** *1Sp1981 c 1 art 2 s 3,4*

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

*[For text of subds 1 and 2, see M.S.1980]*

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

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

(b) five acres in size or more, except in the case of an archery or firearms range; and

(c) (1) operated by private individuals 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.

*[For text of subds 4 to 9, see M.S.1980]*

**History:** 1Sp1981 c 1 art 2 s 5

**273.115 STATE PAID WETLANDS CREDIT.**

Subdivision 1. The county auditor shall annually reduce the tax liability of each owner of wetlands exempt from property taxation pursuant to section 272.02, subdivision 1, clause (15), by an amount equal to three-fourths of one percent of the average level of estimated market value of an acre of tillable land in the township, city or unorganized territory in which the qualifying wetland is located, multiplied by the number of acres of wetlands he owns. Any excess of credit over tax liability shall not be paid to the property owner but shall be applied to the tax liability of the owner of the wetlands for any parcel he owns which is contiguous to the parcel containing the wetlands.

Subd. 2. The total amounts of credits allowed pursuant to subdivision 1 and the total amounts of revenue lost as a result of the exemption provided in section 272.02, subdivision 1, clause (15), shall be submitted by the county auditor to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under the provisions of section 275.29. The amount of revenue lost as a result of the exemption shall be computed each year by applying the current mill rates of the taxing jurisdictions in which the wetlands are located to the assessed valuation of the wetlands for purposes of taxes levied in 1979, payable in 1980. Provided that payment to the county for lost revenue shall not be less than the revenue which would have been received in taxes if the wetlands had an assessed value of \$5 per acre. The commissioner of revenue shall review such certifications to determine their accuracy. He may make such changes in the certification as he may deem necessary or return a certification to the county auditor for corrections.

Subd. 3. Payment shall be made according to the procedure provided in section 273.13, subdivision 15a, for the purpose of replacing revenue lost as a result of the exemption provided in section 272.02, subdivision 1, clause (15), and the credit provided in this section.

*[For text of subds 4 to 7, see M.S.1980]*

**History:** 1Sp1981 c 1 art 10 s 6-8

**273.116 STATE PAID NATIVE PRAIRIE CREDIT.**

Subdivision 1. The county auditor shall annually reduce the tax liability of each owner of native prairie exempt from property taxation pursuant to section 272.02, subdivision 1, clause (16), by an amount equal to 1-1/2 percent of the average level of estimated market value of an acre of tillable land in the township, city or unorganized territory in which the qualifying native prairie is located, multiplied by the number of acres of native prairie he owns. Any excess of credit over tax liability shall not be paid to the property owner but shall be applied to the tax liability of the owner of the native prairie for any parcel he owns which is contiguous to the parcel containing the native prairie or if the owner of the native prairie does not own any contiguous parcel to which the credit can be applied, the credit shall be applied to his tax liability for any parcel he owns which is located in the same township or city or not farther than two townships or cities or combination thereof from the native prairie.

Subd. 2. The total amounts of credits allowed pursuant to subdivision 1 and the total amounts of revenue lost as a result of the exemption provided in section 272.02, subdivision 1, clause (16), shall be submitted by the county auditor to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under the provisions of section 275.29. The amount of revenue lost as a result of the exemption shall be computed each year by applying the current mill rates of the taxing jurisdictions in which the native prairie is located to the assessed valuation of the native prairie for purposes of taxes levied in 1979, payable in 1980. Provided that payment to the county for lost revenue shall not be less than the revenue which would have been received in taxes if the native prairie had an assessed value of \$5 per acre. The commissioner of revenue shall review such certifications to determine their accuracy. He may make any changes in the certification he may deem necessary or return a certification to the county auditor for corrections.

*[For text of subs 3 to 7, see M.S.1980]*

**History:** 1Sp1981 c 1 art 10 s 9,10

**273.117 CONSERVATION PROPERTY TAX VALUATION.**

Real property which is subject to a conservation restriction or easement shall be entitled to reduced valuation under this section if:

(a) The restriction or easement is for a conservation purpose as defined in section 84.64, subdivision 2, and is recorded on the property;

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

**History:** 1Sp1981 c 1 art 2 s 6

**273.13 CLASSIFICATION OF PROPERTY.**

*[For text of subs 1 to 3, see M.S.1980]*

Subd. 4. **Class 3.** (a) Tools, implements and machinery of an electric generating, transmission or distribution system or a pipeline system transporting or distributing water, gas, or petroleum products or mains and pipes used in the distribution of steam or hot or chilled water for heating or cooling buildings, which are fixtures, all agricultural land, except as provided by classes 1, 3b, 3e, all buildings and structures assessed as personal property and situated upon land of the state of Minnesota or the United States government which is rural in character

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and devoted or adaptable to rural but not necessarily agricultural use shall constitute class 3 and shall be valued and assessed at 33-1/3 percent of the market value thereof, except as provided in clause (b). Except as provided in subdivision 5a, all real property devoted to temporary and seasonal residential occupancy for recreational purposes, and which is not devoted to commercial purposes for more than 200 days in the year preceding the year of assessment, shall be class 3 property and assessed accordingly. For this purpose, property is devoted to commercial use on a specific day if it is used, or offered for use, and a fee is charged for such use. Class 3 shall also include commercial use real property used exclusively for recreational purposes in conjunction with class 3 property 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 200 days in the year preceding the year of assessment and is located within two miles of the class 3 property with which it is used.

(b) Agricultural land which is classified as class 3 shall be assessed at 19 percent of its market value. Real property devoted to temporary and seasonal residential occupancy for recreation purposes which is classified as class 3 shall be assessed at 21 percent of its market value.

*[For text of subd 5a, see M.S.1980]*

Subd. 6. **Class 3b.** Agricultural land, except as provided by class 1 hereof, and which is used for the purposes of a homestead shall constitute class 3b and shall be valued and assessed for taxes payable in 1981 and thereafter as follows: the first \$50,000 of market value shall be valued and assessed at 14 percent; the remaining market value shall be valued and assessed at 19 percent. Effective for taxes payable in 1982 and thereafter, the maximum amount of the market value of the homestead bracket subject to the 14 percent rate shall be adjusted by the commissioner of revenue as provided in section 273.1311. The property tax to be paid on class 3b property as otherwise determined by law less any reduction received pursuant to sections 124.213 and 273.135 shall be reduced by 58 percent of the tax for taxes payable in 1981 and thereafter; provided that the amount of said reduction shall not exceed \$650. Valuation subject to relief shall be limited to 240 acres of land, most contiguous surrounding, bordering, or closest to the house occupied by the owner as his dwelling place, and such other structures as may be included thereon utilized by the owner in an agricultural pursuit, provided that noncontiguous land shall constitute class 3b only if the homestead is classified as class 3b and the detached land is located in the same township or city or not farther than two townships or cities or combination thereof from the homestead. The first \$12,000 market value of each tract of real estate which is rural in character and devoted or adaptable to rural but not necessarily agricultural use, used for the purpose of a homestead shall be exempt from taxation for state purposes; except as specifically provided otherwise by law.

Agricultural land as used herein, and in section 124.213, shall mean contiguous acreage of ten acres or more, primarily used during the preceding year for agricultural purposes. Agricultural use may include pasture, timber, waste, unusable wild land and land included in federal farm programs.

Real estate of less than ten acres used principally for raising poultry, livestock, fruit, vegetables or other agricultural products, shall be considered as agricultural land, if it is not used primarily for residential purposes.

Effective for the 1981 assessment and in subsequent years, the assessor shall determine and list separately on his 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.

*[For text of subd 6a, see M.S.1980]*

Subd. 7. **Class 3c, 3cc.** All other real estate and class 2a property, except as provided by classes 1 and 3cc, which is used for the purposes of a homestead, shall constitute class 3c, and shall be valued and assessed for taxes payable in 1981 and thereafter as follows: the first \$25,000 of market value shall be valued and assessed at 16 percent; the next \$25,000 of market value shall be valued and assessed at 22 percent; and the remaining market value shall be valued and assessed at 28 percent. Effective for taxes payable in 1982 and thereafter, the maximum amounts of the market value of the homestead brackets subject to the 16 percent and 22 percent rates shall be adjusted by the commissioner of revenue as provided in section 273.1311. The property tax to be paid on class 3c property as otherwise determined by law, less any reduction received pursuant to section 273.135 shall be reduced by 58 percent of the tax for taxes payable in 1981 and thereafter; provided that the amount of said reduction shall not exceed \$650. The first \$12,000 market value of each tract of such real estate used for the purposes of a homestead shall be exempt from taxation for state purposes; except as specifically provided otherwise by law. Class 3cc property shall include real estate or mobile homes used for the purposes of a homestead by (a) any blind person, if such blind person is the owner thereof or if such blind person and his or her spouse are the sole owners thereof; or (b) any person (hereinafter referred to as veteran) who: (1) served in the active military or naval service of the United States and (2) is entitled to compensation under the laws and regulations of the United States for permanent and total service-connected disability due to the loss, or loss of use, by reason of amputation, ankylosis, progressive muscular dystrophies, or paralysis, of both lower extremities, such as to preclude motion without the aid of braces, crutches, canes, or a wheelchair, and (3) with assistance by the administration of veterans affairs has acquired a special housing unit with special fixtures or movable facilities made necessary by the nature of the veteran's disability, or the surviving spouse of such a deceased veteran for as long as the surviving spouse retains the special housing unit as his or her homestead; or (c) any person who: (1) is permanently and totally disabled and (2) is receiving (i) aid from any state as a result of that disability, or (ii) supplemental security income for the disabled, or (iii) workers' compensation based on a finding of total and permanent disability, or (iv) social security disability, or (v) aid under the Federal Railroad Retirement Act of 1937, 45 United States Code Annotated, Section 228b(a)5, or (vi) a pension from any local government retirement fund located in the state of Minnesota as a result of that disability; which aid is at least 90 percent of the total income of such disabled person from all sources. Class 3cc property shall be valued and assessed for taxes payable in 1981 and thereafter as follows: in the case of agricultural land, including a mobile home, used for a homestead, the first \$33,000 of market value shall be valued and assessed at five percent, the next \$17,000 of market value shall be valued and assessed at 14 percent, and the remaining market value shall be valued and assessed at 19 percent; and in the case of all other real estate and mobile homes, the first \$33,000 of market value shall be valued and assessed at five percent, the next \$17,000 of market value shall be valued and assessed at 22 percent, and the remaining market value shall be valued and assessed at 28 percent. Effective for taxes payable in 1982 and thereafter, in the case of agricultural land including a mobile home used for purposes of a homestead, the commissioner of revenue shall adjust, as provided in section 273.1311, the maximum amount of the market value of the homestead

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brackets subject to the five percent and 14 percent rates; and for all other real estate and mobile homes, the commissioner of revenue shall adjust, as provided in section 273.1311, the maximum amount of the market value of the homestead brackets subject to the five percent and 22 percent rates. 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 him an income. The property tax to be paid on class 3cc property as otherwise determined by law, less any reduction received pursuant to section 273.135 shall be reduced by 58 percent of the tax for taxes payable in 1981 and thereafter; provided that the amount of said reduction shall not exceed \$650.

*[For text of subds 7a to 7c, see M.S.1980]*

Subd. 7d. **Leased homestead property.** Class 3g consists of 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 shall be valued and assessed as if they were homestead property within the scope of class 3c or 3cc, whichever is applicable, if all of the following criteria are met:

- (a) the occupant is using such property as his permanent residence; and
- (b) the occupant is paying the ad valorem property taxes and any special assessments levied against such property; and
- (c) the occupant has signed a lease which has an option to purchase the buildings and appurtenances; and
- (d) the term of the lease is at least five years.

Any taxpayer meeting all the requirements herein must notify the county assessor, or the assessor who has the powers of the county assessor pursuant to section 273.063, in writing, prior to September 1, 1981 and in future years, as soon as possible after signing the lease agreement and occupying the buildings as his homestead.

*[For text of subd 8a, see M.S.1980]*

Subd. 9. **Class 4a, 4b and 4c.** All property not included in the preceding classes shall constitute class 4a and shall be valued and assessed at 43 percent of the market value thereof; except that real property which is not improved with a structure and which is not utilized as part of a commercial or industrial activity shall constitute class 4b and shall be valued and assessed at 40 percent of market value; and except that commercial and industrial property shall constitute class 4c and shall be valued and assessed at 40 percent of the first \$50,000 of market value and 43 percent on the remainder, provided that in the case of state-assessed commercial or industrial property owned by one person or entity, only one parcel shall qualify for the 40 percent assessment. In the case of commercial or industrial property, other than state-assessed properties, owned by one person or entity, only one parcel in each county shall qualify for the 40 percent assessment.

*[For text of subds 10 to 14a, see M.S.1980]*

Subd. 15a. **General fund, replacement of revenue.** (1) Payment from the general fund shall be made, as provided herein, for the purpose of replacing revenue lost as a result of the reduction of property taxes provided in subdivisions 6, 7, and 14a.

(2) Each county auditor shall certify, not later than May 1 of each year commencing in 1968 to the commissioner of revenue the amount of reduction resulting from subdivisions 6 and 7 in his county, and not later than May 1 of each

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year commencing in 1970, the amount of reduction resulting from subdivision 14a. In 1975 and subsequent years, this certification shall be submitted to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under the provisions of section 275.29. Any prior year adjustments shall also be certified in the abstracts of tax lists. The commissioner of revenue shall review such certifications to determine their accuracy. He may make such changes in the certification as he may deem necessary or return a certification to the county auditor for corrections.

(3) Based on current year tax data reported in the abstracts of tax lists, the commissioner of revenue shall annually determine the taxing district distribution of the amounts certified under clause (2). On or before July 15, 1981, and each year thereafter, the commissioner of revenue shall pay to each taxing district, other than school districts, one-sixth of its total payment for the year. The remaining five-sixths shall be paid in equal installments on or before August 15, September 15, October 15, November 15, and December 15, 1981, and each year thereafter. By July 15, 1982, and each year thereafter, the commissioner of revenue shall pay to each school district one-half of its total payment for the year. The remaining one-half shall be paid by January 15, 1983, and each year thereafter.

Subd. 15b. **Property tax credits limitation.** The property tax subject to the 58 percent homestead credit provided by subdivisions 6, 7 and 14a, to the homestead property tax relief provided by section 273.135 and to the supplementary homestead property tax relief provided by section 273.1391, shall be based on the total mill rate of all taxing districts levying a tax on the homestead property unless the payable 1982 total levy of a taxing district other than a school district or the metropolitan transit commission is more than 108 percent of its payable 1981 total levy. If the payable 1982 total levy of such taxing district is more than 108 percent of its payable 1981 total levy, then that total mill rate shall be based on 108 percent of the taxing district's payable 1981 total levy. The commissioner of revenue shall determine and certify to all county auditors the product of each taxing district's payable 1981 total levy multiplied by 108 percent. In the event that the sum of the county auditors' certifications exceeds the amounts appropriated, the commissioner of revenue shall proportionally reduce the certification amounts so that their sum equals the appropriation.

*[For text of subds 16 to 18, see M.S.1980]*

Subd. 19. **Class 3d, 3dd.** Residential real estate containing four or more units, other than seasonal residential, recreational and homesteads shall be classified as class 3d property and shall have a taxable value equal to 36 percent of market value for taxes levied in 1981 and 34 percent of market value for taxes levied in 1982 and thereafter. Residential real estate containing three or less units, other than seasonal residential, recreational and homesteads, shall be classified as class 3dd property and shall have a taxable value equal to 28 percent of market value.

Residential real estate as used in this subdivision means real property used or held for use by the owner thereof, or by his tenants or lessees as a residence for rental periods of 30 days or more, but shall not include homesteads, or real estate devoted to temporary or seasonal residential occupancy for recreational purposes. Where a portion of a parcel of property qualified for class 3d or 3dd and a portion does not qualify for class 3d or 3dd the valuation shall be apportioned according to the respective uses.

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Residential real estate containing less than three units when entitled to homestead classification for one or more units shall be classed as 3b, 3c or 3cc according to the provisions of subdivisions 6 and 7.

*[For text of subd 20, see M.S.1980]*

**History:** 1979 c 334 art 1 s 25; 1981 c 188 s 1; 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

NOTE: The amendments to subdivision 15a by First Special Session Laws 1981, Chapter 3, Section 1 as amended by Second Special Session Laws 1981, Chapter 1, Section 6 are effective July 1, 1982. See Second Special Session Laws 1981, Chapter 1, Section 12.

## 273.1311 FLEXIBLE HOMESTEAD BRACKETS.

Effective for taxes payable in 1982 and subsequent years, the maximum amount of the market value of the homestead brackets shall be adjusted as provided in this section.

For taxes payable in 1982, the homestead brackets shall be increased by the percentage increase in the statewide average purchase price of a residential home as indicated by bona fide sales, for the twelve-month period ending May 31, 1981, as compared to the twelve-month period ending May 31, 1980. The revised bracket shall be rounded to the nearest \$1,000. The commissioner of revenue shall determine and announce the revised brackets as soon as possible.

For taxes payable in 1983 and subsequent years, the commissioner shall adjust the brackets used in the preceding assessment by the percentage increase in the statewide average purchase price of a residential home for the twelve-month period ending August 31 of the year preceding the assessment date as compared to the twelve-month period for the immediate preceding year. The commissioner of revenue shall determine and announce the revised bracket on October 1 of each year preceding the assessment date.

**History:** 1Sp1981 c 1 art 2 s 12

## 273.135 HOMESTEAD PROPERTY TAX RELIEF.

*[For text of subds 1 to 3, see M.S.1980]*

Subd. 4. [Repealed, 1Sp1981 c 1 art 10 s 30]

*[For text of subd 5, see M.S.1980]*

## 273.136 TACONITE PROPERTY TAX RELIEF FUND; REPLACEMENT OF REVENUE.

*[For text of subds 1 and 2, see M.S.1980]*

Subd. 3. The commissioner of finance 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 July 15 and the remaining half not later than November 15 of each year commencing in 1982.

*[For text of subd 4, see M.S.1980]*

**History:** 1Sp1981 c 3 s 2

## 273.138 ATTACHED MACHINERY AID.

*[For text of subd 1, see M.S.1980]*



Subd. 2. Each county government, city and township shall receive reimbursement in 1978 and subsequent years in an amount equal to the product of its total mill rate for taxes payable in the calendar year prior to the calendar year in which the aid is to be paid, times the total 1972 assessed value of real property exempted from taxation by section 272.02, subdivision 1 which was located within the territory of such governmental unit, times 1.25. For the purpose of this subdivision, the "total mill rate" of a county government, city or township includes mill rates for taxes levied by such governmental unit which were not levied on the entire taxable value of such governmental unit.

*[For text of subds 3 to 6, see M.S.1980]*

**History:** *1Sp1981 c 1 art 8 s 7*

### 273.19 LESSEES AND EQUITABLE OWNERS.

Subdivision 1. Except as provided in subdivision 3 or 4, property held under a lease for a term of three or more years, and not taxable under section 272.01, subdivision 2, clause (b)(1), or under a contract for the purchase thereof, when the property belongs to the United States, to the state, or to any religious, scientific, or benevolent society or institution, incorporated or unincorporated, or to any railroad company or other corporation whose property is not taxed in the same manner as other property, or when the property is school or other state lands, shall be considered, for all purposes of taxation, as the property of the person so holding the same.

*[For text of subds 2 and 3, see M.S.1980]*

Subd. 4. Property held under a lease for a term of three or more years 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 three or more years 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 4, 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.

**History:** *1Sp1981 c.1 art 2 s 13,14*

### 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, non-profit, 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 be assessed on the basis of 43 percent 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.

**History:** *1Sp1981 c 1 art 8 s 8*

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## 273.42 RATE OF TAX; ENTRY AND CERTIFICATION; CREDIT ON PAYMENT; PROPERTY TAX CREDIT.

*[For text of subd 1, see M.S.1980]*

Subd. 2. Owners of land defined as class 3, 3b, 3c, 3cc, 3d or 3f pursuant to section 273.13 listed on records of the county auditor or county treasurer over which runs a high voltage transmission line as defined in section 116C.52, subdivision 3, 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, township or unorganized township by ten percent of the transmission line tax revenue derived from the tax on that portion of the line within the city, township or unorganized township pursuant to section 273.36. 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 and the state paid homestead 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 credits received pursuant to sections 273.13 and 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.

**History:** *1Sp1981 c 1 art 2 s 15*

## 273.74 ESTABLISHING, MODIFYING TAX INCREMENT FINANCING PLAN, ANNUAL ACCOUNTS.

*[For text of subd 1, see M.S.1980]*

Subd. 2. **Consultations; comment and filing.** Before formation of a tax increment financing district, the authority shall provide an opportunity to the members of the county boards of commissioners of any county in which any portion of the proposed district is located and the members of the school board of any school district in which any portion of the proposed district is located to meet with the authority. The authority shall present to the members of the county boards of commissioners and the school boards its estimate of the fiscal and economic implications of the proposed tax increment financing district. The members of the county boards of commissioners and the school boards may present their comments at the public hearing on the tax increment financing plan required by subdivision 3. Upon adoption of the tax increment financing plan, the authority shall file the same with the commissioner of energy, planning and development.

*[For text of subds 3 and 4, see M.S.1980]*

Subd. 5. **Annual disclosure.** For all tax increment financing districts, whether created prior or subsequent to August 1, 1979, on or before July 1 of each year, the authority shall submit to the county board, the school board, the commissioner of energy, planning and development and, if the authority is other than the municipality, the governing body of the municipality a report of the status of the district. The report shall include the following information: the amount and the source of revenue in the account, the amount and purpose of expenditures from the account, the amount of any pledge of revenues, including principal and interest on any outstanding bonded indebtedness, the original assessed value of the district, the captured assessed value retained by the authority, the captured assessed value shared with other taxing districts, the tax increment received and any additional information necessary to demonstrate compliance with any applicable tax increment financing plan. An annual statement showing the tax increment received and expended in that year, the original assessed value, captured assessed value, amount of outstanding bonded indebtedness and any additional information the authority deems necessary shall be published in a newspaper of general circulation in the municipality.

**History:** 1981 c 356 s 187,188