

CHAPTER 273

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273.01 LISTING AND ASSESSMENT, TIME.

All real property subject to taxation shall be listed and at least one-fourth of the parcels listed shall be appraised each year with reference to their value on January 2 preceding the assessment so that each parcel shall be reappraised at maximum intervals of four years. All real property becoming taxable in any year shall be listed with refer-

ence to its value on January 2 of that year. Except as provided in this section and section 274.01, subdivision 1, all real property assessments shall be completed two weeks prior to the date scheduled for the local board of review or equalization. No changes in valuation or classification which are intended to correct errors in judgment by the county assessor may be made by the county assessor after the board of review or the county board of equalization has adjourned; however, corrections of errors that are merely clerical in nature or changes that extend homestead treatment to property are permitted after adjournment until the tax extension date for that assessment year. Any changes made by the assessor after adjournment must be fully documented and maintained in a file in the assessor's office and shall be available for review by any person. A copy of any changes made during this period shall be sent to the county board no later than December 31 of the assessment year. In the event a valuation and classification is not placed on any real property by the dates scheduled for the local board of review or equalization the valuation and classification determined in the preceding assessment shall be continued in effect and the provisions of section 273.13 shall, in such case, not be applicable, except with respect to real estate which has been constructed since the previous assessment. Real property containing iron ore, the fee to which is owned by the state of Minnesota, shall, if leased by the state after January 2 in any year, be subject to assessment for that year on the value of any iron ore removed under said lease prior to January 2 of the following year. Personal property subject to taxation shall be listed and assessed annually with reference to its value on January 2; and, if acquired on that day, shall be listed by or for the person acquiring it.

History: (1984) *RL s 802*; 1945 *c 485 s 1*; *Ex1959 c 70 art 1 s 1*; 1965 *c 624 s 1*; 1969 *c 709 s 1*; 1971 *c 564 s 5*; 1975 *c 437 art 8 s 2*; 1986 *c 444*; 1988 *c 719 art 7 s 4*; 1989 *c 277 art 2 s 16*; 1990 *c 480 art 7 s 4*

273.011 [Repealed, 1977 *c 423 art 2 s 20*]

273.012 [Repealed, 1977 *c 423 art 2 s 20*]

273.015 TAX COMPUTED TO NEAREST EVEN-NUMBERED CENT.

Subdivision 1. All tax page items computed by the county auditor for collection by the county treasurer, shall be adjusted individually and in their aggregate to the nearest even-numbered cent. Further, all items which are certified to the county auditor for collection by the county treasurer shall be first adjusted to the nearest even-numbered cent by the governmental subdivision which submits such certifications. For the purposes of this section whole odd-numbered cents shall be adjusted to the next higher even-numbered cent.

Subd. 2. MS 1971 [Expired]

History: 1961 *c 414 s 1,2*

273.02 OMITTED PROPERTY.

Subdivision 1. **Discovery.** If any real or personal property be omitted in the assessment of any year or years, and the property thereby escape taxation, or if any real property be undervalued by reason of failure to take into consideration the existence of buildings or improvements thereon, or be erroneously classified as a homestead, when such omission, undervaluation or erroneous classification is discovered the county auditor shall in the case of omitted property enter such property on the assessment and tax books for the year or years omitted, and in the case of property undervalued by reason of failure to take into consideration the existence of buildings or improvements thereon, or property erroneously classified as a homestead, shall correct the net tax capacity or classification thereof on the assessment and tax books and shall assess the property, and extend against the same on the tax list for the current year all arrearage of taxes properly accruing against it, including therein, in the case of personal property taxes, interest thereon at the rate of seven percent per annum from the time such taxes would have become delinquent, when the omission was caused by the failure of the owner to list the same. If any tax on any property liable to taxation is prevented from

being collected for any year or years by reason of any erroneous proceedings, undervaluation by reason of failure to take into consideration the existence of buildings or improvements, erroneous classification as a homestead, or other cause, the amount of such tax which such property should have paid shall be added to the tax on such property for the current year.

Subd. 2. Limitation. Nothing in subdivisions 1 to 3 shall authorize the county auditor to enter omitted property on the assessment and tax books more than six years after the assessment date of the year in which the property was originally assessed or should have been assessed and nothing in subdivisions 1 to 3 shall authorize the county auditor to correct the net tax capacity or classification of real property as herein provided more than one year after December 1 of the year in which the property was assessed or should have been assessed.

Subd. 3. What rights not affected. Nothing in subdivisions 1 to 3 shall affect any rights in undervalued or erroneously classified property, acquired for value in good faith prior to the correction of the net tax capacity thereof by the county auditor as provided in this section. Any person whose rights are adversely affected by any action of the county auditor as provided in this subdivision may apply for a reduction of the net tax capacity under the provisions of section 270.07, relating to the powers of the commissioner of revenue.

Subd. 4. Iron ore. Newly discovered iron ore shall be entered on the assessment books for the six years immediately preceding the year of discovery and taxed as omitted property. The tax on such omitted property shall be determined by applying the rates of levy for the respective years in which the property was omitted.

Subd. 5. Refunds for iron ore not found. Any taxpayer having paid real estate taxes on valuations of iron ore, considered to be commercially mineable, which was believed to have existed, and was subsequently determined not to exist, may apply to the commissioner of revenue for a refund of taxes paid thereon, as provided herein. Such application for refund shall be filed in the year in which it is determined that the iron ore does not exist. No refund shall be made for taxes paid or payable more than six years previous to the date of said application. The refunds shall be paid from the general fund.

Subd. 6. General fund. The taxes collected in accordance with subdivision 4 shall be transmitted by the county treasurer to the state treasurer and deposited in the general fund. There shall be paid from the general fund the amount of refunds determined in accordance with subdivision 5.

History: (1985) *RL s 803*; 1943 *c 632 s 1*; 1945 *c 415 s 1*; 1965 *c 624 s 7*; 1973 *c 582 s 3*; 1974 *c 556 s 10-12*; 1975 *c 271 s 6*; 1977 *c 423 art 10 s 1*; 1979 *c 50 s 28, 29*; 1986 *c 444*; 1988 *c 719 art 5 s 84*; 1989 *c 329 art 13 s 20*; 1989 *c 335 art 4 s 71, 72*

273.03 REAL ESTATE; ASSESSMENT; METHOD.

Subdivision 1. The county auditor shall annually provide the necessary assessment books and blanks at the expense of the county, for and to correspond with each assessment district. The auditor shall make out, in the real property assessment book, complete lists of all lands or lots subject to taxation, showing the names of the owners, if known; and, if unknown, so stated opposite each tract or lot, the number of acres, and the lots or parts of lots or blocks, included in each description of property. The list of real property becoming subject to assessment and taxation may be appended to the personal property assessment book. The assessment books and blanks for real and personal property shall be in readiness for delivery to the assessors on or before the first Monday in December of each year.

Subd. 2. Any county in this state which employs a county assessor who maintains a unit card ledger system or similar system of real estate and the market value and net tax capacities ascertained by the assessor affecting such real estate, and which county has established an electronic data processing system or similar system to perform the processing of assessment and tax accounting, may discontinue the preparation of

assessment books as provided in subdivision 1. The election to discontinue the preparation of assessment books as defined in subdivision 1 shall be made by the county auditor with the written approval of the commissioner of revenue.

Subd. 3. All laws or parts of laws, now or hereafter effective, not inconsistent with this section and sections 273.17, 274.04, 274.05, 275.28, and 276.01, as amended, shall continue in full force and effect.

History: (1986) 1905 c 86; 1913 c 503; 1917 c 297; 1921 c 86; 1947 c 331 s 1; 1963 c 781 s 1; 1965 c 624 s 2; 1969 c 709 s 2; 1973 c 582 s 3; 1975 c 339 s 8; 1975 c 437 art 8 s 3; 1980 c 423 s 3; 1986 c 444; 1988 c 719 art 5 s 84; 1989 c 329 art 13 s 20.

273.04 [Repealed, 1984 c 593 s 46]

273.05 ASSESSORS; APPOINTMENT, TERM, AND OATH.

Subdivision 1. **Appointment of town and city assessors.** Notwithstanding any other provision of law all town assessors shall be appointed by the town board, and notwithstanding any charter provisions to the contrary, all city assessors shall be appointed by the city council or other appointing authority as provided by law or charter. Such assessors shall be residents of the state but need not be a resident of the town or city for which they are appointed. They shall be selected and appointed because of their knowledge and training in the field of property taxation. All town and statutory city assessors shall be appointed for indefinite terms. A town or statutory city assessor who is an employee may be dismissed by the appointing authority for cause. The term of the town or city assessors may be terminated at any time by the town board or city council on charges by the commissioner of revenue of inefficiency or neglect of duty. Vacancies in the office of town or city assessor shall be filled within 90 days by appointment of the respective appointing authority indicated above. If the vacancy is not filled within 90 days, the office shall be terminated. When a vacancy in the office of town or city assessor is not filled by appointment, and it is imperative that the office of assessor be filled, the county auditor shall appoint some resident of the county as assessor for such town or city. The county auditor may appoint the county assessor as assessor for such town or city, in which case the town or city shall pay to the county treasurer the amount determined by the county auditor to be due for the services performed and expenses incurred by the county assessor in acting as assessor for such town or city. The term of any town or statutory city assessor in a county electing in accordance with section 273.052 shall be terminated as provided in section 273.055.

The commissioner of revenue may recommend to the state board of assessors the nonrenewal, suspension, or revocation of an assessor's license as provided in sections 270.41 to 270.53.

Subd. 2. **Oath of assessors.** Every person elected or appointed to the office of assessor, at or before the time of receiving the assessment books, shall take and subscribe an oath to be diligent, faithful, and impartial in performance of the duties enjoined on the assessor by law. Failure to take the oath within the time prescribed shall be deemed a refusal to serve.

History: (1987) RL s 805; 1963 c 799 s 1; 1965 c 254 s 2; 1967 c 282 s 1; 1969 c 823 s 1; 1969 c 989 s 6; 1973 c 123 art 5 s 7; 1977 c 434 s 7,8; 1984 c 593 s 12; 1986 c 444; 1988 c 719 art 7 s 5; 1990 c 441 s 1

273.051 CITY ASSESSORS, TERM.

The term of elected city assessors shall not expire until a vacancy occurs in the office or upon the completion of the present term for which an assessor is elected. Thereafter the term of such city assessors shall be for the period provided in the charter. The terms of all other city assessors shall continue as provided by charter or as otherwise provided by statute. The term of any city assessor in a county electing in accordance with section 273.052 shall be terminated as provided in section 273.055.

History: 1965 c 254 s 3; 1969 c 989 s 7

273.052 APPOINTMENT; APPLICATION.

Any county in the state of Minnesota, notwithstanding any other provision of law to the contrary, is hereby authorized and empowered to provide for the assessment of all taxable property in the county by the county assessor.

This section shall not apply to Ramsey county, or property assessable in cities whose assessor has the powers of a county assessor pursuant to section 273.063, or property which is by law assessed by the commissioner of revenue.

History: 1969 c 989 s 1; 1973 c 123 art 5 s 7; 1973 c 582 s 3; 1974 c 435 art 5 s 1

273.053 ASSESSMENT; EXPENSES.

Any county electing in accordance with section 273.052 is authorized and empowered to appropriate sufficient money to defray the expenses of making a proper assessment of all property in such county for the purpose of general taxation. The county board shall by resolution authorize the county assessor to employ such additional deputies, clerks, field workers, appraisers, and employees as it may deem necessary for the proper performance of the duties of the office of county assessor; such expenditure to include the hiring of experts in property valuation for any period deemed necessary, the payment of the transportation expense of such experts or other employees in traveling from place to place in the county, and generally any expense reasonably and directly tending to the procurement of a fair and true assessment of property within such county; but all such shall be made under the supervision of, and with the consent of, the county assessor.

History: 1969 c 989 s 2; 1986 c 444

273.054 DUTIES AND POWERS OF ASSESSOR.

A county assessor appointed in an electing county shall have all the duties and powers provided by statute, except those inconsistent with Laws 1969, chapter 989.

History: 1969 c 989 s 3

273.055 RESOLUTION TO APPOINT ASSESSOR; TERMINATION OF LOCAL ASSESSOR'S OFFICE.

The election to provide for the assessment of property by the county assessor as provided in section 273.052 shall be made by the board of county commissioners by resolution. Such resolution shall be effective at the second assessment date following the adoption of the resolution. Notwithstanding any other provisions contained in any other section of law or charter, the office of all township and city assessors in such county shall be terminated 90 days before the assessment date at which the election becomes effective, except that if part of such taxing district is located in a county not electing to have the county assessor assess all property as provided in section 273.052, the office will continue but shall apply only to such property in a nonelecting county.

No township or city assessor in another county shall assess any property in an electing county, but shall turn over all tax records relating to property to the county assessor 90 days before the assessment date at which the county's election becomes effective.

History: 1969 c 989 s 4; 1973 c 123 art 5 s 7

273.056 REVOCATION OF COUNTY ASSESSOR'S ELECTION; LOCAL ASSESSORS.

If after electing in accordance with section 273.055, the board of county commissioners shall determine that the interests of the county may be better served through valuation by local assessors, it may revoke the election. Such revocation may not be made within four years after the election. In the event of revocation, it shall be effective at the second assessment date following such revocation. The offices of all township and city assessors shall be filled as provided by charter or law 90 days before such effective date.

History: 1969 c 989 s 5; 1973 c 123 art 5 s 7

273.06 DEPUTY ASSESSORS.

Any assessor who deems it necessary to complete the listing and valuation of the property of the town or district within the time prescribed, with the approbation of the county auditor, may appoint a well-qualified citizen of the town or district to act as assistant or deputy, and may assign to that person such portion of the district as the assessor thinks proper. Each assistant so appointed, after taking the required oath, shall perform, under the direction of the assessor, all the duties imposed upon assessors by this chapter.

History: (1988) *RL s 806; 1977 c 434 s 9; 1986 c 444*

273.061 ESTABLISHMENT OF OFFICE FOR EACH COUNTY.

Subdivision 1. Office created; appointment, qualifications. Every county in this state shall have a county assessor. The county assessor shall be appointed by the board of county commissioners and shall be a resident of this state. The assessor shall be selected and appointed because of knowledge and training in the field of property taxation and appointment shall be approved by the commissioner of revenue before the same shall become effective. Upon receipt by the county commissioners of the commissioner of revenue's refusal to approve an appointment, the term of the appointee shall terminate at the end of that day. Notwithstanding any law to the contrary, a county assessor must have senior accreditation from the state board of assessors by January 1, 1992, or within two years of the assessor's first appointment under this section, whichever is later.

Subd. 2. Term; vacancy. (a) The terms of county assessors appointed under this section shall be four years. A new term shall begin on January 1 of every fourth year after 1973. When any vacancy in the office occurs, the board of county commissioners, within 30 days thereafter, shall fill the same by appointment for the remainder of the term, following the procedure prescribed in subdivision 1. The term of the county assessor may be terminated by the board of county commissioners at any time, on charges of inefficiency or neglect of duty by the commissioner of revenue. If the board of county commissioners does not intend to reappoint a county assessor who has been certified by the state board of assessors, the board shall present written notice to the county assessor not later than 90 days prior to the termination of the assessor's term, that it does not intend to reappoint the assessor. If written notice is not timely made, the county assessor will automatically be reappointed by the board of county commissioners.

The commissioner of revenue may recommend to the state board of assessors the nonrenewal, suspension, or revocation of an assessor's license as provided in sections 270.41 to 270.53.

(b) In the event of a vacancy in the office of county assessor, through death, resignation or other reasons, the deputy (or chief deputy, if more than one) shall perform the functions of the office. If there is no deputy, the county auditor shall designate a person to perform the duties of the office until an appointment is made as provided in clause (a). Such person shall perform the duties of the office for a period not exceeding 30 days during which the county board must appoint a county assessor. Such 30-day period may, however, be extended by written approval of the commissioner of revenue.

(c) In the case of the first appointment under paragraph (a) of a county assessor who is accredited but who does not have senior accreditation, an approval of the appointment by the commissioner shall be provisional, provided that a county assessor appointed to a provisional term under this paragraph must reapply to the commissioner at the end of the provisional term. A provisional term may not exceed two years. The commissioner shall not approve the appointment for the remainder of the four-year term unless the assessor has obtained senior accreditation.

Subd. 3. Oath. Every county assessor, before entering upon duties, shall take and subscribe the oath required of public officials.

Subd. 4. Assistants. With the approval of the board of county commissioners, the

county assessor may employ one or more assistants and sufficient clerical help to perform the duties of the assessor's office.

Subd. 5. Offices; supplies. The board of county commissioners shall provide suitable office space and equipment at the county seat for the county assessor, assistants and clerical help, and shall furnish such books, maps, stationery, postage and supplies as may be necessary for the discharge of the duties of the office.

Subd. 6. Salaries; expenses. The salaries of the county assessor and assistants and clerical help, shall be fixed by the board of county commissioners and shall be payable in monthly installments out of the general revenue fund of the county. In counties with a population of less than 50,000 inhabitants, according to the then last preceding federal census, the board of county commissioners shall not fix the salary of the county assessor at an amount below the following schedule:

- In counties with a population of less than 6,500, \$5,900;
- In counties with a population of 6,500 but less than 12,000, \$6,200;
- In counties with a population of 12,000 but less than 16,000, \$6,500;
- In counties with a population of 16,000 but less than 21,000, \$6,700;
- In counties with a population of 21,000 but less than 30,000, \$6,900;
- In counties with a population of 30,000 but less than 39,500, \$7,100;
- In counties with a population of 39,500 but less than 50,000, \$7,300;
- In counties with a population of 50,000 or more, \$8,300.

In addition to their salaries, the county assessor and assistants shall be allowed their expenses for reasonable and necessary travel in the performance of their duties, including necessary travel, lodging and meal expense incurred by them while attending meetings of instructions or official hearings called by the commissioner of revenue. These expenses shall be payable out of the general revenue fund of the county, and shall be allowed on the same basis as such expenses are allowed to other county officers.

Subd. 7. Division of duties between local and county assessor. The duty of the duly appointed local assessor shall be to view and appraise the value of all property as provided by law, but all the book work shall be done by the county assessor, or the assessor's assistants, and the value of all property subject to assessment and taxation shall be determined by the county assessor, except as otherwise hereinafter provided.

NOTE: Laws 1971, Chapter 434, Section 5, reads as follows:

"Sec. 5. This act shall not apply to cities or villages whose assessors have the powers and duties of a county assessor pursuant to Minnesota Statutes, Section 273.063."

Subd. 8. Powers and duties. The county assessor shall have the following powers and duties:

(1) To call upon and confer with the township and city assessors in the county, and advise and give them the necessary instructions and directions as to their duties under the laws of this state, to the end that a uniform assessment of all real property in the county will be attained.

(2) To assist and instruct the local assessors in the preparation and proper use of land maps and record cards, in the property classification of real and personal property, and in the determination of proper standards of value.

(3) To keep the local assessors in the county advised of all changes in assessment laws and all instructions which the assessor receives from the commissioner of revenue relating to their duties.

(4) To have authority to require the attendance of groups of local assessors at sectional meetings called by the assessor for the purpose of giving them further assistance and instruction as to their duties.

(5) To immediately commence the preparation of a large scale topographical land map of the county, in such form as may be prescribed by the commissioner of revenue, showing thereon the location of all railroads, highways and roads, bridges, rivers and lakes, swamp areas, wooded tracts, stony ridges and other features which might affect the value of the land. Appropriate symbols shall be used to indicate the best, the fair,

and the poor land of the county. For use in connection with the topographical land map, the assessor shall prepare and keep available in the assessor's office tables showing fair average minimum and maximum market values per acre of cultivated, meadow, pasture, cutover, timber and waste lands of each township. The assessor shall keep the map and tables available in the office for the guidance of town assessors, boards of review, and the county board of equalization.

(6) To also prepare and keep available in the office for the guidance of town assessors, boards of review and the county board of equalization, a land valuation map of the county, in such form as may be prescribed by the commissioner of revenue. This map, which shall include the bordering tier of townships of each county adjoining, shall show the average market value per acre, both with and without improvements, as finally equalized in the last assessment of real estate, of all land in each town or unorganized township which lies outside the corporate limits of cities.

(7) To regularly examine all conveyances of land outside the corporate limits of cities of the first and second class, filed with the county recorder of the county, and keep a file, by descriptions, of the considerations shown thereon. From the information obtained by comparing the considerations shown with the market values assessed, the assessor shall make recommendations to the county board of equalization of necessary changes in individual assessments or aggregate valuations.

(8) To prepare annually and keep available in the assessor's office for the guidance of boards of review and the county board of equalization, a table showing the market value per capita of all personal property in each assessment district in the county as finally equalized in the last previous assessment of personal property. For the guidance of the county board of equalization, the assessor shall also add to the table the market value per capita of all personal property of each assessment district for the current year as equalized by the local board of review.

(9) To become familiar with the values of the different items of personal property so as to be in a position when called upon to advise the boards of review and the county board of equalization concerning property, market values thereof.

(10) While the county board of equalization is in session, to give it every possible assistance to enable it to perform its duties. The assessor shall furnish the board with all necessary charts, tables, comparisons, and data which it requires in its deliberations, and shall make whatever investigations the board may desire.

(11) At the request of either the board of county commissioners or the commissioner of revenue, to investigate applications for reductions of valuation and abatements and settlements of taxes, examine the real or personal property involved, and submit written reports and recommendations with respect to the applications, in such form as may be prescribed by the board of county commissioners and commissioner of revenue.

(12) To make diligent search each year for real and personal property which has been omitted from assessment in the county, and report all such omissions to the county auditor.

(13) To regularly confer with county assessors in all adjacent counties about the assessment of property in order to uniformly assess and equalize the value of similar properties and classes of property located in adjacent counties. The conference shall emphasize the assessment of agricultural and commercial and industrial property or other properties that may have an inadequate number of sales in a single county.

(14) To render such other services pertaining to the assessment of real and personal property in the county as are not inconsistent with the duties set forth in this section, and as may be required by the board of county commissioners or by the commissioner of revenue.

Subd. 9. Additional general duties. Additional duties of the county assessor shall be as follows:

(a) to make all assessments, based upon the appraised values reported by the local assessors or assistants and the county assessor's own knowledge of the value of the property assessed;

(b) to personally view and determine the value of any property which because of its type or character may be difficult for the local assessor to appraise;

(c) to make all changes ordered by the local boards of review, relative to the net tax capacity of the property of any individual, firm or corporation after notice has been given and hearings held as provided by law;

(d) to enter all assessments in the assessment books, furnished by the county auditor, with each book and the tabular statements for each book in correct balance;

(e) to prepare all assessment cards, charts, maps and any other forms prescribed by the commissioner of revenue;

(f) to attend the meeting of the county board of equalization; to investigate and report on any assessment ordered by said board; to enter all changes made by said board in the assessment books and prepare the abstract of assessments for the commissioner of revenue; to enter all changes made by the state board of equalization in the assessment books; to deduct all exemptions authorized by law from each assessment and certify to the county auditor the taxable value of each parcel of land, as described and listed in the assessment books by the county auditor, and the taxable value of the personal property of each person, firm, or corporation assessed;

(g) to investigate and make recommendations relative to all applications for the abatement of taxes or applications for the reduction of the net tax capacity of any property;

(h) to perform all other duties relating to the assessment of property for the purpose of taxation which may be required by the commissioner of revenue.

Subd. 10. Assessor in unorganized territory. In counties having unorganized territory divided into one or more assessment districts, the board of county commissioners may appoint the county assessor for all such districts. In such case the assessor shall receive no compensation for performing the duties of assessor. The assessor shall, however, be allowed expenses for reasonable and necessary travel in the performance of duties. Such expenses shall be payable out of the general revenue fund of the county.

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

History: *Ex*1967 c 32 art 8 s 1; 1969 c 9 s 68,69; 1969 c 498 s 1; 1971 c 434 s 4; 1973 c 123 art 5 s 7; 1973 c 582 s 3; 1974 c 18 s 1; 1974 c 567 s 1; 1975 c 301 s 3; 1975 c 339 s 8; 1975 c 437 art 1 s 32; 1976 c 181 s 2; 1977 c 434 s 10; 1979 c 50 s 30; 1980 c 423 s 5; 1984 c 593 s 13; 1986 c 444; 1987 c 268 art 7 s 28-30; 1988 c 719 art 5 s 84; art 7 s 6,7; 1989 c 277 art 2 s 17,18; 1989 c 329 art 13 s 20; 1Sp1989 c 1 art 3 s 6

273.062 VALUATION AND ASSESSMENT OF PERSONAL PROPERTY.

The county assessor, or city assessor in a city with population of 30,000 or more shall value and assess all personal property. The assessor shall make an alphabetical list of the names of all persons in the town or district liable to an assessment of personal property, and shall call at the office or place of business or residence of each person required by this chapter to list property, and shall list the person's name, and shall require each person to make and deliver a correct list and statement of such property, according to the prescribed form, which shall be subscribed and sworn to by the person listing; and the assessor shall thereupon determine the value of the property in such statement, and enter the same in the assessment books, opposite the name of the person assessed, with the name and post office address of the person listing the property; and, if such person reside in a city, the street and number, or other brief description, of the person's residence or place of business. If any property is listed or assessed on or after the last Monday in February, and before the return of the assessor's books, the same shall be as legal and binding as if listed and assessed before that time.

Such county or city assessor shall have power and authority to summon witnesses to appear and give testimony, and to produce books, records, papers and documents relating to the listing of personal property.

History: *Ex*1967 c 32 art 8 s 9; 1969 c 709 s 3; 1973 c 123 art 5 s 7; 1986 c 444

273.063 APPLICATION; LIMITATIONS.

The provisions of Extra Session Laws 1967, Chapter 32, Article 8, shall apply to all counties except Ramsey county. The following limitations shall apply as to the extent of the county assessors jurisdiction:

In counties having a city of the first class, the powers and duties of the county assessor within such city shall be performed by the duly appointed city assessor. In all other cities having a population of 30,000 persons or more, according to the last preceding federal census, except in counties having a county assessor on January 1, 1967, the powers and duties of the county assessor within such cities shall be performed by the duly appointed city assessor, provided that the county assessor shall retain the supervisory duties contained in section 273.061, subdivision 8.

History: *Ex1967 c 32 art 8 s 10; 1973 c 123 art 5 s 7; 1974 c 435 art 5 s 2*

273.064 EXAMINATION OF LOCAL ASSESSOR'S WORK; COMPLETION OF ASSESSMENTS.

The county assessor shall examine the assessment appraisal records of each local assessor anytime after December 1 of each year and shall immediately give notice in writing to the governing body of said district of any deficiencies in the assessment procedures with respect to the quantity of or quality of the work done as of that date and indicating corrective measures to be undertaken and effected by the local assessor not later than 30 days thereafter. If, upon reexamination of such records at that time, the deficiencies noted in the written notice previously given have not been substantially corrected to the end that a timely and uniform assessment of all real property in the county will be attained, then the county assessor with the approval of the county board shall collect the necessary records from the local assessor and complete the assessment or employ others to complete the assessment. When the county assessor has completed the assessments, the local assessor shall thereafter resume the assessment function within the district. In this circumstance the cost of completing the assessment shall be charged against the assessment district involved. The county auditor shall certify the costs thus incurred to the appropriate governing body not later than August 1 and if unpaid as of September 1 of the assessment year, the county auditor shall levy a tax upon the taxable property of said assessment district sufficient to pay such costs. The amount so collected shall be credited to the general revenue fund of the county.

History: *1971 c 434 s 1; 1Sp1989 c 1 art 9 s 19; 1990 c 604 art 3 s 8*

NOTE: Laws 1971, Chapter 434, Section 5, reads as follows:

"Sec. 5. This act shall not apply to cities or villages whose assessors have the powers and duties of a county assessor pursuant to Minnesota Statutes, Section 273.063."

273.065 DELIVERY OF ASSESSMENT APPRAISAL RECORDS; EXTENSIONS.

Assessment districts shall complete the assessment appraisal records on or before February 1. The records shall be delivered to the county assessor as of that date and any work which is the responsibility of the local assessor which is not completed by February 1 shall be accomplished by the county assessor or persons employed by the county assessor and the cost of such work shall be charged against the assessment district as provided in section 273.064. Extensions of time to complete the assessment appraisal records may be granted to the local assessor by the county assessor if such extension is approved by the county board.

History: *1971 c 434 s 2; 1986 c 444; 1987 c 268 art 7 s 31; 1Sp1989 c 1 art 9 s 20*

NOTE: Laws 1971, Chapter 434, Section 5, reads as follows:

"Sec. 5. This act shall not apply to cities or villages whose assessors have the powers and duties of a county assessor pursuant to Minnesota Statutes, Section 273.063."

273.07 [Repealed, 1947 c 531 s 10]

273.071 [Repealed, Ex1967 c 32 art 8 s 12]

273.072 AGREEMENTS FOR JOINT ASSESSMENT.

Subdivision 1. Any county and any city or town lying wholly or partially within the county and constituting a separate assessment district may, by agreement entered into under section 471.59 and approved by the commissioner of revenue, provide for the assessment of property in the municipality or town by the county assessor. Any two or more cities or towns constituting separate assessment districts, whether their assessors are elective or appointive, may enter into an agreement under section 471.59 for the assessment of property in the contracting units by the assessor of one of the units or by an assessor who is jointly employed.

Subd. 2. The agreement may provide for the abolition of the office of local assessor in any contracting unit when the assessment of property within it is to be made under the agreement by another assessor. In such case, the office of assessor in that unit shall cease to exist upon the date fixed in the agreement but not before the end of the term of the incumbent, if serving for a fixed term, or when an earlier vacancy occurs.

Subd. 3. When the agreement provides for joint employment of an assessor, the assessor shall be appointed and removed in a manner and shall hold office for such term as is provided in the agreement, notwithstanding charter or other statutory provisions for election or appointment of an assessor for a prescribed term.

Subd. 4. If the agreement is for an indefinite term, it may be terminated on six months notice by either party. Upon the termination of the agreement, whether for a fixed or indefinite term, any office of assessor abolished as a result of the agreement shall be automatically reestablished and shall be filled as provided by applicable law or charter.

Subd. 5. Any amount paid to the county for personal services of the county assessor under such an agreement shall be paid into the general revenue fund of the county.

Subd. 6. Agreements made under this section have no effect upon the powers and duties of local boards of review and equalization.

History: 1959 c 382 s 1; Ex1967 c 32 art 8 s 5,6; 1973 c 123 art 5 s 7; 1973 c 582 s 3; 1986 c 444; 1Sp1986 c 1 art 4 s 11

273.075 INSTRUCTIONAL COURSES FOR ASSESSORS AND DEPUTIES.

Personnel employed as assessors or deputies of said assessor may be enrolled in courses approved by the commissioner of revenue and have the tuition for such course paid for from moneys appropriated by Laws 1971, chapter 931. Such payment shall be made to the University of Minnesota or any other college or institution conducting such an accredited course, provided that such payment may only be made if the application is made by or approved by the taxing district or districts for which the assessor or deputy is employed and the commissioner of revenue.

Two or more taxing districts may join together in enrolling assessors in such approved courses.

History: 1971 c 931 s 1; 1973 c 582 s 3

273.08 ASSESSOR'S DUTIES.

The assessor shall actually view, and determine the market value of each tract or lot of real property listed for taxation, including the value of all improvements and structures thereon, at maximum intervals of four years and shall enter the value opposite each description.

History: (1990) RL s 808; 1945 c 481 s 1; 1963 c 799 s 2; 1965 c 624 s 4; Ex1967 c 32 art 8 s 7; 1975 c 437 art 8 s 9; 1984 c 593 s 14

273.09 [Local, South St. Paul]**273.10 SCHOOL DISTRICTS.**

When assessing personal property the county assessor shall designate the number

of the school district in which each person assessed is liable for tax, by writing the number of the district opposite each assessment in a column provided for that purpose in the assessment book. When the personal property of any person is assessable in several school districts, the amount in each shall be assessed separately, and the name of the owner placed opposite each amount.

History: (1991) *RL s 809; Ex1967 c 32 art 8 s 8*

273.11 VALUATION OF PROPERTY.

Subdivision 1. Generally. Except as provided in subdivisions 6, 8, and 9 or section 273.17, subdivision 1, all property shall be valued at its market value. The market value as determined pursuant to this section shall be stated such that any amount under \$100 is rounded up to \$100 and any amount exceeding \$100 shall be rounded to the nearest \$100. 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 the assessor adopt as a criterion of value the price for which such property would sell at a forced sale, or in the aggregate with all the property in the town or district; but the assessor shall value each article or description of property by itself, and at such sum or price as the assessor believes the same to be fairly worth in money. The assessor shall take into account the effect on the market value of property of environmental factors in the vicinity of the property. 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 valuation 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, that lot or any single contiguous lot fronting on the same street shall be eligible for revaluation. All property, or the use thereof, which is taxable under section 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.

Subd. 2. [Repealed, 1979 c 303 art 2 s 38]

Subd. 3. [Repealed, 1975 c 437 art 8 s 10]

Subd. 4. [Repealed, 1976 c 345 s 3]

Subd. 5. Notwithstanding any other provision of law to the contrary, the limitation contained in subdivision 1 shall also apply to the authority of the local board of review as provided in section 274.01, the county board of equalization as provided in section 274.13, the state board of equalization and the commissioner of revenue as provided in sections 270.11, 270.12 and 270.16.

Subd. 6. For purposes of property taxation, the market value of real and personal property installed prior to January 1, 1984, which is a solar, wind, or agriculturally derived methane gas system used as a heating, cooling, or electric power source of a building or structure shall be excluded from the market value of that building or structure if the property is not used to provide energy for sale.

Subd. 7. [Repealed, 1984 c 502 art 3 s 36]

Subd. 8. **Limited equity cooperative apartments.** For the purposes of this subdivision, the terms defined in this subdivision have the meanings given them.

A "limited equity cooperative" is a corporation organized under chapter 308A, which has as its primary purpose the provision of housing and related services to its members which meets one of the following criteria with respect to the income of its members: (1) a minimum of 75 percent of members must have incomes at or less than

90 percent of area median income, (2) a minimum of 40 percent of members must have incomes at or less than 60 percent of area median income, or (3) a minimum of 20 percent of members must have incomes at or less than 50 percent of area median income. For purposes of this clause, "member income" shall mean the income of a member existing at the time the member acquires cooperative membership, and median income shall mean the St. Paul-Minneapolis metropolitan area median income as determined by the United States Department of Housing and Urban Development. It must also meet the following requirements:

(a) The articles of incorporation set the sale price of occupancy entitling cooperative shares or memberships at no more than a transfer value determined as provided in the articles. That value may not exceed the sum of the following:

(1) the consideration paid for the membership or shares by the first occupant of the unit, as shown in the records of the corporation;

(2) the fair market value, as shown in the records of the corporation, of any improvements to the real property that were installed at the sole expense of the member with the prior approval of the board of directors;

(3) accumulated interest, or an inflation allowance not to exceed the greater of a ten percent annual noncompounded increase on the consideration paid for the membership or share by the first occupant of the unit, or the amount that would have been paid on that consideration if interest had been paid on it at the rate of the percentage increase in the revised consumer price index for all urban consumers for the Minneapolis-St. Paul metropolitan area prepared by the United States Department of Labor, provided that the amount determined pursuant to this clause may not exceed \$500 for each year or fraction of a year the membership or share was owned; plus

(4) real property capital contributions shown in the records of the corporation to have been paid by the transferor member and previous holders of the same membership, or of separate memberships that had entitled occupancy to the unit of the member involved. These contributions include contributions to a corporate reserve account the use of which is restricted to real property improvements or acquisitions, contributions to the corporation which are used for real property improvements or acquisitions, and the amount of principal amortized by the corporation on its indebtedness due to the financing of real property acquisition or improvement or the averaging of principal paid by the corporation over the term of its real property-related indebtedness.

(b) The articles of incorporation require that the board of directors limit the purchase price of stock or membership interests for new member-occupants or resident shareholders to an amount which does not exceed the transfer value for the membership or stock as defined in clause (a).

(c) The articles of incorporation require that the total distribution out of capital to a member shall not exceed that transfer value.

(d) The articles of incorporation require that upon liquidation of the corporation any assets remaining after retirement of corporate debts and distribution to members will be conveyed to a charitable organization described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended through December 31, 1986, or a public agency.

A "limited equity cooperative apartment" is a dwelling unit owned by a limited equity cooperative.

"Occupancy entitling cooperative share or membership" is the ownership interest in a cooperative organization which entitles the holder to an exclusive right to occupy a dwelling unit owned or leased by the cooperative.

For purposes of taxation, the assessor shall value a unit owned by a limited equity cooperative at the lesser of its market value or the value determined by capitalizing the net operating income of a comparable apartment operated on a rental basis at the capitalization rate used in valuing comparable buildings that are not limited equity cooperatives. If a cooperative fails to operate in accordance with the provisions of clauses (a) to (d), the property shall be subject to additional property taxes in the amount of the difference between the taxes determined in accordance with this subdivision for the last

ten years that the property had been assessed pursuant to this subdivision and the amount that would have been paid if the provisions of this subdivision had not applied to it. The additional taxes, plus interest at the rate specified in section 549.09, shall be extended against the property on the tax list for the current year.

Subd. 9. Condominium property. Notwithstanding any other provision of law to the contrary, for purposes of property taxation, condominium property shall be valued in accordance with this subdivision.

(a) A structure or building that is initially constructed as condominiums shall be identified as separate units after the filing of a declaration. The market value of the residential units in that structure or building and included in the declaration shall be valued as condominiums.

(b) When 60 percent or more of the residential units in a structure or building being converted to condominiums have been sold as condominiums including those units that the converters retain for their own investment, the market value of the remaining residential units in that structure or building which are included in the declaration shall be valued as condominiums. If not all of the residential units in the structure or building are included in the declaration, the 60 percent factor shall apply to those in the declaration. A separate description shall be recognized when a declaration is filed. For purposes of this clause, "retain" shall mean units that are rented and completed units that are not available for sale.

(c) For purposes of this subdivision, a "sale" is defined as the date when the first written document for the purchase or conveyance of the property is signed, unless that document is revoked.

Subd. 10. Valuation of agricultural land. Annually on November 15, beginning in 1988 and each year thereafter, the commissioner of revenue shall provide county assessors with a land valuation schedule showing a range of values to be used in the valuation of agricultural lands for the succeeding year's assessment. The land valuation schedule shall be developed matching the sales data obtained on the certificates of real estate value filed in the 12-month period between October 1 of the year immediately preceding to September 30 of the current year with information obtained from soil surveys. A range of values for each major soil type by region will be provided. Counties having similar soil types, number of degree days, and other similar characteristics will be grouped into regions for purposes of the valuation schedule. The department of revenue, in consultation with the county assessors, shall develop the land valuation schedule.

History: (1992) *RL s 810; Ex1967 c 32 art 7 s 3; 1969 c 574 s 1; 1969 c 990 s 1; 1971 c 427 s 1; 1971 c 489 s 1; 1971 c 831 s 1; 1973 c 582 s 3; 1973 c 650 art 23 s 1-4; 1974 c 556 s 14; 1975 c 437 art 8 s 4-6; 1976 c 2 s 93; 1976 c 345 s 1; 1977 c 423 art 4 s 4; 1978 c 786 s 10,11; 1979 c 303 art 2 s 7; 1Sp1981 c 1 art 2 s 3,4; 1Sp1981 c 4 art 2 s 50; 1982 c 424 s 61,62; 1982 c 523 art 19 s 2; art 21 s 1; 1983 c 222 s 7; 1983 c 342 art 2 s 5-7; 1984 c 502 art 3 s 6; 1Sp1985 c 14 art 4 s 35; 1986 c 444; 1Sp1986 c 1 art 4 s 12; 1987 c 268 art 5 s 1; art 7 s 32; 1987 c 384 art 3 s 10; 1988 c 719 art 5 s 84; 1989 c 329 art 13 s 20; 1989 c 356 s 13; 1990 c 480 art 7 s 5; 1990 c 604 art 3 s 9*

273.1101 VALUATION, TERMINOLOGY IN STATUTES, LAWS OR CHARTERS.

Notwithstanding the provisions of any statute, special law or city charter, all references in such provisions to "true and full" values, relating to the procedure of boards of review and equalization, and to certifications by assessors and other public officers, shall be construed as referring to the current market values as determined in assessment.

History: 1971 c 427 s 23

273.1102 RATE OF TAX, TERMINOLOGY OF LAWS OR CHARTERS.

Subdivision 1. 1971 adjustment. The rate of property taxation by any political sub-

division or other public corporation for any purpose for which any law or charter now provides a maximum tax rate expressed in mills times the assessed value or times the full and true value of taxable property (except any adjusted assessed values determined by the commissioner under section 124.2131) shall not exceed 33-1/3 percent of such maximum tax rate until and unless such law or charter is amended to provide a different maximum tax rate.

Subd. 2. [Repealed, 1988 c 719 art 5 s 81]

Subd. 3. **1988 adjustment.** School district levy limitations or authorities expressed in terms of mills and adjusted assessed value in any special law that is not codified in Minnesota Statutes shall be converted by the department of education to equalized gross local tax rates for taxes payable in 1989 and 1990 and to equalized net local tax rates for taxes payable in 1991 and thereafter. For purposes of this calculation, the 1987 adjusted assessed values of the district shall be converted to "adjusted gross tax capacities" by multiplying the equalized market values by class of property by the gross class rates provided in section 273.13. Each county assessor and the city assessors of Minneapolis, Duluth, and St. Cloud shall furnish the commissioner of revenue the 1987 market value for taxes payable in 1988 for any new classes of property established in Laws 1988, chapter 719, article 5. The commissioner shall use those values, and estimate values where needed, in developing the 1987 tax capacity for each school district under this section. The requirements of section 124.2131, subdivisions 1, paragraph (c), and 2 and 3, shall remain in effect.

History: 1971 c 427 s 24; 1987 c 268 art 6 s 9; art 7 s 33; 1988 c 719 art 5 s 7; 1989 c 277 art 4 s 20; 1989 c 329 art 13 s 7; 1Sp1989 c 1 art 2 s 11

273.1103 NET DEBT, TERMINOLOGY OF LAWS OR CHARTERS.

Net debt incurred by any political subdivision or other public corporation for which any law or any charter provision provides a limit expressed as a percentage of the assessed value or the full and true value of taxable property (except any adjusted assessed value determined by the commissioner under section 124.2131) shall not exceed 33-1/3 percent of such limit until and unless such law or charter is amended to provide a different limit.

History: 1971 c 427 s 25; 1987 c 268 art 7 s 34

273.1104 IRON ORE, VALUE.

Subdivision 1. The term value as applied to iron ore in sections 273.165, subdivision 2, and 273.13, subdivision 31, shall be deemed to be three times the present value of future income notwithstanding the provisions of section 273.11. The present value of future income shall be determined by the commissioner of revenue in accordance with professionally recognized mineral valuation practice and procedure. Nothing contained herein shall be construed as requiring any change in the method of determining present value of iron ore utilized by the commissioner prior to the enactment hereof or as limiting any remedy presently available to the taxpayer in connection with the commissioner's determination of present value, or precluding the commissioner from making subsequent changes in the present worth formula.

Subd. 2. On or before May 1 in each year, the commissioner shall send to each person subject to the tax on unmined iron ores and to each taxing district affected, a notice of the market value of the unmined ores as determined by the commissioner prior to adjustment under subdivision 1. Said notice shall be sent by mail directed to such person at the address given in the report filed and the assessor of such taxing district, but the validity of the tax shall not be affected by the failure of the commissioner of revenue to mail such notice or the failure of the person subject to the tax to receive it.

On the first secular day following May 20, the commissioner of revenue shall hold a hearing which may be adjourned from day to day. All relevant and material evidence having probative value with respect to the issues shall be submitted at the hearing and such hearing shall not be a "contested case" within the meaning of section 14.02, subdi-

vision 3. Every person subject to such tax may at such hearing present evidence and argument on any matter bearing upon the validity or correctness of the tax determined to be due, and the commissioner of revenue shall review the determination of such tax.

History: 1971 c 427 s 27; 1973 c 582 s 3; 1977 c 203 s 3; 1982 c 424 s 130; 1984 c 522 s 1; 1Sp1985 c 14 art 4 s 36; 1986 c 444; 1987 c 268 art 6 s 10; 1988 c 719 art 5 s 84; 1989 c 27 art 1 s 1; 1Sp1989 c 1 art 9 s 21

273.1105 [Repealed, 1Sp1985 c 14 art 4 s 98]

273.111 AGRICULTURAL PROPERTY TAX.

Subdivision 1. This section may be cited as the "Minnesota agricultural property tax law."

Subd. 2. The present general system of ad valorem property taxation in the state of Minnesota does not provide an equitable basis for the taxation of certain agricultural real property and has resulted in inadequate taxes on some lands and excessive taxes on others. Therefore, it is hereby declared to be the public policy of this state that the public interest would best be served by equalizing tax burdens upon agricultural property within this state through appropriate taxing measures.

Subd. 3. (a) Real estate consisting of ten acres or more or a nursery or greenhouse qualifying for classification as class 1b, 2a, or 2b under section 273.13, subdivision 23, paragraph (d), shall be entitled to valuation and tax deferral under this section only if it is actively and exclusively devoted to agricultural use as defined in subdivision 6 and either:

(1) is the homestead of the owner, or of a surviving spouse, child, or sibling of the owner or is real estate which is farmed with the real estate which contains the homestead property; or

(2) has been in possession of the applicant, the applicant's spouse, parent, or sibling, or any combination thereof, for a period of at least seven years prior to application for benefits under the provisions of this section, or is real estate which is farmed with the real estate which qualifies under this clause and is within two townships or cities or combination thereof from the qualifying real estate; or

(3) is the homestead of a shareholder in a family farm corporation as defined in section 500.24, notwithstanding the fact that legal title to the real estate may be held in the name of the family farm corporation; or

(4) is in the possession of a nursery or greenhouse or an entity owned by a proprietor, partnership, or corporation which also owns the nursery or greenhouse operations on the parcel or parcels.

(b) Valuation of real estate under this section is limited to parcels the ownership of which is in noncorporate entities except for:

(1) family farm corporations organized pursuant to section 500.24; and

(2) corporations that derive 80 percent or more of their gross receipts from the wholesale or retail sale of horticultural or nursery stock.

Corporate entities who previously qualified for tax deferral pursuant to this section and who continue to otherwise qualify under subdivisions 3 and 6 for a period of at least three years following the effective date of Laws 1983, chapter 222, section 8, will not be required to make payment of the previously deferred taxes, notwithstanding the provisions of subdivision 9. Sale of the land prior to the expiration of the three-year period shall result in payment of deferred taxes as follows: sale within the first year requires payment of payable 1980, 1981, and 1982 deferred taxes; sale during the second year requires payment of payable 1981 and 1982 taxes deferred; and sale at any time during the third year will require payment of payable 1983 taxes deferred. Deferred taxes shall be paid even if the land qualifies pursuant to subdivision 11a. Special assessments are payable at the end of the three-year period or at time of sale, whichever comes first.

Subd. 4. The value of any real estate described in subdivision 3 shall upon timely

application by the owner, in the manner provided in subdivision 8, be determined solely with reference to its appropriate agricultural classification and value notwithstanding sections 272.03, subdivision 8, and 273.11. In determining the value for ad valorem tax purposes, the assessor shall use sales data obtained from agricultural lands located outside the seven metropolitan counties but within the region used for computing the range of values under section 273.11, subdivision 10. The sales shall have similar soil types, number of degree days, and other similar agricultural characteristics as contained in section 273.11, subdivision 10. Furthermore, the assessor shall not consider any added values resulting from nonagricultural factors.

Subd. 5. The assessor shall, however, make a separate determination of the market value of such real estate. The tax based upon the appropriate local tax rate applicable to such property in the taxing district shall be recorded on the property assessment records.

Subd. 6. Real property shall be considered to be in agricultural use provided that annually: (1) at least $33 \frac{1}{3}$ percent of the total family income of the owner is derived therefrom, or the total production income including rental from the property is \$300 plus \$10 per tillable acre; and (2) it is devoted to the production for sale of livestock, dairy animals, dairy products, poultry and poultry products, fur bearing animals, horticultural and nursery stock which is under sections 18.44 to 18.61, fruit of all kinds, vegetables, forage, grains, bees and apiary products by the owner, slough, wasteland, and woodland contiguous to or surrounded by land described in subdivision 3 shall be considered to be in agricultural use if under the same ownership and management.

Subd. 7. [Repealed, 1969 c 1039 s 10]

Subd. 8. Application for deferment of taxes and assessment under this section shall be filed by May 1 of the year prior to the year in which the taxes are payable. Any application filed hereunder and granted shall continue in effect for subsequent years until the property no longer qualifies. Such application shall be filed with the assessor of the taxing district in which the real property is located on such form as may be prescribed by the commissioner of revenue. The assessor may require proof by affidavit or otherwise that the property qualifies under subdivisions 3 and 6.

Subd. 8a. [Repealed, 1984 c 593 s 46]

Subd. 9. When real property which is being, or has been valued and assessed under this section no longer qualifies under subdivisions 3 and 6, the portion no longer qualifying shall be subject to additional taxes, in the amount equal to the difference between the taxes determined in accordance with subdivision 4, and the amount determined under subdivision 5, provided, however, that the amount determined under subdivision 5 shall not be greater than it would have been had the actual bona fide sale price of the real property at an arms length transaction been used in lieu of the market value determined under subdivision 5. Such additional taxes shall be extended against the property on the tax list for the current year, provided, however, that no interest or penalties shall be levied on such additional taxes if timely paid, and provided further, that such additional taxes shall only be levied with respect to the last three years that the said property has been valued and assessed under this section.

Subd. 10. The tax imposed by this section shall be a lien upon the property assessed to the same extent and for the same duration as other taxes imposed upon property within this state. The tax shall be annually extended by the county auditor and if and when payable shall be collected and distributed in the manner provided by law for the collection and distribution of other property taxes.

Subd. 11. The payment of special local assessments levied after June 1, 1967 for improvements made to any real property described in subdivision 3 together with the interest thereon shall, on timely application as provided in subdivision 8, be deferred as long as such property meets the conditions contained in subdivisions 3 and 6. If special assessments against the property have been deferred pursuant to this subdivision, the governmental unit shall file with the county recorder in the county in which the property is located a certificate containing the legal description of the affected property and of the amount deferred. When such property no longer qualifies under subdivisions

3 and 6, all deferred special assessments plus interest shall be payable in equal installments spread over the time remaining until the last maturity date of the bonds issued to finance the improvement for which the assessments were levied. If the bonds have matured, the deferred special assessments plus interest shall be payable within 90 days. The provisions of section 429.061, subdivision 2, apply to the collection of these installments. Penalty shall not be levied on any such special assessments if timely paid.

Subd. 11a. When real property qualifying under subdivisions 3 and 6 is sold, no additional taxes or deferred special assessments plus interest shall be extended against the property provided the property continues to qualify pursuant to subdivisions 3 and 6, and provided the new owner files an application for continued deferment within 30 days after the sale.

For purposes of meeting the income requirements of subdivision 6, the property purchased shall be considered in conjunction with other qualifying property owned by the purchaser.

Subd. 12. This section shall be broadly construed to achieve its purpose. The invalidity of any provision shall be deemed not to affect the validity of other provisions.

Subd. 13. This section shall apply to assessments for tax purposes made in 1968 and thereafter.

Subd. 14. This section shall apply to special local assessments levied after July 1, 1967, and payable in the years thereafter, but shall not apply to any special assessments levied at any time by a county or district court under the provisions of chapter 116A.

History: *Ex1967 c 60 s 1-13; 1969 c 1039 s 1-9; 1973 c 322 s 25; 1973 c 450 s 1; 1973 c 582 s 3; 1976 c 2 s 94,95; 1976 c 134 s 78; 1977 c 307 s 29; 1977 c 423 art 3 s 4; 1980 c 437 s 2; 1980 c 497 s 1; 1980 c 560 s 4; 1982 c 523 art 22 s 1-3; 1983 c 222 s 8; 1984 c 593 s 16,17; 1Sp1985 c 14 art 20 s 2; 1986 c 444; 1988 c 719 art 5 s 84; 1989 c 277 art 2 s 19; 1Sp1989 c 1 art 2 s 11; art 3 s 7*

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

Subdivision 1. This section may be cited as the "Minnesota open space property tax law."

Subd. 2. The present general system of ad valorem property taxation in the state of Minnesota does not provide an equitable basis for the taxation of certain private outdoor recreational, open space and park land property and has resulted in excessive taxes on some of these lands. Therefore, it is hereby declared that the public policy of this state would be best served by equalizing tax burdens upon private outdoor, recreational, open space and park land within this state through appropriate taxing measures to encourage private development of these lands which would otherwise have to be provided by governmental authority.

Subd. 3. Real estate shall be entitled to valuation and tax deferment 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;

(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, provided that the club does not discriminate in membership requirements or selection on the basis of sex; and

(d) made available, in the case of real estate devoted to golf, for use without discrimination on the basis of sex during the time when the facility is open to use by the public or by members, except that use for golf may be restricted on the basis of sex no more frequently than one, or part of one, weekend each calendar month for each sex and no more than two, or part of two, weekdays each week for each sex.

If a golf club membership allows use of golf course facilities by more than one adult per membership, the use must be equally available to all adults entitled to use of the golf course under the membership, except that use may be restricted on the basis of sex as permitted in this section. Memberships that permit play during restricted times may be allowed only if the restricted times apply to all adults using the membership. A golf club may not offer a membership or golfing privileges to a spouse of a member that provides greater or less access to the golf course than is provided to that person's spouse under the same or a separate membership in that club, except that the terms of a membership may provide that one spouse may have no right to use the golf course at any time while the other spouse may have either limited or unlimited access to the golf course.

A golf club may have or create an individual membership category which entitles a member for a reduced rate to play during restricted hours as established by the club. The club must have on record a written request by the member for such membership.

A golf club that has food or beverage facilities or services must allow equal access to those facilities and services for both men and women members in all membership categories at all times. Nothing in this paragraph shall be construed to require service or access to facilities to persons under the age of 21 years or require any act that would violate law or ordinance regarding sale, consumption, or regulation of alcoholic beverages.

For purposes of this subdivision and subdivision 7a, discrimination means a pattern or course of conduct and not linked to an isolated incident.

Subd. 4. The value of any real estate described in subdivision 3 shall upon timely application by the owner, in the manner provided in subdivision 6, be determined solely with reference to its appropriate private outdoor, recreational, open space and park land classification and value notwithstanding sections 272.03, subdivision 8, and 273.11. In determining such value for ad valorem tax purposes the assessor shall not consider the value such real estate would have if it were converted to commercial, industrial, residential or seasonal residential use.

Subd. 5. The assessor shall, however, make a separate determination of the market value of such real estate. The tax based upon the appropriate local tax rate applicable to such property in the taxing district shall be recorded on the property assessment records.

Subd. 6. Application for deferment of taxes and assessment under this section shall be made at least 60 days prior to January 2 of each year. Such application shall be filed with the assessor of the taxing district in which the real property is located on such form as may be prescribed by the commissioner of revenue. The assessor may require proof by affidavit or other written verification that the property qualifies under subdivision 3. In the case of property operated by private clubs pursuant to subdivision 3, clause (c)(3), in order to qualify for valuation and tax deferment under this section, the taxpayer must submit to the assessor proof by affidavit or other written verification that the bylaws or rules and regulations of the club meet the eligibility requirements provided under this section. The signed affidavit or other written verification shall be sufficient demonstration of eligibility for the assessor unless the county attorney determines otherwise.

The county assessor shall refer any question regarding the eligibility for valuation and deferment under this section to the county attorney for advice and opinion under section 388.051, subdivision 1. Upon request of the county attorney, the taxpayer shall furnish information that the county attorney considers necessary in order to determine eligibility under this section.

Real estate is not entitled to valuation and deferment under this section unless the county assessor has filed with the assessor's tax records prior to October 16 a statement that the application has been accepted.

Subd. 6a. The commissioner of revenue shall develop and issue guidelines for qualification by private golf clubs under this section covering the access to and use of

the golf course by members and other adults so as to be consistent with the purposes and terms of this section. The guidelines shall be mailed to the county attorney and assessor of each county not later than 60 days following May 26, 1989. Within 15 days of receipt of the guidelines from the commissioner, the assessor shall mail a copy of the guidelines to each golf club in the county. The guidelines issued under this subdivision are not subject to the administrative procedure act under chapter 14.

Subd. 7. When real property which is being, or has been, valued and assessed under this section no longer qualifies under subdivision 3, the portion which no longer qualifies shall be subject to additional taxes, in the amount equal to the difference between the taxes determined in accordance with subdivision 4, and the amount determined under subdivision 5, provided, however, that the amount determined under subdivision 5 shall not be greater than it would have been had the actual bona fide sale price of the real property at an arms length transaction been used in lieu of the market value determined under subdivision 5. The additional taxes shall be extended against the property on the tax list for the current year, provided, however, that no interest or penalties shall be levied on the additional taxes if timely paid, and provided further, that the additional taxes shall only be levied with respect to the last seven years that the property has been valued and assessed under this section.

Subd. 7a. Notwithstanding subdivision 7, when real property ceases to qualify under subdivision 3 because of failure to comply with prohibitions against discrimination on the basis of sex, payment of additional taxes imposed under subdivision 7 is not required.

Subd. 8. The tax imposed by this section shall be a lien upon the property assessed to the same extent and for the same duration as other taxes imposed upon property within this state. The tax shall be annually extended by the county auditor and shall be collected and distributed in the manner provided by law for the collection and distribution of other property taxes.

Subd. 9. [Repealed, 1987 c 268 art 6 s 53]

Subd. 10. When title to real property qualifying under subdivision 3 is transferred, no additional taxes shall be extended against the property if (a) the property continues to qualify pursuant to subdivision 3 and (b) the purchaser files an application for continued deferment of taxes pursuant to subdivision 6 within 30 days after the sale.

History: 1969 c 1135 s 1; 1973 c 582 s 3; 1Sp1981 c 1 art 2 s 5; 1983 c 222 s 9,10; 1986 c 412 s 1-4; 1988 c 719 art 5 s 84; art 6 s 5,6; 1989 c 277 art 2 s 20,21; 1Sp1989 c 1 art 2 s 11; 1990 c 604 art 3 s 10

273.115 [Repealed, 1987 c 268 art 6 s 53]

273.116 [Repealed, 1987 c 268 art 6 s 53]

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

273.118 TAX PAID IN RECOGNITION OF CONGRESSIONAL MEDAL OF HONOR.

An owner of homestead property who submits to the commissioner of revenue a property tax statement and reasonable proof that the owner of the property:

(a) is a veteran as defined in section 197.447;

(b) was a resident of this state for at least six months before entering military ser-

vice, or has been a resident of this state for five consecutive years before submitting the statement and proof; and

(c) has been awarded the congressional medal of honor;

shall be paid by the commissioner of revenue, within 30 days after the commissioner receives the statement and proof, the amount of the owner's property tax liability as shown on the statement, up to \$2,000. The surviving spouse of a property owner who has received a payment under this section may receive payment of property taxes under this section as long as the spouse continues to own and occupy the property for which the taxes were paid under this section and the property continues to be a homestead. Property taxes paid under this section reduce property taxes payable for purposes of chapter 290A.

History: 1983 c 301 s 177; 1984 c 655 art 1 s 46; 1Sp1985 c 14 art 4 s 40; 1986 c 444

273.119 CONSERVATION TAX CREDIT.

Subdivision 1. Eligibility; amount of credit. Land located in an agricultural preserve created under chapter 40A is eligible for a property tax credit of \$1.50 per acre. To begin to qualify for the tax credit, the owner shall file with the county by January 2 of any year an application for an agricultural preserve restrictive covenant pursuant to section 40A.10, subdivision 1. An owner who has given notice of termination of the agricultural preserve under section 40A.11, subdivision 2, is not eligible for the credit. The assessor shall indicate the amount of the property tax reduction on the property tax statement of each taxpayer receiving a credit under this section. The credit paid pursuant to this section shall be deducted from the tax due on the property as provided in section 273.1393.

Subd. 2. Reimbursement for lost revenue. The county may transfer money from the county conservation account created in section 40A.152 to the county revenue fund to reimburse the fund for the cost of the property tax credit. The county auditor shall certify to the commissioner of revenue, as part of the abstracts of tax lists required to be filed with the commissioner under section 275.29, the amount of tax lost to the county from the property tax credit under subdivision 1 and the extent that the tax lost exceeds funds available in the county conservation account. Any prior year adjustments must also be certified in the abstracts of tax lists. The commissioner of revenue shall review the certifications to determine their accuracy. The commissioner may make the changes in the certification that are considered necessary or return a certification to the county auditor for corrections. The commissioner shall reimburse each taxing district, other than school districts, from the Minnesota conservation fund under section 40A.151 for the taxes lost in excess of the county account. The payments must be made at the time provided in section 473H.10, subdivision 3, for payment to taxing jurisdictions in the same proportion that the ad valorem tax is distributed.

History: 1986 c 398 art 28 s 3; 1989 c 313 s 8, 10; 1Sp1989 c 1 art 9 s 22; 1990 c 426 art 2 s 8; 1990 c 604 art 3 s 11

273.1195 [Repealed, 1988 c 719 art 5 s 81]

273.12 ASSESSMENT OF REAL PROPERTY.

It shall be the duty of every assessor and board, in estimating and determining the value of lands for the purpose of taxation, to consider and give due weight to every element and factor affecting the market value thereof, including its location with reference to roads and streets and the location of roads and streets thereon or over the same, and to take into consideration a reduction in the acreage of each tract or lot sufficient to cover the amount of land actually used for any improved public highway and the reduction in area of land caused thereby, provided, that in determining the market value of vacant land, the fact that such land 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 net tax capacity of that lot or any single contiguous lot fronting on the same street shall be eligible for reassessment. It shall be the duty of every assessor and board, in estimating and determining the value of lands for the purpose of taxation, to consider and give due weight to lands which are comparable in character, quality, and location, to the end that all lands similarly located and improved will be assessed upon a uniform basis and without discrimination and, for agricultural lands, to consider and give recognition to its earning potential as measured by its free market rental rate.

Notwithstanding the provisions of this or any other section, no additional value shall be assessed for unmined mineral value except for iron ore or taconite.

History: (1992-1) 1927 c 123; 1931 c 224 s 1; 1935 c 237 s 1; 1969 c 574 s 2; 1971 c 427 s 2; 1971 c 489 s 2; Ex1971 c 31 art 23 s 1; 1987 c 268 art 9 s 7; 1988 c 719 art 5 s 84; 1989 c 329 art 13 s 20

273.121 VALUATION OF REAL PROPERTY, NOTICE.

Any county assessor or city assessor having the powers of a county assessor, valuing or classifying taxable real property shall in each year notify those persons whose property is to be assessed or reclassified that year if the person's address is known to the assessor, otherwise the occupant of the property. The notice shall be in writing and shall be sent by ordinary mail at least ten days before the meeting of the local board of review or equalization. It shall contain the amount of the valuation in terms of market value, the new classification, the assessor's office address, and the dates, places, and times set for the meetings of the local board of review or equalization and the county board of equalization. If the assessment roll is not complete, the notice shall be sent by ordinary mail at least ten days prior to the date on which the board of review has adjourned. The assessor shall attach to the assessment roll a statement that the notices required by this section have been mailed. Any assessor who is not provided sufficient funds from the assessor's governing body to provide such notices, may make application to the commissioner of revenue to finance such notices. The commissioner of revenue shall conduct an investigation and, if satisfied that the assessor does not have the necessary funds, issue a certification to the commissioner of finance of the amount necessary to provide such notices. The commissioner of finance shall issue a warrant for such amount and shall deduct such amount from any state payment to such county or municipality. The necessary funds to make such payments are hereby appropriated. Failure to receive the notice shall in no way affect the validity of the assessment, the resulting tax, the procedures of any board of review or equalization, or the enforcement of delinquent taxes by statutory means.

History: Ex1971 c 31 art 23 s 2; 1973 c 492 s 14; 1974 c 363 s 1; 1975 c 437 art 8 s 7; 1980 c 437 s 3; 1982 c 523 art 23 s 1; 1Sp1985 c 14 art 4 s 41; 1986 c 444; 1988 c 719 art 6 s 8

273.122 [Repealed, 1980 c 607 art 2 s 24]

273.123 REASSESSMENT OF HOMESTEAD PROPERTY DAMAGED BY A DISASTER.

Subdivision 1. **Definitions.** For purposes of this section (a) "disaster or emergency" means

- (1) a major disaster as determined by the president of the United States;
 - (2) a natural disaster as determined by the secretary of agriculture;
 - (3) a disaster as determined by the administrator of the small business administration; or
 - (4) a tornado, storm, flood, earthquake, landslide, explosion, fire or similar catastrophe, as a result of which a local emergency is declared pursuant to section 12.29.
- (b) "disaster or emergency area" means an area

(1) in which the president of the United States, the secretary of agriculture, or the administrator of the small business administration has determined that a disaster exists pursuant to federal law or in which a local emergency has been declared pursuant to section 12.29; and

(2) for which an application by the local unit of government requesting property tax relief under this section has been received by the governor and approved by the executive council.

(c) "homestead property" means homestead dwelling that is classified as class 1, or 2a property or a manufactured home or sectional home used as a homestead and taxed pursuant to section 274.19, subdivision 8, paragraph (b), (c), or (d).

Subd. 2. Reassessment of homestead property. The county assessor shall reassess all homestead property located within a disaster or emergency area which is physically damaged by the disaster or emergency and shall adjust the valuation for taxes payable the following year to reflect the loss in market value caused by the damage as follows: Subtract the market value of the property as reassessed from the market value of the property as assessed for January 1 of the year in which the disaster or emergency occurred; multiply the remainder by a fraction, the numerator of which is the number of full months remaining in the year on the date the disaster or emergency occurred, and the denominator of which is 12; subtract the product of the calculation from the market value of the property as assessed for January 1 of the year in which the disaster or emergency occurred; the remainder is the estimated market value to be used for taxes payable the following year. The assessor shall report to the county auditor the net tax capacity based on the assessment of January 1 of the year in which the disaster or emergency occurred and the net tax capacity based on the reassessment made pursuant to this subdivision.

Subd. 2a. Application requirements. A request for property tax relief shall be considered by the executive council only if the following requirements are met by the local unit of government submitting the request:

(1) a completed disaster survey shall be included with the request;

(2) the average dollar amount of damage for the homes which are damaged and located within the geographic boundaries of the applicant shall be \$5,000 or more; and

(3) either (a) at least 25 homes located within the geographic boundaries of the applicant must have been damaged or destroyed; or (b) the total dollar amount of damage to all of the damaged homes located within the geographic boundaries of the applicant shall be equal to at least one percent of the total market value of all homestead property located within the geographic boundaries of the applicant.

Subd. 3. Computation of local tax rates. When computing local tax rates, the county auditor shall use the valuation reported by the assessor for the assessment made on January 1 of the year in which the disaster or emergency occurred.

Subd. 4. State reimbursement. The county auditor shall calculate the tax on the property described in subdivision 2 based on the assessment made on January 2 of the year in which the disaster or emergency occurred. The difference between the tax determined on the January 2 gross tax capacity and the tax actually payable based on the reassessed gross tax capacity determined under subdivision 2 shall be reimbursed to each taxing jurisdiction in which the damaged property is located. The amount shall be certified by the county auditor and reported to the commissioner of revenue. The commissioner shall make the payments to the taxing jurisdictions, other than school districts, containing the property at the time distributions are made under section 473H.10, subdivision 3, in the same proportion that the ad valorem tax is distributed.

Subd. 5. Computation of credits. The amounts of any credits or tax relief which reduce the gross tax shall be computed upon the reassessed gross tax capacity determined under subdivision 2. For purposes of the property tax refund, property taxes payable, as defined in section 290A.03, subdivision 13, and net property taxes payable, as defined in section 290A.04, subdivision 2d, shall be computed upon the reassessed gross tax capacity determined under subdivision 2.

Subd. 6. **Appropriation.** There is annually appropriated from the general fund to the commissioner of revenue an amount necessary to make the payments required by this section.

Subd. 7. **Local option; other property.** The owner of homestead property not qualifying for an adjustment in valuation pursuant to subdivisions 1 to 5 or of nonhomestead property may receive a reduction in the amount of taxes payable on the property for the year in which the destruction occurs and in the following year if:

(a) 50 percent or more of the homestead dwelling or other structure, as established by the county assessor, is unintentionally or accidentally destroyed and the homestead is uninhabitable or the other structure is not usable;

(b) the owner of the property makes written application to the county assessor as soon as practical after the damage has occurred; and

(c) the owner of the property makes written application to the county board.

The county board may grant a reduction in the amount of property tax which the owner must pay on the qualifying property in the year of destruction and in the following year. Any reduction in the amount of tax payable which is authorized by county board action shall be calculated based upon the number of months that the home is uninhabitable or the other structure is unusable. The amount of net tax due from the taxpayer shall be multiplied by a fraction, the numerator of which is the number of months the dwelling was occupied by that taxpayer, or the number of months the other structure was used by the taxpayer, and the denominator of which is 12. For purposes of this subdivision, if a structure is occupied or used for a fraction of a month, it is considered a month. "Net tax" is defined as the amount of tax after the subtraction of all of the state paid property tax credits. If application is made following payment of all property taxes due for the year of destruction, the amount of the reduction granted by the county board shall be refunded to the taxpayer by the county treasurer as soon as practical.

Any reductions or refunds approved by the county board shall not be subject to approval by the commissioner of revenue.

The county board may levy in the following year the amount of tax dollars lost to the county government as a result of the reductions granted pursuant to this subdivision.

History: 1981 c 365 s 9; 1982 c 523 art 33 s 1; 1984 c 502 art 3 s 7,8; 1985 c 300 s 5; 1Sp1985 c 14 art 4 s 42,43; 1987 c 268 art 6 s 11-14; 1988 c 719 art 5 s 8,9,84; 1989 c 329 art 13 s 20; 1Sp1989 c 1 art 2 s 11; art 3 s 8; art 5 s 8; art 9 s 23,24; 1990 c 604 art 3 s 12

NOTE: Subdivision 7, as amended by Laws 1989, First Special Session chapter 1, article 5, section 8, is effective for taxes levied in 1992, payable in 1993 and thereafter. See Laws 1989, First Special Session chapter 1, article 5, section 52.

273.124 HOMESTEAD DETERMINATION; SPECIAL RULES.

Subdivision 1. **General rule.** Residential real estate that is occupied and used for the purposes of a homestead by its owner, who must be a Minnesota resident, is a residential homestead.

Agricultural land, as defined in section 273.13, subdivision 23, that is occupied and used as a homestead by its owner, who must be a Minnesota resident, is an agricultural homestead.

Dates for establishment of a homestead and homestead treatment provided to particular types of property are as provided in this section.

The assessor shall require proof, by affidavit or otherwise, of the facts upon which classification as a homestead may be determined.

For purposes of this section, homestead property shall include property which is used for purposes of the homestead but is separated from the homestead by a road, street, lot, waterway, or other similar intervening property. The term "used for purposes of the homestead" shall include but not be limited to uses for gardens, garages, or other outbuildings commonly associated with a homestead, but shall not include

vacant land held primarily for future development. In order to receive homestead treatment for the noncontiguous property, the owner shall apply for it to the assessor by July 1 of the year when the treatment is initially sought. After initial qualification for the homestead treatment, additional applications for subsequent years are not required.

In the case of property owned by a married couple in joint tenancy or tenancy in common, the assessor must not deny homestead treatment in whole or in part if only one of the spouses is occupying the property and the other spouse is absent due to divorce or separation, or is a resident of a nursing home or a boarding care facility.

If an individual is purchasing property with the intent of claiming it as a homestead, and is required by the terms of the financing agreement to have one or both parents shown on the deed as coowners, the assessor shall allow a full homestead classification and extend full homestead credit. This provision only applies to first time purchasers, whether married or single, or to a person who had previously been married and is purchasing as a single individual for the first time. The application for homestead benefits must be on a form prescribed by the commissioner and must contain the data necessary for the assessor to determine if full homestead benefits are warranted.

Subd. 2. Townhouses; common areas; condominiums; cooperatives. (a) The total value of townhouse property, including the value added as provided in this paragraph, must have the benefit of homestead treatment or other special classification if the townhouse otherwise qualifies. The value of townhouse property must be increased by the value added by the right to use any common areas in connection with the townhouse development. The common areas of the development must not be separately taxed.

(b) Condominium property qualifying as a homestead under section 515A.1-105 and property owned by a cooperative association that qualifies as a homestead must have the benefit of homestead treatment or other special classification if the condominium or cooperative association property otherwise qualifies.

(c) If the condominium, townhouse, or cooperative association property is owned by the occupant and used for the purposes of a homestead but is located upon land which is leased, that leased land must be valued and assessed as if it were homestead property within class 1 if all of the following criteria are met:

- (1) the occupant is using the property as a permanent residence;
- (2) the occupant or the cooperative association is paying the ad valorem property taxes and any special assessments levied against the land and structure;
- (3) the occupant or the cooperative association has signed a land lease; and
- (4) the term of the land lease is at least 50 years, notwithstanding the fact that the amount of the rental payment may be renegotiated at shorter intervals.

Subd. 3. Cooperatives and charitable corporations. When one or more dwellings, or one or more buildings which each contain several dwelling units, are owned by a corporation or association organized under chapter 308A, and each person who owns a share or shares in the corporation or association is entitled to occupy a dwelling, or dwelling unit in the building, the corporation or association may claim homestead treatment for each dwelling, or for each unit in case of a building containing several dwelling units, for the dwelling or for the part of the value of the building occupied by a shareholder. Each dwelling or unit must be designated by legal description or number, and the net tax capacity of each dwelling that qualifies for assessment under this subdivision must include not more than one-half acre of land, if platted, nor more than 80 acres if unplatted. The net tax capacity of the building or buildings containing several dwelling units is the sum of the net tax capacities of each of the respective units comprising the building. To qualify for the treatment provided by this subdivision, the corporation or association must be wholly owned by persons having a right to occupy a dwelling or dwelling unit owned by the corporation or association. A charitable corporation organized under the laws of Minnesota and not otherwise exempt thereunder with no outstanding stock qualifies for homestead treatment with respect to member residents of the dwelling units who have purchased and hold residential participation warrants entitling them to occupy the units.

Subd. 3a. **Manufactured home park cooperative.** When a manufactured home park is owned by a corporation or association organized under chapter 308A, and each person who owns a share or shares in the corporation or association is entitled to occupy a lot within the park, the corporation or association may claim homestead treatment for each lot occupied by a shareholder. Each lot must be designated by legal description or number, and each lot is limited to not more than one-half acre of land for each homestead. The manufactured home park shall be valued and assessed as if it were homestead property within class 1 if all of the following criteria are met:

- (1) the occupant is using the property as a permanent residence;
- (2) the occupant or the cooperative association is paying the ad valorem property taxes and any special assessments levied against the land and structure either directly, or indirectly through dues to the corporation; and
- (3) the corporation or association organized under chapter 308A is wholly owned by persons having a right to occupy a lot owned by the corporation or association.

A charitable corporation, organized under the laws of Minnesota with no outstanding stock, and granted a ruling by the Internal Revenue Service for 501(c)(3) tax-exempt status, qualifies for homestead treatment with respect to member residents of the manufactured home park who hold residential participation warrants entitling them to occupy a lot in the manufactured home park.

Subd. 4. **Nonprofit corporations.** When a building containing several dwelling units is owned by an entity organized under chapter 317A and operating as a nonprofit corporation which enters into membership agreements with persons under which they are entitled to life occupancy in a unit in the building, homestead classification must be given to each unit so occupied and the entire building must be assessed in the manner provided in subdivision 3 for cooperatives and charitable corporations.

Subd. 5. **Continuing care facilities.** When a building containing several dwelling units is owned by an entity which is regulated under the provisions of chapter 80D and operating as a continuing care facility enters into residency agreements with persons who occupy a unit in the building and the residency agreement entitles the resident to occupancy in the building after personal assets are exhausted and regardless of ability to pay the monthly maintenance fee, homestead classification shall be given to each unit so occupied and the entire building shall be assessed in the manner provided in subdivision 3 for cooperatives and charitable corporations.

Subd. 6. **Leasehold cooperatives.** When one or more dwellings or one or more buildings which each contain several dwelling units is owned by a nonprofit corporation subject to the provisions of chapter 317A and qualifying under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986, as amended through December 31, 1988, or a limited partnership which corporation or partnership operates the property in conjunction with a cooperative association, homestead treatment may be claimed by the cooperative association on behalf of the members of the cooperative for each dwelling unit occupied by a member of the cooperative. The cooperative association must provide the assessor with the social security numbers of those members. To qualify for the treatment provided by this subdivision, the following conditions must be met:

(a) the cooperative association must be organized under chapter 308A and all voting members of the board of directors must be resident tenants of the cooperative and must be elected by the resident tenants of the cooperative;

(b) the cooperative association must have a lease for occupancy of the property for a term of at least 20 years, which permits the cooperative association, while not in default on the lease, to participate materially in the management of the property, including material participation in establishing budgets, setting rent levels, and hiring and supervising a management agent;

(c) to the extent permitted under state or federal law, the cooperative association must have a right under a written agreement with the owner to purchase the property if the owner proposes to sell it; if the cooperative association does not purchase the

property it is offered for sale, the owner may not subsequently sell the property to another purchaser at a price lower than the price at which it was offered for sale to the cooperative association unless the cooperative association approves the sale;

(d) the cooperative must meet one of the following criteria with respect to the income of its members: (1) a minimum of 75 percent of members must have incomes at or less than 80 percent of area median income, (2) a minimum of 40 percent of members must have incomes at or less than 60 percent of area median income, or (3) a minimum of 20 percent of members must have incomes at or less than 50 percent of area median income. For purposes of this clause, "member income" means the income of a member existing at the time the member acquires his or her cooperative membership, and "median income" means the St. Paul-Minneapolis metropolitan area median income as determined by the United States Department of Housing and Urban Development;

(e) if a limited partnership owns the property, it must include as the managing general partner a nonprofit organization operating under the provisions of chapter 317A and qualifying under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986, as amended through December 31, 1988, and the limited partnership agreement must provide that the managing general partner have sufficient powers so that it materially participates in the management and control of the limited partnership;

(f) prior to becoming a member of a leasehold cooperative described in this subdivision, a person must have received notice that (1) describes leasehold cooperative property in plain language, including but not limited to the effects of classification under this subdivision on rents, property taxes and tax credits or refunds, and operating expenses, and (2) states that copies of the articles of incorporation and bylaws of the cooperative association, the lease between the owner and the cooperative association, a sample sublease between the cooperative association and a tenant, and, if the owner is a partnership, a copy of the limited partnership agreement, can be obtained upon written request at no charge from the owner, and the owner must send or deliver the materials within seven days after receiving any request;

(g) if a dwelling unit of a building was occupied on the 60th day prior to the date on which the unit became leasehold cooperative property described in this subdivision, the notice described in paragraph (f) must have been sent by first class mail to the occupant of the unit at least 60 days prior to the date on which the unit became leasehold cooperative property. For purposes of the notice under this paragraph, the copies of the documents referred to in paragraph (f) may be in proposed version, provided that any subsequent material alteration of those documents made after the occupant has requested a copy shall be disclosed to any occupant who has requested a copy of the document. Copies of the articles of incorporation and certificate of limited partnership shall be filed with the secretary of state after the expiration of the 60-day period unless the change to leasehold cooperative status does not proceed; and

(h) the county attorney of the county in which the property is located must certify to the assessor that the property meets the requirements of this subdivision.

Homestead treatment must be afforded to units occupied by members of the cooperative association and the units must be assessed as provided in subdivision 3, provided that any unit not so occupied shall be classified and assessed pursuant to the appropriate class. No more than three acres of land may, for assessment purposes, be included with each dwelling unit that qualifies for homestead treatment under this subdivision.

Subd. 7. Leased buildings or land. For purposes of class 1 determinations, homesteads include:

(a) buildings and appurtenances owned and used by the occupant as a permanent residence which are located upon land the title to which is vested in a person or entity other than the occupant;

(b) 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, if all of the following criteria are met:

- (1) the occupant is using the property as a permanent residence;
- (2) the occupant is paying the property taxes and any special assessments levied against the property;
- (3) the occupant has signed a lease which has an option to purchase the buildings and appurtenances;
- (4) the term of the lease is at least five years; and
- (5) the occupant has made a down payment of at least \$5,000 in cash if the property was purchased by means of a contract for deed or subject to a mortgage.

Any taxpayer meeting all the requirements of this paragraph must notify the county assessor, or the assessor who has the powers of the county assessor pursuant to section 273.063, in writing, as soon as possible after signing the lease agreement and occupying the buildings as a homestead.

Subd. 8. Homestead owned by family farm corporation or partnership. (a) Each family farm corporation and each partnership operating a family farm is entitled to class 1b under section 273.13, subdivision 22, paragraph (b), or class 2a assessment for one homestead occupied by a shareholder or partner thereof who is residing on the land and actively engaged in farming of the land owned by the corporation or partnership. Homestead treatment applies even if legal title to the property is in the name of the corporation or partnership and not in the name of the person residing on it. "Family farm corporation" and "family farm" have the meanings given in section 500.24, except that the number of allowable shareholders or partners under this subdivision shall not exceed 12.

(b) In addition to property specified in paragraph (a), any other residences owned by corporations or partnerships described in paragraph (a) which are located on agricultural land and occupied as homesteads by shareholders or partners who are actively engaged in farming on behalf of the corporation or partnership must also be assessed as class 2a property or as class 1b property under section 273.13, subdivision 22, paragraph (b), but the property eligible is limited to the residence itself and as much of the land surrounding the homestead, not exceeding one acre, as is reasonably necessary for the use of the dwelling as a home, and does not include any other structures that may be located on it.

Subd. 9. Homestead established after assessment date. Any property that was not used for the purpose of a homestead on the assessment date, but which was used for the purpose of a homestead by June 1 of a year, constitutes class 1 or class 2a.

Any taxpayer meeting the requirements of this subdivision 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 June 15 of the year of occupancy in order to qualify under this subdivision.

The county assessor and the county auditor may make the necessary changes on their assessment and tax records to provide for proper homestead classification as provided in this subdivision.

The owner of any property qualifying under this subdivision, which has not been accorded the benefits of this subdivision, regardless of whether or not the notification has been timely filed, may be entitled to receive homestead classification by proper application as provided in section 270.07 or 375.192.

The county assessor shall publish in a newspaper of general circulation within the county no later than June 1 of each year a notice informing the public of the requirement to file an application for homestead prior to June 15.

Subd. 10. Real estate purchased for occupancy as a homestead. Real estate purchased for occupancy as a homestead must be classified as class 1 or class 2a if the purchaser is prevented from obtaining possession on January 2 next following the purchase by reason of federal or state rent control laws or regulations.

Subd. 11. Limitation on homestead classification. If the assessor has classified a property as both homestead and nonhomestead, the greater of the value attributable

to the portion of the property classified as class 1 or class 2a or the value of the first tier of net class rates provided under section 273.13, subdivision 22, or 23, paragraph (a), is entitled to assessment as a homestead under section 273.13, subdivision 22 or 23. The limitation in this subdivision does not apply to buildings containing fewer than four residential units or to a single rented or leased dwelling unit located within or attached to a private garage or similar structure owned by the owner of a homestead and located on the premises of that homestead.

If the assessor has classified a property as both homestead and nonhomestead, the homestead credit provided in section 273.13, subdivisions 22 and 23, and the reductions in tax provided under sections 273.135 and 273.1391 apply to the value of both the homestead and the nonhomestead portions of the property.

Subd. 12. Homestead of member of United States armed forces; Peace Corps; VISTA. Real estate actually occupied and used for the purpose of a homestead by a person, or by a member of that person's immediate family shall be classified as a homestead even though the person or family is absent if (1) the person or the person's family is absent solely because the person is on active duty with the armed forces of the United States, or is serving as a volunteer under the VISTA or Peace Corps program; (2) the owner intends to return as soon as discharged or relieved from service; and (3) the owner claims it as a homestead. A person who knowingly makes or submits to an assessor an affidavit or other statement that is false in any material matter to obtain or aid another in obtaining a benefit under this subdivision is guilty of a felony.

Subd. 13. Social security number required for homestead application. Every property owner applying for homestead classification must furnish to the county assessor that owner's social security number. If the social security number is not provided, the county assessor shall classify the property as nonhomestead. The social security numbers of the property owners are private data on individuals as defined by section 13.02, subdivision 12, but, notwithstanding that section, the private data may be disclosed to the commissioner of revenue.

At the request of the commissioner, each county must give the commissioner a list that includes the name and social security number of each property owner applying for homestead classification.

If, in comparing the lists supplied by the counties, the commissioner finds that a property owner is claiming more than one homestead, the commissioner shall notify the appropriate counties. Within 90 days of the notification, the county assessor shall investigate to determine if the homestead classification was properly claimed. If the property owner does not qualify, the county assessor shall notify the county auditor who will determine the amount of homestead benefits that had been improperly allowed. For the purpose of this section, "homestead benefits" means the tax reduction resulting from the classification as a homestead under section 273.13, the homestead credit under section 273.1398 for taxes payable in 1990 and thereafter, the taconite homestead credit, and the supplemental homestead credit, and the tax reduction resulting from the agricultural credit under section 273.1398 for taxes payable in 1990 and thereafter. The county auditor shall send a notice to the owners of the affected property, demanding reimbursement of the homestead benefits plus a penalty equal to 25 percent of the homestead benefits. The property owners may appeal the county's determination by filing a notice of appeal with the Minnesota tax court within 60 days of the date of the notice from the county.

If the amount of homestead benefits and penalty is not paid within 60 days, and if no appeal has been filed, the county auditor shall certify the amount to the succeeding year's tax list to be collected as part of the property taxes.

Any amount of homestead benefits recovered from the property owner must be transmitted to the commissioner by the end of each calendar quarter. Any amount recovered attributable to taconite homestead credit shall be transmitted to the St. Louis county auditor to be deposited in the taconite property tax relief account. The amount of penalty collected must be deposited in the county general fund.

The commissioner will provide suggested homestead applications to each county.

If a property owner has applied for more than one homestead and the county assessors cannot determine which property should be classified as homestead, the county assessors will refer the information to the commissioner. The commissioner shall make the determination and notify the counties within 60 days.

In addition to lists of homestead properties, the commissioner may ask the counties to furnish lists of all properties and the record owners.

Subd. 14. Agricultural homesteads; special provisions. (a) Real estate of less than ten acres that is the homestead of its owner must be classified as class 2a under section 273.13, subdivision 23, paragraph (a), if:

(1) the parcel on which the house is located is contiguous to agricultural land on at least two sides;

(2) its owner also owns a noncontiguous parcel of agricultural land that is at least 20 acres;

(3) the noncontiguous land is located not farther than two townships or cities, or a combination of townships or cities from the homestead; and

(4) the agricultural use value of the noncontiguous land and farm buildings is equal to at least 50 percent of the market value of the house, garage, and one acre of land.

Homesteads initially classified as class 2a under the provisions of this subdivision shall remain classified as class 2a, irrespective of subsequent changes in the use of adjoining properties, as long as the homestead remains under the same ownership, the owner owns a noncontiguous parcel of agricultural land that is at least 20 acres, and the agricultural use value qualifies under clause (4).

(b) Noncontiguous land shall be included as part of a homestead under section 273.13, subdivision 23, paragraph (a), only if the homestead is classified as class 2a 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.

(c) Agricultural land used for purposes of a homestead and actively farmed by a person holding a vested remainder interest in it must be classified as a homestead under section 273.13, subdivision 23, paragraph (a). If agricultural land is classified class 2a, any other dwellings on the land used for purposes of a homestead by persons holding vested remainder interests who are actively engaged in farming the property, and up to one acre of the land surrounding each homestead and reasonably necessary for the use of the dwelling as a home, must also be assessed class 2a.

Subd. 15. Residence of disabled child of owner. The principal residence of an individual who has a permanent disability as defined in section 290A.03, subdivision 10, shall be classified as a homestead if the residence is wholly owned by a parent or both parents of the individual. The application for homestead benefits must be on a form prescribed by the commissioner and must contain the information necessary for the assessor to determine whether homestead classification under this subdivision is warranted.

Subd. 16. Homestead acquired under eminent domain. If a home classified as a homestead under section 273.13, subdivision 22, is acquired from the owner under eminent domain proceedings, a home purchased by the owner for use as a homestead within six months of the date of acquisition under eminent domain must be classified by the assessor as class 1 homestead property under section 273.13, subdivision 22, for taxes payable in the following year, notwithstanding the provisions of subdivision 9. The homeowner must apply to the assessor for classification under this subdivision within 30 days of the purchase of the home. The homeowner must provide the assessor with the information necessary for the assessor to determine that the property qualifies for homestead under this subdivision. The assessor may require the homeowner to submit an affidavit.

History: *1Sp1985 c 14 art 4 s 44; 1986 c 444; 1Sp1986 c 1 art 4 s 13-17; art 7 s 19; 1Sp1986 c 3 art 1 s 33; 1987 c 268 art 5 s 3; art 6 s 15-17; 1988 c 719 art 5 s 10-12,84; art 6 s 9,10; 1989 c 144 art 2 s 5,6; 1989 c 209 art 1 s 29; 1989 c 277 art 2 s 22-27; 1989*

c 304 s 137; 1989 c 329 art 13 s 20; 1Sp1989 c 1 art 2 s 11; art 3 s 10; 1990 c 426 art 2 s 9; 1990 c 480 art 7 s 6; 1990 c 604 art 3 s 13-15

273.13 CLASSIFICATION OF PROPERTY.

Subdivision 1. **How classified.** All real and personal property subject to a general property tax and not subject to any gross earnings or other lieu tax is hereby classified for purposes of taxation as provided by this section.

- Subd. 2. [Repealed, 1Sp1985 c 14 art 4 s 98]
- Subd. 2a. [Repealed, 1Sp1985 c 14 art 4 s 98]
- Subd. 3. [Repealed, 1Sp1985 c 14 art 4 s 98]
- Subd. 4. [Repealed, 1Sp1985 c 14 art 4 s 98]
- Subd. 5. [Repealed, Ex1971 c 31 art 22 s 5]
- Subd. 5a. [Repealed, 1Sp1985 c 14 art 4 s 98]
- Subd. 6. [Repealed, 1Sp1985 c 14 art 4 s 98]
- Subd. 6a. [Repealed, 1Sp1985 c 14 art 4 s 98]
- Subd. 7. [Repealed, 1Sp1985 c 14 art 4 s 98]
- Subd. 7a. [Repealed, 1988 c 719 art 5 s 81]
- Subd. 7b. [Repealed, 1Sp1985 c 14 art 4 s 98]
- Subd. 7c. [Repealed, 1Sp1985 c 14 art 4 s 98]
- Subd. 7d. [Repealed, 1Sp1985 c 14 art 4 s 98]
- Subd. 8. [Repealed, Ex1967 c 32 art 4 s 3]
- Subd. 8a. [Repealed, 1Sp1985 c 14 art 4 s 98]
- Subd. 9. [Repealed, 1988 c 719 art 5 s 81]
- Subd. 10. [Repealed, 1Sp1985 c 14 art 4 s 98]
- Subd. 11. [Repealed, 1Sp1985 c 14 art 4 s 98]
- Subd. 12. [Repealed, 1Sp1985 c 14 art 4 s 98]
- Subd. 13. [Repealed, 1974 c 313 s 1]
- Subd. 14. [Repealed, 1984 c 593 s 46]
- Subd. 14a. [Repealed, 1Sp1985 c 14 art 4 s 98]
- Subd. 15. [Repealed, Ex1971 c 31 art 36 s 2]
- Subd. 15a. [Repealed, 1988 c 719 art 5 s 81]
- Subd. 15b. [Repealed, 1983 c 342 art 2 s 30]
- Subd. 16. [Repealed, 1Sp1985 c 14 art 4 s 98]
- Subd. 17. [Repealed, 1Sp1985 c 14 art 4 s 98]
- Subd. 17a. [Repealed, 1Sp1985 c 14 art 4 s 98]
- Subd. 17b. [Repealed, 1Sp1985 c 14 art 4 s 98]
- Subd. 17c. [Repealed, 1Sp1985 c 14 art 4 s 98]
- Subd. 17d. [Repealed, 1Sp1985 c 14 art 4 s 98]
- Subd. 18. [Repealed, 1983 c 222 s 45]
- Subd. 19. [Repealed, 1Sp1985 c 14 art 4 s 98]
- Subd. 20. [Repealed, 1Sp1985 c 14 art 4 s 98]
- Subd. 21. [Repealed, 1Sp1985 c 14 art 4 s 98]

Subd. 21a. **Class rate.** In this section, wherever the "class rate" of a class of property is specified without qualification as to whether it is the property's "net class rate" or its "gross class rate," the "net class rate" and "gross class rate" of that property are the same as its "class rate."

Subd. 21b. **Tax capacity.** (a) Gross tax capacity means the product of the appropriate gross class rates in this section and market values.

(b) Net tax capacity means the product of the appropriate net class rates in this section and market values.

Subd. 22. **Class 1.** (a) Except as provided in subdivision 23, real estate which is residential and used for homestead purposes is class 1. The market value of class 1a property must be determined based upon the value of the house, garage, and land.

The first \$68,000 of market value of class 1a property has a net class rate of one percent of its market value and a gross class rate of 2.17 percent of its market value. The market value of class 1a property that exceeds \$68,000 but does not exceed \$110,000 has a class rate of two percent of its market value. The market value of class 1a property that exceeds \$110,000 has a class rate of three percent of its market value.

(b) Class 1b property includes real estate or manufactured homes used for the purposes of a homestead by

(1) any blind person, if the blind person is the owner thereof or if the blind person and the blind person's spouse are the sole owners thereof; or

(2) any person, hereinafter referred to as "veteran," who:

(i) served in the active military or naval service of the United States; and

(ii) 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

(iii) 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 the deceased veteran for as long as the surviving spouse retains the special housing unit as a homestead; or

(3) any person who:

(i) is permanently and totally disabled and

(ii) receives 90 percent or more of total income from

(A) aid from any state as a result of that disability; or

(B) supplemental security income for the disabled; or

(C) workers' compensation based on a finding of total and permanent disability;

or

(D) social security disability, including the amount of a disability insurance benefit which is converted to an old age insurance benefit and any subsequent cost of living increases; or

(E) aid under the Federal Railroad Retirement Act of 1937, United States Code Annotated, title 45, section 228b(a)5; or

(F) a pension from any local government retirement fund located in the state of Minnesota as a result of that disability; or

(iii) whose household income as defined in section 290A.03, subdivision 5, is 150 percent or less of the federal poverty level.

Property is classified and assessed pursuant to clause (1) only if the commissioner of jobs and training certifies to the assessor that the owner of the property satisfies the requirements of this subdivision.

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 the person an income. The first \$32,000 market value of class 1b property has a net class rate of .45 percent of its market value and a gross class rate of .87 percent of its market value. The remaining market value of class 1b property has a gross or net class rate using the rates for class 1 or class 2a property, whichever is appropriate, of similar market value.

(c) Class 1c property is commercial use real property that abuts a lakeshore line and is devoted to temporary and seasonal residential occupancy for recreational purposes but not devoted to commercial purposes for more than 225 days in the year preceding the year of assessment, and that includes a portion used as a homestead by the

owner, which includes a dwelling occupied as a homestead by a shareholder of a corporation that owns the resort or a partner in a partnership that owns the resort, even if the title to the homestead is held by the corporation or partnership. For purposes of this clause, property is devoted to a commercial purpose on a specific day if any portion of the property, excluding the portion used exclusively as a homestead, is used or available for use for residential occupancy and a fee is charged for residential occupancy. Class 1c property has a class rate of .4 percent of the first \$32,000 of market value for taxes payable in 1990, .6 percent of the first \$32,000 of market value for taxes payable in 1991, .8 percent of the first \$32,000 of market value for taxes payable in 1992, and one percent of market value in excess of \$32,000 for taxes payable in 1990, 1991, and 1992, and one percent of total market value for taxes payable in 1993 and thereafter with the following limitation: the area of the property must not exceed 100 feet of lake-shore footage for each cabin or campsite located on the property up to a total of 800 feet and 500 feet in depth, measured away from the lakeshore.

Subd. 23. **Class 2.** (a) Class 2a property is agricultural land including any improvements that is homesteaded. The market value of the house and garage and immediately surrounding one acre of land has the same class rates as class 1a property under subdivision 22. If the market value of the house, garage, and surrounding one acre of land is less than \$110,000, the value of the remaining land including improvements equal to the difference between \$110,000 and the market value of the house, garage, and surrounding one acre of land has a net class rate of .45 percent of market value and a gross class rate of 1.75 percent of market value. The remaining value of class 2a property over \$110,000 of market value that does not exceed 320 acres has a net class rate of 1.3 percent of market value for taxes payable in 1990 and thereafter, and a gross class rate of 2.25 percent of market value. The remaining property over the \$110,000 market value in excess of 320 acres has a class rate of 1.7 percent of market value for taxes payable in 1990, and 1.6 percent of market value for taxes payable in 1991, and thereafter, and a gross class rate of 2.25 percent of market value.

(b) Class 2b property is (1) real estate, rural in character and used exclusively for growing trees for timber, lumber, and wood and wood products; and (2) real estate that is nonhomestead agricultural land. Class 2b property has a net class rate of 1.7 percent of market value for taxes payable in 1990, and 1.6 percent of market value for taxes payable in 1991, and thereafter, and a gross class rate of 2.25 percent of market value.

(c) Agricultural land as used in this section means 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. "Agricultural purposes" as used in this section means the raising or cultivation of agricultural products, and includes the commercial boarding of horses if the commercial boarding of horses is done in conjunction with the raising or cultivation of agricultural products.

(d) Real estate of less than ten acres used principally for raising poultry, livestock, fruit, vegetables or other agricultural products, including the breeding of fish for sale and consumption if the fish breeding occurs on land zoned for agricultural use, shall be considered as agricultural land, if it is not used primarily for residential purposes. The term "agricultural products" as used in the preceding sentence means any of the products identified in section 273.111, subdivision 6, clause (2).

(e) If a parcel used for agricultural purposes is also used for commercial or industrial purposes, including but not limited to:

- (1) wholesale and retail sales;
- (2) processing of raw agricultural products or other goods;
- (3) warehousing or storage of processed goods; and
- (4) office facilities for the support of the activities enumerated in clauses (1), (2), and (3),

the assessor shall classify the part of the parcel used for agricultural purposes as class 1b, 2a, or 2b, whichever is appropriate, and the remainder in the class appropriate to

its use. The grading, sorting, and packaging of raw agricultural products for first sale is considered an agricultural purpose. A greenhouse or other building where horticultural or nursery products are grown that is also used for the conduct of retail sales must be classified as agricultural if it is primarily used for the growing of horticultural or nursery products from seed, cuttings, or roots and occasionally as a showroom for the retail sale of those products. Use of a greenhouse or building only for the display of already grown horticultural or nursery products does not qualify as an agricultural purpose.

The assessor shall determine and list separately on the 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.

Subd. 24. **Class 3.** (a) Commercial and industrial property and utility real and personal property, except class 5 property as identified in subdivision 31, clause (1), is class 3a. It has a class rate of 3.3 percent of the first \$100,000 of market value for taxes payable in 1990, 3.2 percent for taxes payable in 1991, 3.1 percent for taxes payable in 1992, and three percent for taxes payable in 1993 and thereafter, and 5.06 percent of the market value over \$100,000. In the case of state-assessed commercial, industrial, and utility property owned by one person or entity, only one parcel has a reduced class rate on the first \$100,000 of market value. In the case of other commercial, industrial, and utility property owned by one person or entity, only one parcel in each county has a reduced class rate on the first \$100,000 of market value.

(b) Employment property defined in section 469.166, during the period provided in section 469.170, shall constitute class 3b and has a class rate of 2.3 percent of the first \$50,000 of market value and 3.6 percent of the remainder, except that for employment property located in a border city enterprise zone designated pursuant to section 469.168, subdivision 4, paragraph (c), the class rate of the first \$100,000 of market value and the class rate of the remainder is determined under paragraph (a), unless the governing body of the city designated as an enterprise zone determines that a specific parcel shall be assessed pursuant to the first clause of this sentence. The governing body may provide for assessment under the first clause of the preceding sentence only for property which is located in an area which has been designated by the governing body for the receipt of tax reductions authorized by section 469.171, subdivision 1.

Subd. 25. **Class 4.** (a) Class 4a is residential real estate containing four or more units and used or held for use by the owner or by the tenants or lessees of the owner as a residence for rental periods of 30 days or more. Class 4a also includes hospitals licensed under sections 144.50 to 144.56, other than hospitals exempt under section 272.02, and contiguous property used for hospital purposes, without regard to whether the property has been platted or subdivided. Class 4a property has a class rate of 3.6 percent of market value.

(b) Class 4b includes:

- (1) residential real estate containing less than four units, other than seasonal residential, and recreational;
- (2) manufactured homes not classified under any other provision;
- (3) a dwelling, garage, and surrounding one acre of property on a nonhomestead farm classified under subdivision 23, paragraph (b).

Class 4b property has a class rate of 3.0 percent of market value.

(c) Class 4c property includes:

- (1) a structure that is situated on real property that is used for housing for the elderly or for low and moderate income families as defined by Title II of the National Housing Act or the Minnesota housing finance agency law of 1971 or rules promulgated by the agency pursuant thereto and financed by a direct federal loan or federally insured loan or a loan made by the Minnesota housing finance agency pursuant to the provisions of either of those acts and acts amendatory thereof. This clause applies only to property of a nonprofit or limited dividend entity. Property is classified as class 4c under this clause for 15 years from the date of the completion of the original construction or substantial rehabilitation, or for the original term of the loan;

(2) a structure that is:

(i) situated upon real property that is used for housing lower income families or elderly or handicapped persons, as defined in section 8 of the United States Housing Act of 1937, as amended; and

(ii) owned by an entity which has entered into a housing assistance payments contract under section 8 which provides assistance for 100 percent of the dwelling units in the structure, other than dwelling units intended for management or maintenance personnel. Property is classified as class 4c under this clause for the term of the housing assistance payments contract, including all renewals, or for the term of its permanent financing, whichever is shorter; and

(3) a qualified low-income building that (i) receives a low-income housing credit under section 42 of the Internal Revenue Code of 1986, as amended through December 31, 1988; or (ii) meets the requirements of that section. Classification pursuant to this clause is limited to a term of 15 years.

For all properties described in clauses (1), (2), and (3) and in paragraph (d), the market value determined by the assessor must be based on the normal approach to value using normal unrestricted rents. The land on which these structures are situated has the class rate given in paragraph (b) if the structure contains fewer than four units, and the class rate given in paragraph (a) if the structure contains four or more units.

(4) a parcel of land, not to exceed one acre, and its improvements or a parcel of unimproved land, not to exceed one acre, if it is owned by a neighborhood real estate trust and at least 60 percent of the dwelling units, if any, on all land owned by the trust are leased to or occupied by lower income families or individuals. This clause does not apply to any portion of the land or improvements used for nonresidential purposes. For purposes of this clause, a lower income family is a family with an income that does not exceed 65 percent of the median family income for the area, and a lower income individual is an individual whose income does not exceed 65 percent of the median individual income for the area, as determined by the United States Secretary of Housing and Urban Development. For purposes of this clause, "neighborhood real estate trust" means an entity which is certified by the governing body of the municipality in which it is located to have the following characteristics: (a) it is a nonprofit corporation organized under chapter 317A; (b) it has as its principal purpose providing housing for lower income families in a specific geographic community designated in its articles or bylaws; (c) it limits membership with voting rights to residents of the designated community; and (d) it has a board of directors consisting of at least seven directors, 60 percent of whom are members with voting rights and, to the extent feasible, 25 percent of whom are elected by resident members of buildings owned by the trust; and

(5) except as provided in subdivision 22, paragraph (c), real property devoted to temporary and seasonal residential occupancy for recreation purposes, including real property devoted to temporary and seasonal residential occupancy for recreation purposes and not devoted to commercial purposes for more than 225 days in the year preceding the year of assessment. For purposes of this clause, property is devoted to a commercial purpose on a specific day if any portion of the property is used, or available for use for residential occupancy, and a fee is charged for residential occupancy. Class 4c also includes commercial use real property used exclusively for recreational purposes in conjunction with class 4c 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 225 days in the year preceding the year of assessment and is located within two miles of the class 4c property with which it is used. Class 4c property classified in this clause also includes the remainder of class 1c resorts;

(6) real property up to a maximum of one acre of land owned by a nonprofit community service oriented organization; provided that the property is not used for a revenue-producing activity for more than six days in the calendar year preceding the year of assessment and the property is not used for residential purposes on either a temporary or permanent basis. For purposes of this clause, a "nonprofit community service

oriented organization" means any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious, fraternal, civic, or educational purposes, and which is exempt from federal income taxation pursuant to section 501(c)(3), (10), or (19) of the Internal Revenue Code of 1986, as amended through December 31, 1988. For purposes of this clause, "revenue-producing activities" shall include but not be limited to property or that portion of the property that is used as an on-sale intoxicating liquor or nonintoxicating malt liquor establishment licensed under chapter 340A, a restaurant open to the public, bowling alley, a retail store, gambling conducted by organizations licensed under chapter 349, an insurance business, or office or other space leased or rented to a lessee who conducts a for-profit enterprise on the premises. Any portion of the property which is used for revenue-producing activities for more than six days in the calendar year preceding the year of assessment shall be assessed as class 3a. The use of the property for social events open exclusively to members and their guests for periods of less than 24 hours, when an admission is not charged nor any revenues are received by the organization shall not be considered a revenue-producing activity;

(7) post-secondary student housing of not more than one acre of land that is owned by a nonprofit corporation organized under chapter 317A and is used exclusively by a student cooperative, sorority, or fraternity for on-campus housing or housing located within two miles of the border of a college campus; and

(8) manufactured home parks as defined in section 327.14, subdivision 3.

Class 4c property has a class rate of 2.3 percent of market value, except that manufactured home park property under clause (8) has a class rate of 3 percent of market value for taxes payable in 1991 and 2.3 percent of market value for taxes payable in 1992, and thereafter.

(d) Class 4d property includes any structure:

(i) situated on real property that is used for housing for the elderly or for low and moderate income families as defined by the Farmers Home Administration;

(ii) located in a municipality of less than 10,000 population; and

(iii) financed by a direct loan or insured loan from the Farmers Home Administration. Property is classified under this clause for 15 years from the date of the completion of the original construction or for the original term of the loan.

The class rates in paragraph (c), clauses (1), (2), and (3) and this clause apply to the properties described in them, only in proportion to occupancy of the structure by elderly or handicapped persons or low and moderate income families as defined in the applicable laws unless construction of the structure had been commenced prior to January 1, 1984; or the project had been approved by the governing body of the municipality in which it is located prior to June 30, 1983; or financing of the project had been approved by a federal or state agency prior to June 30, 1983. Classification under this clause is only available to property of a nonprofit or limited dividend entity.

Class 4d property has a class rate of 1.7 percent of market value for taxes payable in 1990, and two percent of market value for taxes payable thereafter.

(e) Residential rental property that would otherwise be assessed as class 4 property under paragraph (a); paragraph (b), clauses (1) and (2); paragraph (c), clause (1), (2), (3), or (4), is assessed at the class rate applicable to it under Minnesota Statutes 1988, section 273.13, if it is found to be a substandard building under section 273.1316. Residential rental property that would otherwise be assessed as class 4 property under paragraph (d) is assessed at 2.3 percent of market value if it is found to be a substandard building under section 273.1316.

Subd. 26. [Repealed, 1987 c 268 art 6 s 53]

Subd. 27. [Repealed, 1987 c 268 art 6 s 53]

Subd. 28. [Repealed, 1987 c 268 art 6 s 53]

Subd. 29. [Repealed, 1987 c 268 art 6 s 53]

Subd. 30. [Repealed, 1988 c 719 art 5 s 81]

Subd. 31. **Class 5.** Class 5 property includes:

(1) tools, implements, and machinery of an electric generating, transmission, or distribution system or a pipeline system transporting or distributing water, gas, crude oil, 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;

(2) unmined iron ore and low-grade iron-bearing formations as defined in section 273.14;

(3) vacant land; and

(4) all other property not otherwise classified.

Class 5 property has a class rate of 5.06 percent of market value.

Subd. 32. **Target class rate.** All classes of property with a class rate of 5.06 percent have a target class rate of four percent. At the time of submission of the biennial budget under section 16A.11, the governor shall recommend the effective class rate for taxes payable in the following two calendar years by designating a "phase-in percentage," equal to the proportion of the effective class rate that will be based on the target class rate of four percent, with the remaining proportion based on the class rate of 5.06 percent. The governor shall identify and include within the budget funding for the increased expenditures for homestead and agricultural credit aid over the amount of expenditures for homestead and agricultural credit aid provided in Laws 1989, First Special Session chapter 1, that are estimated to result from the recommendation. At that time, the governor may propose alternative programs other than homestead and agricultural credit aid to prevent other taxpayers' taxes from increasing as a result of the governor's recommended increase in the phase-in percentage. The effective net class rate is the sum of the products of:

(1) the phase-in percentage adopted by the legislature multiplied by four percent; and

(2) 100 percent minus the phase-in percentage multiplied by 5.06 percent.

The phase-in percentage in any year cannot be less than it was in the prior year. The phase-in percentage for taxes payable in 1991 is ten percent provided that the governor may recommend an alternative phase-in percentage for taxes payable in 1991.

Beginning in 1991, the commissioner of revenue shall annually set the effective class rate to use for taxes payable in the following year as provided in this subdivision and announce it by June 1. For purposes of any aid, levy limitation, debt limit, or salary limitation, and property tax administration, net tax capacity must be computed with reference to the effective class rate for the properties affected by this subdivision.

History: (1993) 1913 c 483 s 1; 1923 c 140; 1933 c 132; 1933 c 359; 1937 c 365 s 1; Ex1937 c 86 s 1; 1939 c 48; 1941 c 436; 1941 c 437; 1941 c 438; 1943 c 172 s 1; 1943 c 648 s 1; 1945 c 274 s 1; 1945 c 527 s 1; 1947 c 537 s 1; 1949 c 723 s 1; 1951 c 510 s 1; 1951 c 585 s 1; 1953 c 358 s 1,2; 1953 c 400 s 1; 1953 c 747 s 1,2; 1955 c 751 s 1,2; 1957 c 866 s 1; 1957 c 959 s 1; 1959 c 40 s 1; 1959 c 338 s 1; 1959 c 541 s 1; 1959 c 562 s 3; Ex1959 c 70 art 1 s 2; 1961 c 243 s 1; 1961 c 322 s 1; 1961 c 340 s 3; 1961 c 475 s 1; 1961 c 710 s 1; 1963 c 426 s 1; 1965 c 259 s 1; 1967 c 606 s 1; Ex1967 c 32 art 1 s 2-4, art 4 s 1, art 9 s 1,2; 1969 c 251 s 1; 1969 c 399 s 49; 1969 c 407 s 1; 1969 c 417 s 1; 1969 c 422 s 1,2; 1969 c 709 s 4,5; 1969 c 760 s 1; 1969 c 763 s 1; 1969 c 965 s 2; 1969 c 1126 s 2; 1969 c 1128 s 1,2; 1969 c 1132 s 1; 1969 c 1137 s 1; 1971 c 226 s 1; 1971 c 427 s 3-12, 16,17; 1971 c 747 s 1; 1971 c 791 s 1; 1971 c 797 s 3,4; Ex1971 c 31 art 9 s 1; Ex1971 c 31 art 22 s 1,2,4,6,7,8; Ex1971 c 31 art 36 s 1; 1973 c 355 s 1,2; 1973 c 456 s 1; 1973 c 492 s 14; 1973 c 582 s 3; 1973 c 590 s 1; 1973 c 650 art 14 s 1,2; 1973 c 650 art 20 s 3; 1973 c 650 art 24 s 3; 1973 c 774 s 1; 1974 c 545 s 3; 1974 c 556 s 16; 1975 c 46 s 3; 1975 c 339 s 9; 1975 c 359 s 23; 1975 c 376 s 1; 1975 c 395 s 1; 1975 c 437 art 1 s 25,27,28; 1976 c 2 s 96,159-161,170; 1976 c 181 s 2; 1976 c 245 s 1; 1977 c 319 s 1,2; 1977 c 347 s 43,44; 1977 c 423 art 3 s 5-8; 1978 c 767 s 7-11; 1979 c 303 art 2 s 11-17; art 10 s 5; 1979 c 334 art 1 s 25; 1980 c 437 s 5; 1980 c 562 s 1; 1980 c 607 art 2 s 7-15; art 4 s 4; 1981 c 188 s 1; 1981 c 356 s 248; 1981 c 365 s 9; 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; 3Sp1981 c 1 art 1 s 2; 1982 c 523 art

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6 s 1; art 14 s 1; art 23 s 2; 1982 c 642 s 9; 1983 c 216 art 1 s 43,44; 1983 c 222 s 11-13; 1983 c 342 art 2 s 9-18; art 8 s 1; 1984 c 502 art 3 s 9-14; art 7 s 1,2; 1984 c 522 s 2; 1984 c 593 s 22-28; 1984 c 654 art 5 s 58; 1985 c 248 s 70; 1985 c 300 s 6; 1Sp1985 c 14 art 3 s 5-12; art 4 s 45-56; 1986 c 444; 1Sp1986 c 1 art 4 s 18-21; 1987 c 268 art 5 s 4; 1987 c 268 art 6 s 18,20-23; 1987 c 291 s 208-209; 1987 c 384 art 1 s 25; 1988 c 719 art 5 s 13-19; 1989 c 277 art 2 s 28,29; 1989 c 304 s 137; 1Sp1989 c 1 art 2 s 1-8,11; 1990 c 480 art 7 s 7; 1990 c 604 art 3 s 16-19

273.131 [Repealed, 1965 c 45 s 73]

273.1311 [Repealed, 1987 c 268 art 6 s 53]

273.1312 [Repealed, 1987 c 291 s 244]

273.1313 [Repealed, 1987 c 291 s 244]

NOTE: The 1987 amendments to this section have been incorporated into chapter 469 pursuant to Laws 1987, chapter 291, section 243, as follows:

Subdivision 1, as amended by Laws 1987, chapter 268, article 10, section 1, is now found at section 469.166, subdivision 10.

Subdivision 2, as amended by Laws 1987, chapter 268, article 10, section 2, is now found at section 469.170, subdivisions 5a, 5b, and 5c.

Subdivision 3, as amended by Laws 1987, chapter 268, article 6, section 24, is now found at section 469.170, subdivision 6.

273.1314 [Repealed, 1983 c 342 art 8 s 10; 1987 c 291 s 244]

273.1315 CERTIFICATION OF 1B PROPERTY.

Any property owner seeking classification and assessment of the owner's homestead as class 1b property pursuant to section 273.13, subdivision 22, paragraph (b), clause (2) or (3), shall file with the commissioner of revenue for each assessment year a 1b homestead declaration, on a form prescribed by the commissioner. The declaration shall contain the following information:

(a) the information necessary to verify that the property owner or the owner's spouse satisfies the requirements of section 273.13, subdivision 22, paragraph (b), clause (2) or (3), for 1b classification;

(b) the property owner's household income, as defined in section 290A.03, for the previous calendar year; and

(c) any additional information prescribed by the commissioner.

The declaration shall be filed on or before March 1 of each year to be effective for property taxes payable during the succeeding calendar year. The declaration and any supplementary information received from the property owner pursuant to this section shall be subject to chapter 270B.

The commissioner shall provide to the assessor on or before April 1 a listing of the parcels of property qualifying for 1b classification.

History: 1983 c 342 art 2 s 20; 1984 c 522 s 4; 1Sp1985 c 14 art 4 s 61; 1986 c 444; 1988 c 719 art 5 s 20,82,83; 1990 c 426 art 1 s 36

273.1316 CLASSIFICATION OF SUBSTANDARD RESIDENTIAL RENTAL PROPERTY.

Subdivision 1. Denial of rental classification. A building that is classified as residential rental property under section 273.13, subdivision 25, and that is determined to be substandard under this section is assessed as provided in section 273.13, subdivision 25, paragraph (e).

Subd. 2. Definition. "Substandard building" means a building that:

(1) has been determined by a state, county, or city agency that is charged by the governing body of the appropriate political subdivision with the responsibility for enforcing health, housing, building, fire prevention, or housing maintenance codes:

(i) to materially endanger the health and safety of the occupants; or

(ii) if unoccupied, to be a hazardous building within the meaning of section 463.15, subdivision 3; or

(iii) to be substantially out of compliance with the basic provisions of the housing and maintenance code of that county or city; and

(2) has not been repaired or brought to a condition of compliance within three months after the date of the violation notice to the owner as provided in subdivision 3, or within the time prescribed by the agency in the notice in accordance with applicable state law or local ordinance, whichever period is longer.

A building is not substandard under this subdivision if it was rendered substandard solely by reason of a tornado, flood, or other natural disaster.

Subd. 3. Violation notice. The initial notice of violation by the agency to the owner must be written and must contain:

- (1) the details of the violation;
- (2) the date by which repairs must be completed or compliance with other requirements must be achieved;
- (3) a general description of the tax consequences if the violations are not corrected; and
- (4) information on where and how an appeal may be filed.

The agency may extend the compliance date prescribed in the violation notice, for good cause shown, or may determine that good faith efforts at compliance are sufficient to prevent designation as a substandard building.

Subd. 4. Notice of noncompliance. When the period specified in subdivision 3 has expired without compliance and the building has been determined to be substandard as defined in subdivision 2, the agency shall mail to the owner a notice of noncompliance. The notice of noncompliance must be mailed by certified mail, return receipt requested, to the owner of the property at the owner's last known address. The notice must contain:

- (1) the details of the noncompliance;
- (2) a statement that the local assessor has been notified of the noncompliance and that the property will be reclassified unless compliance is achieved within 30 days of the mailing of the notice;
- (3) a general description of the tax consequences resulting from the denial of a residential rental property tax classification; and
- (4) information on where and how an appeal may be filed.

Subd. 5. Appeals to board. Appeals shall be made to the board created under this subdivision. Each county and city, prior to issuance of a violation notice under subdivision 3, must establish a board to hear appeals under this subdivision. The board shall have five members appointed by the governing body. A decision of the appeal board may be appealed to the district court of the county in which the building is located, concerning the violation and determination of material endangerment, hazard, or lack of substantial compliance with the basic provisions of the housing and maintenance code under subdivision 2, and concerning a determination of noncompliance under subdivision 4. An appeal must be made no later than 30 days after receipt of the notice of the action or determination being appealed. If the board determines that the substandard building has been brought to a condition of compliance, the board shall require the agency to mail to the taxpayer a notice of compliance, which shall be in the form and include the information prescribed by the local assessor.

Subd. 6. Timing of process. If a notice of noncompliance is mailed before July 1 of any year, and the property owner has neither (1) successfully appealed the determination, nor (2) brought the property into compliance by October 15 of that year, the property will be assessed under section 273.13, subdivision 25, paragraph (e), for taxes levied in that year and all subsequent years until the agency determines that the property is no longer a substandard building, or the property owner prevails on an appeal of the matter. If a notice of noncompliance is mailed after June 30 of any year, the disqualification would initially be effective for taxes levied in the following year.

Subd. 7. Refund upon appeal. If the property owner prevails on an appeal at any

time after taxes have been paid based on assessment of the property as provided in section 273.13, subdivision 25, paragraph (e), the agency shall notify the property owner concerning the procedures for the filing for a refund. The notice shall be in the form and include the information prescribed by the local tax assessor. The taxpayer may then file for a refund of the difference between the amount of the tax paid and the tax that would have been payable if the property had not been incorrectly assessed under this section, and each governmental subdivision that levied the tax on the property shall refund to the property owner its proportionate share of the refund.

Subd. 8. Specification of violations. A notice of noncompliance shall not be mailed by the agency to the taxpayer until the state or the governing body of the appropriate political subdivision has prescribed by statute or ordinance the nature and types of violations of codes referred to in subdivision 2, that would constitute substantial noncompliance with the basic provisions of the code or material endangerment to the health and safety of occupants of buildings, or that would constitute a hazardous building within the meaning of section 463.15, subdivision 3.

History: *1Sp1989 c 1 art 2 s 9*

273.132 [Repealed, 1988 c 719 art 5 s 81]

273.133 [Repealed, 1Sp1985 c 14 art 4 s 98]

273.134 TACONITE AND IRON ORE AREAS; TAX RELIEF AREA; DEFINITIONS.

For purposes of this section and section 273.135, "municipality" means any city, however organized, or town, and the applicable assessment date is the date as of which property is listed and assessed for the tax in question.

For the purposes of section 273.135 "tax relief area" means the geographic area contained, within the boundaries of a school district which contains a municipality which meets the following qualifications:

(1) it is a municipality in which the assessed valuation of unmined iron ore on May 1, 1941, was not less than 40 percent of the assessed valuation of all real property and in which, as of the applicable assessment date, the assessed valuation of unmined iron ore is not more than 60 percent of the assessed valuation of all real property; or

(2) it is a municipality in which, on January 1, 1977 or the applicable assessment date, there is a taconite concentrating plant or where taconite is mined or quarried or where there is located an electric generating plant which qualifies as a taconite facility.

History: *1969 c 1156 s 4; Ex1971 c 31 art 30 s 8; 1973 c 123 art 5 s 7; 1973 c 650 art 2 s 1; 1977 c 423 art 10 s 2*

273.135 HOMESTEAD PROPERTY TAX RELIEF.

Subdivision 1. The property tax to be paid in respect to property taxable within a tax relief area on homestead property, as otherwise determined by law and regardless of the market value of the property, for all purposes shall be reduced in the amount prescribed by subdivision 2, subject to the limitations contained therein.

Subd. 2. For taxes payable in 1990 and subsequent years, the amount of the reduction authorized by subdivision 1 shall be:

(a) In the case of property located within the boundaries of a municipality which meets the qualifications prescribed in section 273.134, 66 percent of the tax, provided that the reduction shall not exceed the maximum amounts specified in clause (c), and shall not exceed an amount sufficient to reduce the effective tax rate on each parcel of property to the product of 95 percent of the base year effective tax rate multiplied by the ratio of the current year's tax rate to the payable 1989 tax rate. In no case will the reduction for each homestead resulting from this credit be less than \$10.

(b) In the case of property located within the boundaries of a school district which qualifies as a tax relief area but which is outside the boundaries of a municipality which meets the qualifications prescribed in section 273.134, 57 percent of the tax, provided

that the reduction shall not exceed the maximum amounts specified in clause (c), and shall not exceed an amount sufficient to reduce the effective tax rate on each parcel of property to the product of 95 percent of the base year effective tax rate multiplied by the ratio of the current year's tax rate to the payable 1989 tax rate. In no case will the reduction for each homestead resulting from this credit be less than \$10.

(c) The maximum reduction of the tax is \$225.40 on property described in clause (a) and \$200.10 on property described in clause (b), for taxes payable in 1985. These maximum amounts shall increase by \$15 times the quantity one minus the homestead credit equivalency percentage per year for taxes payable in 1986 and subsequent years.

For the purposes of this subdivision, "homestead credit equivalency percentage" means one minus the ratio of the net class rate to the gross class rate applicable to the first \$68,000 of the market value of residential homesteads, "effective tax rate" means tax divided by the market value of a property, and the "base year effective tax rate" means the payable 1988 tax on a property with an identical market value to that of the property receiving the credit in the current year after the application of the credits payable under Minnesota Statutes 1988, section 273.13, subdivisions 22 and 23, and this section, divided by the market value of the property.

Subd. 2a. [Repealed, 1Sp1989 c 1 art 3 s 34]

Subd. 3. Not later than December 1 of each year, each county auditor having jurisdiction over one or more tax relief areas shall certify to the commissioner of revenue an estimate of the total amount of the reduction, determined under subdivision 2, in taxes payable the next succeeding year with respect to all tax relief areas in the county.

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

Subd. 5. For the purposes of this section, the amount of property tax to be paid shall be determined after the allowance of any reduction prescribed by section 273.13, and the reduction prescribed by this section shall be in addition to that prescribed by section 273.13.

History: 1969 c 1156 s 5; 1971 c 427 s 13; 1971 c 742 s 1; Ex1971 c 31 art 30 s 9; 1973 c 582 s 3; 1973 c 775 s 1,2; 1975 c 437 art 11 s 3,4; 1977 c 423 art 10 s 3,4; 1980 c 437 s 6; 1980 c 607 art 7 s 1; 1983 c 342 art 2 s 21; 1984 c 502 art 7 s 3-4; 1984 c 593 s 29; 1Sp1985 c 14 art 4 s 62,63; 1986 c 444; 1987 c 268 art 6 s 25; 1988 c 719 art 5 s 22,82,83; 1989 c 277 art 2 s 30; 1Sp1989 c 1 art 2 s 11; art 3 s 11

273.136 TACONITE PROPERTY TAX RELIEF FUND; REPLACEMENT OF REVENUE.

Subdivision 1. Payment from the county shall be made as provided herein for the purpose of replacing revenue lost as a result of the reduction of property taxes provided in section 273.135.

Subd. 2. The commissioner of revenue shall determine, not later than April 1 of each year, the amount of reduction resulting from section 273.135 in each county containing a tax relief area as defined by section 273.134, basing determinations on a review of abstracts of tax lists submitted by the county auditors pursuant to section 275.29. The commissioner may make changes in the abstracts of tax lists as deemed necessary. The commissioner of revenue, after such review, shall submit to the St. Louis county auditor, on or before April 15, the amount of the first half payment payable hereunder and on or before September 15 the amount of the second half payment.

Subd. 3. The St. Louis county auditor 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 May 15 and the remaining half not later than October 15 of each year.

Subd. 4. The county treasurer shall distribute as part of the May and October settlements the funds received as if they had been collected as a part of the property tax reduced by section 273.135.

History: 1969 c 1156 s 6; 1973 c 492 s 14; 1973 c 582 s 3; 1973 c 775 s 3,4; 1Sp1981 c 3 s 2; 1Sp1985 c 14 art 10 s 3-6; 1986 c 444; 1Sp1986 c 1 art 4 s 22

273.137 PROPERTY TAX STATEMENTS.

Each property tax statement mailed pursuant to section 276.04, to a taxpayer whose real property tax is reduced pursuant to Laws 1969, chapter 1156 shall contain a statement of the amount of such reduction in dollars and shall identify the reduction as being "taconite tax relief."

History: 1969 c 1156 s 7

273.138 ATTACHED MACHINERY AID.

Subdivision 1. [Repealed, 1983 c 342 art 5 s 16]

Subd. 2. (a) As provided in paragraphs (b) and (c), each county government, shall receive reimbursement in 1984 and subsequent years in an amount based on the product of its total mill rate for taxes payable in 1983, 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 the county, times 1.25. For the purpose of this subdivision, the "total mill rate" of a county government includes mill rates for taxes levied by the county which were not levied on the entire taxable value of the county.

(b) If the county contains a city of the first class, aid shall be paid in an amount equal to 50 percent of the amount computed pursuant to paragraph (a) in 1984, and no aid will be paid in 1985 and subsequent years.

(c) If the county does not contain a city of the first class, and if the product computed pursuant to paragraph (a) is \$50,000 or more for a county, aid shall be paid to that county in an amount equal to 90 percent of the amount computed pursuant to paragraph (a). If the product is less than \$50,000, no aid will be paid.

Subd. 3. (a) As provided in paragraph (b), each school district shall receive reimbursement in 1984 and subsequent years in an amount based on the product of its 1972 assessed value of real property exempted from taxation by Laws 1973, chapter 650, article XXIV, section 1, times the sum of its 1972 payable 1973 mill rates for the following levies:

(1) A levy to pay the principal and interest on bonded indebtedness, including the levy to pay the principal and interest on bonds issued pursuant to Minnesota Statutes 1971, section 275.125, subdivision 3, clause (6) (c);

(2) A levy to pay the principal and interest on debt service loans, pursuant to Minnesota Statutes 1971, section 124.42;

(3) A levy to pay the principal and interest on capital loans, pursuant to Minnesota Statutes 1971, section 124.43;

(4) A levy to pay amounts required in support of a teacher retirement fund, pursuant to Minnesota Statutes 1971, section 422.13;

(5) A levy for additional maintenance cost in excess of 30 mills times the adjusted assessed valuation of the school district, pursuant to Minnesota Statutes 1971, section 275.125, subdivision 3, clause (4).

For the purpose of this subdivision, a school district mill rate for any of the forementioned levies which was not applied to the total taxable value of such school district shall be added to the forementioned sum of mill rates as if it had been applied to the entire taxable value of the school district.

(b) If the product computed pursuant to paragraph (a) is more than or equal to an amount equal to \$10 per pupil unit of the district, aid shall be paid to that school district in an amount equal to 90 percent of the amount computed pursuant to paragraph (a). If the product is an amount less than \$10 per pupil unit, no aid will be paid.

Subd. 4. [Repealed, 1983 c 342 art 5 s 16]

Subd. 5. The commissioner of revenue shall calculate the aids pursuant to subdivisions 2 and 3, basing all necessary calculations on the abstracts of assessment of real property for assessment year 1972 transmitted to the commissioner of revenue pursuant to section 270.11 as equalized by the state board of equalization pursuant to sections 270.11 and 270.12, and the 1973 abstracts of tax lists transmitted by the county

auditors pursuant to section 275.29. The commissioner shall pay directly to the affected taxing authorities their total payment for the year at the time distributions are made pursuant to section 273.13, subdivision 15a.

Subd. 6. The amount of aid calculated for a school district pursuant to subdivision 3, clauses (2), (3), (4), and (5) shall be deducted from the school district's levy limitation established pursuant to section 124A.23 in determining the amount of taxes the school district may levy for general and special purposes.

Subd. 7. [Repealed, 1977 c 447 art 6 s 13]

History: 1973 c 123 art 5 s 7; 1973 c 582 s 3; 1973 c 650 art 24 s 5; 1974 c 257 s 2,3; 1975 c 432 s 73; 1975 c 437 art 4 s 9; 1976 c 239 s 83; 1976 c 271 s 79; 1977 c 423 art 3 s 11; 1977 c 447 art 6 s 7; 1Sp1981 c 1 art 8 s 7; 1983 c 314 art 1 s 22; 1983 c 342 art 5 s 2-4; 1984 c 593 s 30; 1985 c 300 s 7; 1986 c 444; 1988 c 486 s 82

273.139 [Repealed, 1983 c 342 art 5 s 16]

273.1391 SUPPLEMENTARY HOMESTEAD PROPERTY TAX RELIEF.

Subdivision 1. The property tax to be paid in respect to property taxable within a tax relief area described in subdivision 2 on homestead property, as otherwise determined by law and regardless of the market value of the property, for all purposes shall be reduced in the amount prescribed by subdivision 2, subject to the limitations contained therein.

Subd. 2. For taxes payable in 1990 and subsequent years, the amount of the reduction authorized by subdivision 1 shall be:

(a) In the case of property located within a school district which does not meet the qualifications of section 273.134 as a tax relief area, but which is located in a county with a population of less than 100,000 in which taconite is mined or quarried and wherein a school district is located which does meet the qualifications of a tax relief area, and provided that at least 90 percent of the area of the school district which does not meet the qualifications of section 273.134 lies within such county, 57 percent of the tax on qualified property located in the school district that does not meet the qualifications of section 273.134, provided that the amount of said reduction shall not exceed the maximum amounts specified in clause (c), and shall not exceed an amount sufficient to reduce the effective tax rate on each parcel of property to the product of 95 percent of the base year effective tax rate multiplied by the ratio of the current year's tax rate to the payable 1989 tax rate. In no case will the reduction for each homestead resulting from this credit be less than \$10. The reduction provided by this clause shall only be applicable to property located within the boundaries of the county described therein.

(b) In the case of property located within a school district which does not meet the qualifications of section 273.134 as a tax relief area, but which is located in a school district in a county containing a city of the first class and a qualifying municipality, but not in a school district containing a city of the first class or adjacent to a school district containing a city of the first class unless the school district so adjacent contains a qualifying municipality, 57 percent of the tax, but not to exceed the maximums specified in clause (c), and shall not exceed an amount sufficient to reduce the effective tax rate on each parcel of property to the product of 95 percent of the base year effective tax rate multiplied by the ratio of the current year's tax rate to the payable 1989 tax rate. In no case will the reduction for each homestead resulting from this credit be less than \$10.

(c) The maximum reduction of the tax is \$200.10 for taxes payable in 1985. This maximum amount shall increase by \$15 multiplied by the quantity one minus the homestead credit equivalency percentage per year for taxes payable in 1986 and subsequent years.

For the purposes of this subdivision, "homestead credit equivalency percentage" means one minus the ratio of the net class rate to the gross class rate applicable to the first \$68,000 of the market value of residential homesteads, and "effective tax rate" means tax divided by the market value of a property, and the "base year effective tax

rate” means the payable 1988 tax on a property with an identical market value to that of the property receiving the credit in the current year after application of the credits payable under Minnesota Statutes 1988, section 273.13, subdivisions 22 and 23, and this section, divided by the market value of the property.

Subd. 2a. [Repealed, 1Sp1989 c 1 art 3 s 34]

Subd. 3. Not later than December 1, each county auditor having jurisdiction over one or more tax relief areas defined in subdivision 2 shall certify to the commissioner of revenue an estimate of the total amount of the reduction, determined under subdivision 2, in taxes payable the next succeeding year with respect to all tax relief areas in the auditor's county. The commissioner shall make payments to the county by May 15 and October 15 annually. The county treasurer shall distribute as part of the May and October settlements the funds received from the commissioner.

Subd. 4. For the purposes of this section, the amount of property tax to be paid shall be determined after the allowance of any reduction prescribed by section 273.13, and the reduction prescribed by this section shall be in addition to that prescribed by section 273.13.

Subd. 5. A sum sufficient to make the payments required by section 477A.15 and this section is annually appropriated from the general fund to the commissioner of revenue for the purpose of funding those sections.

History: 1980 c 607 art 7 s 7,11; 1983 c 342 art 2 s 22; 1984 c 502 art 7 s 5,6; 1984 c 593 s 31; 1Sp1985 c 14 art 4 s 64,65; 1986 c 444; 1Sp1986 c 1 art 4 s 23; 1987 c 268 art 6 s 26; 1988 c 719 art 5 s 23,82,83; 1989 c 277 art 2 s 31; 1Sp1989 c 1 art 2 s 11; art 3 s 12; 1990 c 480 art 7 s 8

273.1392 PAYMENT; SCHOOL DISTRICTS; COUNTIES.

(1) **Aids to school districts.** The amounts of conservation tax credits under section 273.119; disaster or emergency reimbursement under section 273.123; attached machinery aid under section 273.138; homestead credit under section 273.13; agricultural credit under section 273.132; aids and credits under section 273.1398; enterprise zone property credit payments under section 469.171; and metropolitan agricultural preserve reduction under section 473H.10, shall be certified to the department of education by the department of revenue. The amounts so certified shall be paid according to section 124.195, subdivisions 6 and 10.

(2) **Aids to counties.** The amounts of human services aid increase determined under section 273.1398, subdivision 5b, shall be deposited in a human services aid account hereby created as an account within the state's general fund. The amount within the account shall annually be transferred to the department of human services by the department of revenue. The amounts so transferred shall be paid according to section 256.025.

History: 1982 c 641 art 2 s 12; 1983 c 342 art 7 s 5; 1Sp1985 c 14 art 4 s 66; 1987 c 268 art 5 s 6; art 6 s 27; 1988 c 719 art 5 s 24; 1Sp1989 c 1 art 3 s 13; art 9 s 25

273.1393 COMPUTATION OF NET PROPERTY TAXES.

Notwithstanding any other provisions to the contrary, “net” property taxes are determined by subtracting the credits in the order listed from the gross tax:

- (1) disaster credit as provided in section 273.123;
- (2) powerline credit as provided in section 273.42;
- (3) agricultural preserves credit as provided in section 473H.10;
- (4) enterprise zone credit as provided in section 469.171;
- (5) disparity reduction credit;
- (6) conservation tax credit as provided in section 273.119;
- (7) taconite homestead credit as provided in section 273.135; and
- (8) supplemental homestead credit as provided in section 273.1391.

The combination of all property tax credits must not exceed the gross tax amount.

History: 1985 c 300 s 8; ISp1985 c 14 art 4 s 67; 1987 c 268 art 5 s 7; art 6 s 28; 1987 c 291 s 210; 1988 c 719 art 5 s 25; 1989 c 277 art 2 s 32

273.1394 [Repealed, 1988 c 719 art 5 s 81]

273.1395 [Repealed, 1988 c 719 art 5 s 81]

273.1396 [Repealed, 1988 c 719 art 5 s 81]

273.1397 [Repealed, 1988 c 719 art 5 s 81]

273.1398 HOMESTEAD AND AGRICULTURAL CREDIT AND DISPARITY REDUCTION AID; CREDIT GUARANTEE.

Subdivision 1. **Definitions.** (a) In this section, the terms defined in this subdivision have the meanings given them.

(b) "Unique taxing jurisdiction" means the geographic area subject to the same set of local tax rates.

(c) "Gross tax capacity" means the product of the gross class rates and estimated market values. "Total gross tax capacity" means the gross tax capacities for all property within the unique taxing jurisdiction. The total gross tax capacity used shall be reduced by the sum of (1) the unique taxing jurisdiction's gross tax capacity of commercial industrial property as defined in section 473F.02, subdivision 3, multiplied by the ratio determined pursuant to section 473F.08, subdivision 6, for the municipality, as defined in section 473F.02, subdivision 8, in which the unique taxing jurisdiction is located, (2) the gross tax capacity of the captured value of tax increment financing districts as defined in section 469.177, subdivision 2, and (3) the gross tax capacity of transmission lines deducted from a local government's total gross tax capacity under section 273.425. Gross tax capacity cannot be less than zero.

(d) "Net tax capacity" means the product of (i) the appropriate net class rates for the year in which the aid is payable, except that for aids payable in 1991 the class rate applied to class 3 utility real and personal property shall be 5.38 percent; the class rate applied to class 4c property and that portion of class 3 property with an actual net class rate of 2.3 percent shall be 2.4 percent; the class rates applied to class 2a agricultural homestead property excluding the house, garage, and one acre shall be .4 percent for the first \$100,000 of value reduced by the value of the house, garage, and one acre, 1.3 percent for the remaining value of the first 320 acres, and 1.7 percent for the remaining value of any acreage in excess of 320 acres; the class rate applied to class 2b property shall be 1.7 percent; the class rate applied to class 1b property shall be .4 percent; and the class rate for the portion of class 1 property and the house, garage, and one acre portion of class 2a property with a market value in excess of \$100,000 shall be 3.0 percent, and (ii) estimated market values for the assessment two years prior to that in which aid is payable. The reclassification of mobile home parks as class 4c shall not be considered in determining net tax capacity for purposes of this paragraph for aids payable in 1991 or 1992. The reclassification of fraternity and sorority houses as class 4c shall not be considered in determining net tax capacity for purposes of this paragraph for aids payable in 1991. "Total net tax capacity" means the net tax capacities for all property within the unique taxing jurisdiction. The total net tax capacity used shall be reduced by the sum of (1) the unique taxing jurisdiction's net tax capacity of commercial industrial property as defined in section 473F.02, subdivision 3, multiplied by the ratio determined pursuant to section 473F.08, subdivision 6, for the municipality, as defined in section 473F.02, subdivision 8, in which the unique taxing jurisdiction is located, (2) the net tax capacity of the captured value of tax increment financing districts as defined in section 469.177, subdivision 2, and (3) the net tax capacity of transmission lines deducted from a local government's total net tax capacity under section 273.425. For purposes of determining the net tax capacity of property referred to in clauses (1) and (2), the net tax capacity shall be multiplied by the ratio of the highest class rate for class 3a property for taxes payable in the year in which the aid is payable to the highest

class rate for class 3a property in the prior year. Net tax capacity cannot be less than zero.

(e) "Previous net tax capacity" means the product of the appropriate net class rates for the year previous to the year in which the aid is payable, and estimated market values for the assessment two years prior to that in which aid is payable. "Total previous net tax capacity" means the previous net tax capacities for all property within the unique taxing jurisdiction. The total previous net tax capacity shall be reduced by the sum of (1) the unique taxing jurisdiction's previous net tax capacity of commercial-industrial property as defined in section 473F.02, subdivision 3, multiplied by the ratio determined pursuant to section 473F.08, subdivision 6, for the municipality, as defined in section 473F.02, subdivision 8, in which the unique taxing jurisdiction is located, (2) the previous net tax capacity of the captured value of tax increment financing districts as defined in section 469.177, subdivision 2, and (3) the previous net tax capacity of transmission lines deducted from a local government's total net tax capacity under section 273.425. Previous net tax capacity cannot be less than zero.

(f) "Equalized market values" are market values that have been equalized by dividing the assessor's estimated market value for the second year prior to that in which the aid is payable by the assessment sales ratios determined by class in the assessment sales ratio study conducted by the department of revenue pursuant to section 124.2131 in the second year prior to that in which the aid is payable. The equalized market values shall equal the unequalized market values divided by the assessment sales ratio.

(g) "1989 local tax rate" means the quotient derived by dividing the gross taxes levied within a unique taxing jurisdiction for taxes payable in 1989 by the gross tax capacity of the unique taxing jurisdiction for taxes payable in 1989. For computation of the local tax rate for aid payable in 1991 and subsequent years, gross taxes for taxes payable in 1989 exclude equalized levies as defined in subdivision 2a. For purposes of computation of the local tax rate only, gross taxes shall not be adjusted by inflation or household growth.

(h) "Current local tax rate" means the quotient derived by dividing the taxes levied within a unique taxing jurisdiction for taxes payable in the year prior to that for which aids are being calculated by the net tax capacity of the unique taxing jurisdiction.

(i) For purposes of calculating the homestead and agricultural credit aid authorized pursuant to subdivision 2, the "subtraction factor" is the product of (i) a unique taxing jurisdiction's 1989 local tax rate; (ii) its total net tax capacity; and (iii) 0.9767.

(j) For purposes of calculating and allocating homestead and agricultural credit aid authorized pursuant to subdivision 2 and the disparity reduction aid authorized in subdivision 3, "gross taxes levied on all properties," "gross taxes," or "taxes levied" means the total taxes levied on all properties except that levied on the captured value of tax increment districts as defined in section 469.177, subdivision 2, and that levied on the portion of commercial industrial properties' assessed value or gross tax capacity, as defined in section 473F.02, subdivision 3, subject to the areawide tax as provided in section 473F.08, subdivision 6, in a unique taxing jurisdiction. Gross taxes levied on all properties or gross taxes are before reduction by any credits for taxes payable in 1989. "Gross taxes" are before any reduction for disparity reduction aid but "taxes levied" are after any reduction for disparity reduction aid. Gross taxes levied or taxes levied cannot be less than zero.

For homestead and agricultural credit aid payable in 1991, "gross taxes" or "gross taxes levied on all properties" shall mean gross taxes payable in 1989, excluding actual amounts levied for the purposes listed in subdivision 2a, multiplied by the cost-of-living adjustment factor and the household adjustment factor.

"Taxes levied" excludes actual amounts levied for purposes listed in subdivision 2a.

(k) "Human services aids" means:

(1) aid to families with dependent children under sections 256.82, subdivision 1, and 256.935, subdivision 1;

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(2) medical assistance under sections 256B.041, subdivision 5, and 256B.19, subdivision 1;

(3) general assistance medical care under section 256D.03, subdivision 6;

(4) general assistance under section 256D.03, subdivision 2;

(5) work readiness under section 256D.03, subdivision 2;

(6) emergency assistance under section 256.871, subdivision 6;

(7) Minnesota supplemental aid under section 256D.36, subdivision 1;

(8) preadmission screening and alternative care grants under section 256B.091;

(9) work readiness services under section 256D.051;

(10) case management services under section 256.736, subdivision 13;

(11) general assistance claims processing, medical transportation and related costs; and

(12) medical assistance, medical transportation and related costs.

(l) "Cost-of-living adjustment factor" means the greater of one or one plus the percentage increase in the consumer price index minus .36 percent. In no case may the cost of living adjustment factor exceed 1.0394.

(m) The percentage increase in the consumer price index means the percentage, if any, by which:

(1) the consumer price index for the calendar year preceding that in which aid is payable, exceeds

(2) the consumer price index for calendar year 1989.

(n) "Consumer price index for any calendar year" means the average of the consumer price index as of the close of the 12-month period ending on May 31 of such calendar year.

(o) "Consumer price index" means the last consumer price index for all-urban consumers published by the department of labor. For purposes of the preceding sentence, the revision of the consumer price index which is most consistent with the consumer price index for calendar year 1989 shall be used.

(p) "Household adjustment factor" means the number of households for the second most recent year preceding that in which the aids are payable divided by the number of households for the third most recent year. The household adjustment factor cannot be less than one.

(q) "Growth adjustment factor" means the household adjustment factor in the case of counties, cities, and towns. In the case of school districts the growth adjustment factor means the average daily membership of the school district under section 124.17, subdivision 2, for the school year ending in the second most recent year preceding that in which the aids are payable divided by the average daily membership for the third most recent year. In the case of special taxing districts, the growth adjustment factor equals one. The growth adjustment factor cannot be less than one.

(r) "Homestead and agricultural credit base" means the previous year's certified homestead and agricultural credit aid determined under subdivision 2 plus, for aid payable in 1992, fiscal disparity homestead and agricultural credit aid under subdivision 2b.

(s) "Net tax capacity adjustment" means (1) the total previous net tax capacity minus the total net tax capacity, multiplied by (2) the unique taxing jurisdiction's current local tax rate. The net tax capacity adjustment cannot be less than zero.

(t) "Fiscal disparity adjustment" means the difference between (1) a taxing jurisdiction's fiscal disparity distribution levy under section 473F.08, subdivision 3, clause (a), for taxes payable in the year prior to that for which aids are being calculated, and (2) the same distribution levy multiplied by the ratio of the highest class rate for class 3 property for taxes payable in the year prior to that for which aids are being calculated to the highest class rate for class 3 property for taxes payable in the second prior year to that for which aids are being calculated. In the case of school districts, the fiscal dis-

parity distribution levy shall exclude that part of the levy attributable to equalized school levies as defined in subdivision 2a.

Subd. 2. Homestead and agricultural credit aid. (a) For aid payable in 1991, homestead and agricultural credit aid for each unique taxing jurisdiction equals the total gross taxes levied on all properties, minus the unique taxing jurisdiction's subtraction factor. The commissioner of revenue may, in computing the amount of the homestead and agricultural credit aid paid in 1990 and subsequent years, adjust the gross tax capacity, net tax capacity, and gross taxes of a taxing jurisdiction for taxes payable in 1989 to reflect auditor's errors in computing taxes payable for 1989 in unique taxing jurisdictions within independent school district Nos. 720 and 792. Homestead and agricultural credit aid cannot be less than zero.

(b)(1) The 1990 and 1991 homestead and agricultural credit aid is allocated to each local government levying taxes in the unique taxing jurisdiction in the proportion that the local government's gross taxes bears to the total gross taxes levied within the unique taxing jurisdiction. The net tax capacity adjustment is allocated to each local government levying taxes in the unique taxing jurisdiction in the proportion that the local government's taxes levied bears to the total taxes levied in the unique taxing jurisdiction.

(2) The 1990 homestead and agricultural credit aid so determined for school districts for purposes of general education levies pursuant to section 124A.23, subdivisions 2 and 2a, and transportation levies pursuant to section 275.125, subdivisions 5 and 5c, shall be multiplied by the ratio of the adjusted gross tax capacity based upon the 1988 adjusted gross tax capacity to the estimated 1987 adjusted gross tax capacity based upon the 1987 adjusted assessed value.

(c) The calendar year 1990 homestead and agricultural credit aid shall be adjusted by the adjustment factor.

(d) Payments under this subdivision to counties in 1990 and 1991 shall be reduced by the amount provided in section 477A.012, subdivisions 3, paragraph (d), 4, paragraph (d), and 5.

(e) Payments under this subdivision to towns in 1990 and 1991 shall be reduced by the amount of the homestead and agricultural credit aid adjustment, if any, determined for 1990 under section 477A.013, subdivision 6.

(f) Payments under this subdivision to cities in 1990 and 1991 shall be reduced by the amount of the homestead and agricultural credit aid adjustment, if any, determined for 1990 under section 477A.013, subdivisions 6 and 7.

(g) Payments under this subdivision to special taxing districts, excluding hospital districts and the regional transit board defined in section 473.373, in 1990 and 1991 shall be reduced by an amount equal to 2.35 percent of the amount levied for taxes payable in 1990, before reduction for homestead and agricultural credit aid and disparity reduction aid. Payments under this subdivision to the regional transit board in 1990 and 1991 shall be reduced by \$450,000.

(h) Payments under this subdivision to all taxing jurisdictions in 1992 and subsequent years are equal to the product of (1) the homestead and agricultural credit aid base, and (2) the growth adjustment factor, plus the net tax capacity adjustment and the fiscal disparity adjustment.

Subd. 2a. Education levy reduction. (a) As used in this subdivision, "equalized levies" means the sum of the maximum amounts that may be levied for:

- (1) general education under section 124A.23, subdivision 2;
 - (2) supplemental revenue under section 124A.23, subdivision 2a;
 - (3) capital expenditure facilities revenue under section 124.243, subdivision 3;
 - (4) capital expenditure equipment revenue under section 124.44, subdivision 2;
- and
- (5) basic transportation under section 275.125, subdivision 5.
- (b) By December 1, the commissioner of education shall determine and certify to

the commissioner of revenue the amount of the education levy reduction. The reduction shall be equal to the amount by which:

(1) the amount that would have been computed as the district's total maximum levy for property taxes payable in 1990, if the equalized levies had been based upon the district's adjusted gross tax capacity, the general education tax rate had been 29.1 percent, the taconite levy reduction limit according to section 275.125, subdivision 9, had been 10.22 percent of adjusted gross tax capacity, and the capital expenditure equipment and facilities levies had been calculated using 70 percent of the equalizing factor, exceeds

(2) the amount that would have been computed as the district's total maximum levy for property taxes payable in 1990, if the equalized levies had been based upon the district's adjusted net tax capacity, the general education tax rate had been 29.1 percent, the taconite levy reduction limit according to section 275.125, subdivision 9, had been 10.22 percent of adjusted net tax capacity, and the capital expenditure equipment and facilities levies had been calculated using 70 percent of the equalizing factor.

(c) For property taxes payable in 1990, the amount of the education levy reduction shall be deducted from the homestead and agricultural credit aid payable to each school district under subdivision 2.

Homestead and agricultural credit aid shall not be reduced below zero.

Subd. 2b. Fiscal disparity homestead and agricultural credit aid. For aids payable in 1991 and subsequent years, each local government subject to the provisions of chapter 473F shall receive fiscal disparity homestead and agricultural credit aid. The aid shall be computed for each affected local government in a manner consistent with that computed under subdivision 2 except that:

(1) "total gross taxes" shall mean the local government's levy on its distribution value pursuant to section 473F.08 for taxes payable in 1990, excluding a school district's equalized levies as defined in subdivision 2a, and adjusted for inflation and household growth subsequent to 1990;

(2) "total net tax capacity" shall mean its distribution value for taxes payable in the year prior to that in which the aid is payable times the ratio of the class rate applicable to class 3a property in excess of \$100,000 of estimated market value for taxes payable in the year preceding that in which the aid is payable to 5.25 percent; and

(3) "local tax rate" shall mean the rate used to determine its areawide portion of the levy pursuant to section 473F.08, subdivisions 3, paragraph (a), and 8a, for taxes payable in 1990, excluding that portion of the rate attributable to a school district's equalized levies as defined in subdivision 2a.

Subd. 2c. Computation by commissioner. Notwithstanding the provisions of subdivisions 1 and 2 requiring the computation of homestead and agricultural credit aid at the unique taxing jurisdiction level, the commissioner may, upon consultation with the chairs of the house tax committee and senate committee on taxes and tax laws, compute homestead and agricultural credit aid at a higher level if it would have a negligible impact or if changes in the composition of unique taxing jurisdictions do not permit computation at the unique taxing jurisdiction level.

Subd. 3. Disparity reduction aid. (a) For taxes payable in 1990, and subsequent years, the amount of disparity aid originally certified for each unique taxing jurisdiction for taxes payable in the prior year shall be multiplied by the ratio of (1) the jurisdiction's tax capacity using the class rates for taxes payable in the year for which aid is being computed, to (2) its tax capacity using the class rates for taxes payable in the year prior to that for which aid is being computed, both based upon market values for taxes payable in the year prior to that for which aid is being computed.

(b) The disparity reduction aid is allocated to each local government levying taxes in the unique taxing jurisdiction in the proportion that the local government's payable gross taxes bears to the total payable gross taxes levied within the unique taxing jurisdiction.

Subd. 4. Disparity reduction credit. (a) Beginning with taxes payable in 1989, class

4a, class 3a, and class 3b property qualifies for a disparity reduction credit if: (1) the property is located in a border city that has an enterprise zone designated pursuant to section 469.168, subdivision 4; (2) the property is located in a city with a population greater than 2,500 and less than 35,000 according to the 1980 decennial census; (3) the city is adjacent to a city in another state or immediately adjacent to a city adjacent to a city in another state; and (4) the adjacent city in the other state has a population of greater than 5,000 and less than 75,000.

(b) The credit is an amount sufficient to reduce (i) the taxes levied on class 4a property to three percent of the property's market value and (ii) the tax on class 3a and class 3b property to 3.3 percent of market value.

(c) The county auditor shall annually certify the costs of the credits to the department of revenue. The department shall reimburse local governments for the property taxes foregone as the result of the credits in proportion to their total levies.

Subd. 5. Additional homestead and agricultural credit guarantee. Beginning with taxes payable in 1990, each unique taxing jurisdiction may receive additional homestead and agricultural credit guarantee payments.

(1) Each year, the commissioner shall determine the total education aids paid under chapters 124 and 124A, homestead and agricultural credit aid and disparity reduction aid paid under this section, local government aid to cities, counties, and towns paid under chapter 477A, and human services aids, including for aids paid in 1991 and thereafter, the amount paid under subdivision 5b, paid to counties for each taxing jurisdiction. The commissioner shall apportion each local government's aids to the unique taxing jurisdiction based upon the proportion that the unique taxing jurisdiction's tax capacity bears to the total tax capacity of the local government.

(2) Each year, the commissioner will compute a gross local tax rate for each taxing jurisdiction equal to its total levy divided by its gross tax capacity under Minnesota Statutes 1988, section 273.13. For each unique taxing jurisdiction, a total gross local tax rate will be determined. This total gross local tax rate will be applied against the gross tax capacity of property that would have been eligible for the homestead credit or the agricultural credit for taxes payable in 1989. An estimated credit amount will be determined for all qualifying parcels based upon the credit rate structure in effect for taxes payable in 1989. The resulting credit amounts will be summed for all parcels in the unique taxing jurisdiction.

If the amount determined in clause (2) is greater than the amount determined in clause (1), the difference will be additional homestead and agricultural credit guarantee payments for the unique taxing jurisdiction. The additional credit amount shall proportionately reduce the local tax rates of all local governments levying taxes within the unique taxing jurisdiction in the following year. The commissioner shall certify the amounts of additional credits determined under this subdivision to the county auditor at the time provided in subdivision 6.

Subd. 5a. Aid adjustment for county human services aid. (a) There shall be transferred to the human services aid account from the payment to a county under subdivision 2 an amount representing a county's human services aid increase as calculated in subdivision 5b, paragraphs (a) to (c). The amount calculated for each county shall be deducted equally from the July and December payments to the county under this section in 1991 and subsequent years. The amount of the payments under subdivision 2 shall not be less than zero as a result of this adjustment.

Subd. 5b. State aid for county human services costs. (a) Human services aid increase for each county equals an amount representing the county's costs for human services programs cited in subdivision 1, paragraph (i). The amount of the aid increase is calculated as provided in this section. The aid increase shall be deposited in the human services account created pursuant to section 273.1392.

(b) On July 15, 1990, each county shall certify to the department of revenue the estimated difference between the county's base amount costs as defined in section 256.025 for human services programs cited in subdivision 1, paragraph (i), for calendar year

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1990 and human services program revenues from all nonproperty tax sources excluding revenue from state and federal payments for the programs listed in subdivision 1, paragraph (i), and revenue from incentive programs pursuant to sections 256.019, 256.98, subdivision 7, 256D.06, subdivision 5, 256D.15, and 256D.54, subdivision 3, used at the time the levy was certified in 1989. At that time each county may revise its estimate for taxes payable in 1990 for purposes of this subdivision. The human services program estimates provided pursuant to this clause shall only include those costs and related revenues up to the extent the county provides benefits within statutory mandated standards. This amount shall be the county's human services aid amount under this section.

(c) On July 15, 1991, each county shall certify to the department of revenue the actual difference between the county's human services program costs and nonproperty tax revenues as provided in paragraph (b) for calendar year 1990. If the actual difference is larger than the estimated difference as calculated in paragraph (b), the aid amount for the county shall be increased by that amount. If the actual difference is smaller than the estimated difference as calculated in paragraph (b), the aid amount to the county shall be reduced by that amount.

(d) On January 1, 1991, the department of finance shall certify to the department of revenue the estimated amount of county receipts deducted from county human services expenditures pursuant to Minnesota Statutes 1988, section 287.12, in calendar year 1990. This amount shall be added to the human services aid increase amount under this section.

Subd. 5c. Appropriation. Pursuant to subdivision 5b, paragraph (d), there shall be appropriated on January 1 and July 1, 1991, and each year thereafter, from the general fund to the county human services aid account under section 273.1392, paragraph (2), an amount equal to the amount certified by the department of human services to the department of revenue under subdivision 5b, clause (d). Each of the two appropriations shall equal one-half of the certified amount.

Subd. 6. Payment. The commissioner shall certify the aids provided in subdivisions 2, 2b, 3, and 5 before December 1, 1989, and October 1 thereafter of the year preceding the distribution year to the county auditor of the affected local government and pay them to local governments other than school districts at the times provided in section 477A.015 for payment of local government aid to taxing jurisdictions. The disparity reduction credit provided in subdivision 4 must be paid to taxing jurisdictions other than school districts at the time provided in section 473H.10, subdivision 3. Aids and credit reimbursements to school districts must be certified to the commissioner of education and paid under section 273.1392. Except for education districts and secondary cooperatives that receive revenue according to section 124.2721 or 124.575, payment shall not be made to any taxing jurisdiction that has ceased to levy a property tax.

Subd. 7. Appropriation. An amount sufficient to pay the aids and credits provided under this section is annually appropriated from the general fund to the commissioner of revenue.

History: 1988 c 719 art 5 s 26,84; 1989 c 277 art 2 s 33-36; 1989 c 329 art 6 s 47; 1Sp1989 c 1; art 2 s 11; art 3 s 14-21,33; art 6 s 8; 1990 c 480 art 7 s 9-13; 1990 c 604 art 3 s 20; art 4 s 2-4

NOTE: Subdivision 1, paragraph (j), was also amended by Laws 1990, chapter 480, article 7, section 9, to read as follows:

"(j) "Adjustment factor" means one plus the percentage change in (1) the ratio of estimated market value of residential property to the estimated market value of all taxable property within the city or township containing the unique taxing jurisdiction based on the assessment one year prior to the year in which the aid is payable when compared to the same ratio based on the assessment two years prior to the year in which the aid is payable. If the market value of farm homesteads exceeds the market value of residential homesteads in the city or township containing the unique taxing jurisdiction for the assessment two years prior to the year in which the aid is payable, "adjustment factor" means one plus the percentage change in the ratio of the estimated market value of farm property to the estimated market value of all taxable property within the city or township containing the unique taxing jurisdiction based on the assessment one year prior to the year in which the aid is payable when compared to the same ratio based on the assessment two years prior to the year in which the aid is payable. The adjustment factor cannot be less than one. Estimates of market value for the assessment one year prior to the year in which the aid is paid will be made on the basis of the abstract submitted pursuant to section 270.11. Discrepancies between the estimate and actual market values will not result in increased or decreased aid in the year in which the estimates are used to compute aid."

NOTE: Subdivision 2b is repealed by Laws 1990, chapter 604, article 4, section 21, effective for aids payable in calendar year 1992 and thereafter. See Laws 1990, chapter 604, article 4, section 22.

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273.1399 REDUCTION IN STATE TAX INCREMENT FINANCING AID PAYMENTS.

Subdivision 1. **Definitions.** For purposes of this section, the following terms have the meanings given.

(a) "Qualifying captured tax capacity" means the following amounts:

(1) the captured tax capacity of an economic development or soils condition tax increment financing district for which certification was requested after April 30, 1990; and

(2) the captured tax capacity of a tax increment financing district, other than an economic development or soils condition district, for which certification was requested after April 30, 1990, multiplied by the following percentage based on the number of years that have elapsed since the district was first certified (measured from January 2 immediately preceding certification of the original tax capacity). In no case may the final amounts be less than zero or greater than the total captured tax capacity of the district.

Number of years	Renewal and Renovation Districts	All other Districts
0 to 5	0	0
6	12.5	6.25
7	25	12.5
8	37.5	18.75
9	50	25
10	62.5	31.25
11	75	37.5
12	87.5	43.75
13	100	50
14	100	56.25
15	100	62.5
16	100	68.75
17	100	75
18	100	81.25
19	100	87.5
20	100	93.75
21 or more	100	100

In the case of a hazardous substance subdistrict, the number of years must be measured from the date of certification of the subdistrict for purposes of the additional captured tax capacity resulting from the reduction in the subdistrict's or site's original tax capacity.

(b) The terms defined in section 469.174 have the meanings given in that section.

Subd. 2. **Reporting.** The county auditor shall calculate the qualifying captured tax capacity amount for each municipal part of each school district in the county and report the amounts to the commissioner of revenue at the time and in the manner prescribed by the commissioner.

Subd. 3. **Calculation of education aids.** For each school district containing qualifying captured tax capacity, the commissioner of education shall compute a hypothetical state aid amount that would be paid to the school district if the qualifying captured tax capacity were divided by the sales ratio and included in the school district's adjusted tax capacity for purposes of calculating state aids. The commissioner of education shall notify the commissioner of revenue of the difference between the actual aid paid and the hypothetical aid amounts calculated for each school district, broken down by the municipality that approved the tax increment financing district containing the qualifying captured tax capacity. The resulting amount is the reduction in state tax increment financing aid.

Subd. 4. **Equalization factor.** The amount of the reduction in state tax increment financing aid equals the amount determined under subdivision 3 less

(1) 75 percent of the excess, if any, of the amount determined under subdivision 3, over

(2) .05 times the municipality's tax capacity, divided by the sales ratio.

Subd. 5. Local government aids; homestead and agricultural aid calculations. (a) The reduction in state tax increment financing aid for a municipality must be deducted first from the local government aids to be paid to the municipality. If the deduction exceeds the amount of the local government aid, the rest must be deducted from the homestead and agricultural credit aid to be paid to the municipality.

(b) The amount of qualifying captured tax capacity must be included in adjusted tax capacity for purposes of computing the local government aid of the municipality that approved the tax increment financing district.

History: 1990 c 604 art 7 s 1

NOTE: For effective date, see Laws 1990, chapter 604, article 7, section 31.

273.14 DEFINITIONS.

Subdivision 1. Words, terms, and phrases. Unless the language or context clearly indicates that a different meaning is intended, the following words, terms, and phrases, for the purposes of sections 273.14 to 273.16, shall be given the meanings subjoined to them.

Subd. 2. Person. The word "person" shall be construed to include individuals, copartnerships, companies, joint stock companies, corporations, and all associations, however and for whatever purpose organized.

Subd. 3. Deposit. The word "deposit" means a body of iron-bearing materials which, in accordance with good engineering and metallurgical practice, should be mined as a unit.

Subd. 4. Low-grade iron-bearing formations. "Low-grade iron-bearing formations" mean those commercial deposits of iron-bearing materials, not including paint rock, located beneath the surface of the earth, which in their natural state require beneficiation to make them suitable for blast furnace use, and which, after such beneficiation, produce in tonnage less than 50 percent of iron ore concentrates from the tonnage of low-grade iron-bearing formations delivered to a beneficiation plant and which formations must be mined in accordance with good engineering and metallurgical practice to produce such concentrates.

Subd. 5. Beneficiation. "Beneficiation" means the process of concentrating that portion of the iron-bearing formations entering the beneficiating plant.

Subd. 6. Concentrates. "Concentrates" means such ores which by the process of beneficiation have been made suitable for blast furnace use.

Subd. 7. Tonnage recovery or tonnage recovery of iron ore concentrates. The term "tonnage recovery" or "tonnage recovery of iron ore concentrates" means the proportion which the weight of concentrates recovered or recoverable after beneficiation bears to the weight of the low-grade iron-bearing materials entering the beneficiating plant.

History: (1993-2) 1937 c 364 s 1

273.15 [Repealed, 1Sp1985 c 14 art 4 s 98]

273.16 DETERMINATION OF CLASSIFICATION.

The classification of iron-bearing formations under the provisions of sections 273.14 to 273.16 shall be determined in the manner provided. Any person engaged in the business of mining, whose tonnage recovery of iron ore concentrates for a taxable year in producing concentrates from the iron-bearing material entering the beneficiating plant has been less than 50 percent, may file a petition with the commissioner of revenue requesting classification of the deposit under the provisions of sections 273.14 to 273.16. The taxpayer shall furnish any available data and information concerning the operation of the deposit as the commissioner of revenue requires. The commis-

sioner shall, upon receipt of it, submit the petition and data to the University of Minnesota mines experiment station. The mines experiment station shall consider the deposit referred to in the petition as a unified commercial operation. Based on all engineering data and information furnished, it shall file a written report with the commissioner of revenue, who, after hearing, shall approve or disapprove the report. If a classification is made covering the deposit and property, the commissioner of revenue shall give appropriate notice of it to the taxing districts affected by it. If the commissioner of revenue disapproves of the classification, the commissioner's findings and order on it may be reviewed by the court of appeals on petition of the party aggrieved presented to the court within 30 days after the date of the order. The classifications shall also be subject to further review by the mines experiment station, from time to time, upon request of the commissioner of revenue or upon further petition by the taxpayer. Valuations determined hereunder shall be subject to the provisions of sections 270.19 to 270.26.

History: (1993-4) 1937 c 364 s 3; 1973 c 582 s 3; 1983 c 247 s 119; 1986 c 444

273.165 TAXATION OF SEPARATE MINERAL INTERESTS AND UNMINED IRON ORE.

Subdivision 1. Mineral interest. "Mineral interest," for the purpose of this subdivision, means an interest in any minerals, including but not limited to gas, coal, oil, or other similar interest in real estate, which is owned separately and apart from the fee title to the surface of such real property. Mineral interests which are filed for record in the offices of either the county recorder or registrar of titles, whether or not filed pursuant to sections 93.52 to 93.58, are taxed as provided in this subdivision unless specifically excluded by this subdivision. A tax of 25 cents per acre or portion of an acre of mineral interest is imposed and is payable annually. If an interest is a fractional undivided interest in an area, the tax due on the interest per acre or portion of an acre is equal to the product obtained by multiplying the fractional interest times 25 cents, computed to the nearest cent. However, the minimum annual tax on any mineral interest is \$2. No such tax on mineral interests is imposed on the following: (1) mineral interests valued and taxed under other laws relating to the taxation of minerals, gas, coal, oil, or other similar interests; or (2) mineral interests which are exempt from taxation pursuant to constitutional or related statutory provisions. Taxes received under this subdivision must be apportioned to the taxing districts included in the area taxed in the same proportion as the surface interest local tax rate of a taxing district bears to the total local tax rate applicable to surface interests in the area taxed. The tax imposed by this subdivision is not included within any limitations as to rate or amount of taxes which may be imposed in an area to which the tax imposed by this subdivision applies. The tax imposed by this subdivision does not cause the amount of other taxes levied or to be levied in the area, which are subject to any such limitation, to be reduced in any amount. Twenty percent of the revenues received from the tax imposed by this subdivision must be distributed under the provisions of section 116J.64.

Subd. 2. Iron ore. Unmined iron ore included in class 5, paragraph (b), must be assessed with and as a part of the real estate in which it is located, but its net tax capacity would be as established in section 273.13, subdivision 31. The real estate in which iron ore is located, other than the ore, must be classified and assessed in accordance with the provisions of the appropriate classes. In assessing any tract or lot of real estate in which iron ore is known to exist, the assessable net tax capacity of the ore exclusive of the land in which it is located, and the assessable net tax capacity of the land exclusive of the ore must be determined and set down separately and the aggregate of the two must be assessed against the tract or lot.

History: 1Sp1985 c 14 art 4 s 68; 1987 c 268 art 6 s 32; 1988 c 719 art 5 s 27,84; 1989 c 329 art 13 s 20; 1Sp1989 c 1 art 2 s 11

273.17 ASSESSMENT OF REAL PROPERTY.

Subdivision 1. In every year, on January 2, the assessor shall also assess all real property that may have become subject to taxation since the last previous assessment,

including all real property platted since the last real estate assessment, and all buildings or other structures of any kind, whether completed or in process of construction, of over \$1,000 in value, the value of which has not been previously added to or included in the valuation of the land on which they have been erected. The assessor shall make return thereof to the county auditor, with a return of personal property, showing the tract or lot on which each structure has been erected and the market value added thereto by such erection. Every assessor shall list, without revaluing, in each year, on a form to be prescribed by the commissioner of revenue, all parcels of land that shall have become homesteads or shall have ceased to be homesteads for taxation purposes since the last real estate assessment, and other parcels of land when the use of the land requires a change in classification or the land has been incorrectly classified in a previous assessment.

The county auditor shall note such change in the net tax capacity upon the tax lists, caused by a change in classification, and shall calculate the taxes for such year on such changed net tax capacity. In case of the destruction by fire, flood, or otherwise of any building or structure, over \$100 in value, which has been erected previous to the last valuation of the land on which it stood, or the value of which has been added to any former valuation, the assessor shall determine, as nearly as practicable, how much less such land would sell for at private sale in consequence of such destruction, and make return thereof to the auditor.

Subd. 2. In counties where the county auditor has elected to discontinue the preparation of assessment books as provided by section 273.03, subdivision 2, such changes as provided for in subdivision 1 of this section, shall be recorded in a separate record prepared under the direction of the county assessor and shall identify, by description or property identification number, or both, the real estate affected, the previous year's net tax capacities and the new market values and net tax capacities, provided that if only property identification numbers are used they shall be such that shall permit positive identification of the real estate to which they apply. Such record shall further indicate the total amount of increase or decrease in net tax capacity contained therein. The county assessor shall make return of such record to the county auditor who shall be the official custodian thereof.

Such record shall be known as "County assessor's changes in real estate valuations for the year 19.....". Such records on file in the county auditor's office may be destroyed when they are more than 20 years old pursuant to the conditions for destruction of records contained in Minnesota Statutes 1961, section 384.14.

History: (1994) *RL s 811; 1917 c 254; 1937 c 206 s 1; 1963 c 781 s 2; 1967 c 578 s 2; 1973 c 582 s 3; 1974 c 376 s 1; 1975 c 339 s 4,8; 1975 c 437 art 8 s 8; 1976 c 345 s 2; 1979 c 303 art 2 s 19; 1986 c 444; 1988 c 719 art 5 s 84; 1989 c 329 art 13 s 20*

273.18 LISTING, VALUATION, AND ASSESSMENT OF EXEMPT PROPERTY BY COUNTY AUDITORS.

In every sixth year after the year 1926, the county auditor shall enter, in a separate place in the real estate assessment books, the description of each tract of real property exempt by law from taxation, with the name of the owner, if known, and the assessor shall value and assess the same in the same manner that other real property is valued and assessed, and shall designate in each case the purpose for which the property is used.

History: (1995) *RL s 812; 1925 c 211 s 1*

273.19 LESSEES AND EQUITABLE OWNERS.

Subdivision 1. Except as provided in subdivision 3 or 4, tax-exempt property held under a lease for a term of at least one year, and not taxable under section 272.01, subdivision 2, or under a contract for the purchase thereof, shall be considered, for all purposes of taxation, as the property of the person holding it. In this subdivision, "tax-exempt property" means property owned by the United States, the state, a school, or

any religious, scientific, or benevolent society or institution, incorporated or unincorporated, or any corporation whose property is not taxed in the same manner as other property. This subdivision does not apply to property exempt from taxation under section 272.01, subdivision 2, paragraph (b), clauses (2), (3), and (4).

Subd. 1a. For purposes of this section, a lease includes any agreement permitting a nonexempt person or entity to use the property, regardless of whether the agreement is characterized as a lease. A lease has a "term of at least one year" if the term is for a period of less than one year and the lease permits the parties to renew the lease without requiring that similar terms for leasing the property will be offered to other applicants or bidders through a competitive bidding or other form of offer to potential lessees or users.

Subd. 2. The provisions of subdivision 1 shall not apply to any property owned by a seaway port authority exempt from taxation under the provisions of section 272.01, subdivision 3.

Subd. 3. The net tax capacity of property held under a lease for a term of at least one year which (i) is located within a federal reservation; (ii) has been conveyed to the state of Minnesota by the federal government; and (iii) had been occupied and used by a branch of the armed services of the United States, shall be no greater than the value added to the property by improvements to the property made by the lessee.

Subd. 4. Property held under a lease for a term of at least one year 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 at least one year 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.

Subd. 5. Notwithstanding the provisions of subdivision 4, real and personal property used or to be used primarily for the production of hydroelectric or hydromechanical power and leased from the state or a local governmental unit pursuant to section 103G.535 may be exempt from taxation or payments in lieu of taxes.

The exemption from taxation or payments in lieu of taxes provided by this subdivision does not apply to hydroelectric or hydromechanical facilities operated at any time between January 1, 1980 and January 1, 1984.

History: (1996) *RL s 813; Ex1959 c 1 s 2; 1967 c 865 s 2; 1978 c 756 s 1,2; 1980 c 607 art 2 s 16; 1Sp1981 c 1 art 2 s 13,14; 1984 c 502 art 3 s 15; 1985 c 300 s 9; 1987 c 268 art 8 s 4-7; 1988 c 719 art 5 s 84; 1989 c 239 s 2; 1989 c 329 art 15 s 20; 1990 c 391 art 8 s 34*

273.20 ASSESSOR MAY ENTER DWELLINGS, BUILDINGS, OR STRUCTURES.

Any officer authorized by law to assess property for taxation may, when necessary to the proper performance of duties, enter any dwelling-house, building, or structure, and view the same and the property therein.

History: (1997) *RL s 814; 1986 c 444*

273.21 NEGLECT BY AUDITOR OR ASSESSOR; PENALTY.

Every county auditor and every town or district assessor who in any case refuses or knowingly neglects to perform any duty enjoined by this chapter, or who consents to or connives at any evasion of its provisions whereby any proceeding required by this

chapter is prevented or hindered, or whereby any property required to be listed for taxation is unlawfully exempted, or entered on the tax list at less than its market value, shall, for every such neglect, refusal, consent, or connivance, forfeit and pay to the state not less than \$200, nor more than \$1,000, to be recovered in any court of competent jurisdiction.

History: (1998) *RL s 815; 1975 c 339 s 8; 1986 c 444*

273.22 PERSONAL PROPERTY LISTED.

Personal property shall be listed in the manner following:

(1) Every person of full age and sound mind, being a resident of this state, shall list all that person's taxable personal property;

(2) The person shall also list separately, and in the name of its owner, all taxable personal property invested, loaned, or otherwise controlled by the person as the agent, trustee, guardian, receiver, or attorney for, or on account of, any other person, estate, trust company, or corporation.

History: (1999) *RL s 816; 1984 c 593 s 32; 1986 c 444*

273.23 [Repealed, 1983 c 222 s 45]

273.24 [Repealed, 1983 c 222 s 45]

273.25 LISTS TO BE VERIFIED.

Every person required to list property for taxation shall make out and deliver to the assessor, upon blanks furnished by the assessor, a verified statement of all personal property owned on January 2 of the current year. The person shall also make separate statements in like manner of all personal property possessed or controlled by the person and required by this chapter to be listed for taxation as agent or attorney, guardian, parent, trustee, executor, administrator, receiver, accounting officer, partner, factor, or in any other capacity; but no person shall be required to include in the statement any share of the capital stock of any company or corporation which it is required to list and return as its capital and property for taxation in this state.

History: (2002) *RL s 819; 1969 c 709 s 6; 1986 c 444*

273.26 PERSONALTY; WHERE LISTED.

Except as otherwise in this chapter provided, personal property shall be listed and assessed in the county, town, or district where the owner, agent, or trustee resides.

History: (2003) *RL s 820*

273.27 [Repealed, 1984 c 593 s 46]

273.28 [Repealed, 1983 c 222 s 45]

273.29 [Repealed, 1983 c 222 s 45]

273.30 [Repealed, 1983 c 222 s 45]

273.31 [Repealed, 1983 c 222 s 45]

273.32 ELEVATORS AND WAREHOUSES ON RAILROAD.

All elevators and warehouses, with the machinery and fixtures therein, situated upon the land of any railroad company, which are not in good faith owned, operated, and exclusively controlled by such company, shall be listed and assessed as personal property in the town or district where situated, in the name of the owner, if known, and, if not known, as "owner unknown."

History: (2008) *RL s 825*

273.33 EXPRESS, STAGE AND TRANSPORTATION COMPANIES; PIPE LINES.

Subdivision 1. The personal property of express, stage and transportation companies, and of pipeline companies engaged in the business of transporting natural gas, gasoline, crude oil, or other petroleum products except as otherwise provided by law, shall be listed and assessed in the county, town or district where the same is usually kept.

Subd. 2. The personal property, consisting of the pipeline system of mains, pipes, and equipment attached thereto, of pipeline companies and others engaged in the operations or business of transporting natural gas, gasoline, crude oil, or other petroleum products by pipelines, shall be listed with and assessed by the commissioner of revenue. This subdivision shall not apply to the assessment of the products transported through the pipelines nor to the lines of local commercial gas companies engaged primarily in the business of distributing gas to consumers at retail nor to pipelines used by the owner thereof to supply natural gas or other petroleum products exclusively for such owner's own consumption and not for resale to others. On or before June 30, the commissioner shall certify to the auditor of each county, the amount of such personal property assessment against each company in each district in which such property is located.

History: (2009) *RL s 826; 1943 c 604 s 1; 1949 c 547 s 1; 1973 c 582 s 3; 1985 c 300 s 10,11; 1987 c 268 art 7 s 35; 1Sp1989 c 1 art 9 s 26*

273.34 [Repealed, 1983 c 222 s 45]

273.35 GAS AND WATER COMPANIES.

The personal property of gas and water companies shall be listed and assessed in the town or district where located, without regard to where the principal or other place of business of the company may be located.

History: (2011) *RL s 828; 1949 c 449 s 1*

273.36 ELECTRIC LIGHT AND POWER COMPANIES.

Personal property of electric light and power companies having a fixed situs in any city in this state shall be listed and assessed where situated, without regard to where the principal or other place of business of the company is located. Transmission lines having a voltage of 69 kv and above, all attachments and appurtenances thereto, having a fixed situs in this state, other than in an unorganized township, shall be listed and assessed where situated, without regard to where the principal or other place of business of the company is located.

History: (2012) *1921 c 482; 1973 c 123 art 5 s 7; 1980 c 607 art 10 s 1*

273.37 COMPANIES SUPPLYING ELECTRIC POWER.

Subdivision 1. Personal property of electric light and power companies, and other individuals and partnerships supplying electric light and power, having a fixed situs outside of the corporate limits of cities shall be listed and assessed in the district where situated, except as otherwise provided.

Subd. 2. Transmission lines of less than 69 kv, transmission lines of 69 kv and above located in an unorganized township, and distribution lines, and equipment attached thereto, having a fixed situs outside the corporate limits of cities except distribution lines taxed as provided in sections 273.40 and 273.41, shall be listed with and assessed by the commissioner of revenue in the county where situated. The commissioner shall assess such property at the percentage of market value fixed by law; and, on or before June 30, shall certify to the auditor of each county in which such property is located the amount of the assessment made against each company and person owning such property.

History: (2012-1) *1925 c 306 s 1; 1939 c 321 s 1; 1949 c 554 s 1; 1971 c 427 s 19; 1973 c 123 art 5 s 7; 1973 c 582 s 3; 1980 c 607 art 10 s 2; 1987 c 268 art 6 s 33; art 7 s 36; 1988 c 719 art 5 s 28; 1Sp1989 c 1 art 9 s 27*

273.371 REPORTS OF UTILITY COMPANIES.

Subdivision 1. **Report required.** Every electric light, power, gas, water, express, stage, and transportation company and pipeline doing business in Minnesota shall annually file with the commissioner on or before March 31 a report under oath setting forth the information prescribed by the commissioner to enable the commissioner to make valuations, recommended valuations, and equalization required under sections 273.33, 273.35, 273.36, and 273.37. If all the required information is not available on March 31, the company or pipeline shall file the information that is available on or before March 31, and the balance of the information as soon as it becomes available.

Subd. 2. **Extension.** The commissioner for good cause may extend the time for filing the report required by subdivision 1. The extension may not exceed 15 days.

History: *1Sp1989 c 1 art 9 s 28; 1990 c 604 art 3 s 21*

273.38 PERCENTAGE OF ASSESSMENTS; EXCEPTIONS.

The distribution lines and the attachments and appurtenances thereto of cooperative associations organized under the provisions of Laws 1923, chapter 326, and laws amendatory thereof and supplemental thereto, and engaged in the electrical heat, light and power business, upon a mutual, nonprofit and cooperative plan, shall be assessed and taxed as provided in sections 273.40 and 273.41.

History: *(2012-2) 1925 c 306 s 2; 1939 c 321 s 2; 1949 c 554 s 2; 1971 c 427 s 20; 1973 c 582 s 3; 1974 c 47 s 1; 1Sp1985 c 14 art 4 s 69; 1987 c 268 art 6 s 34*

273.39 RURAL AREA.

As used in sections 273.39 to 273.41, the term "rural area" shall be deemed to mean any area of the state not included within the boundaries of any incorporated city, and such term shall be deemed to include both farm and nonfarm population thereof.

History: *(2012-5) 1939 c 303 s 2; 1973 c 123 art 5 s 7*

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, nonprofit, 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 have a tax capacity 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, subdivisions 24 and 31.

History: *(2012-4) 1939 c 303 s 1; 1943 c 643 s 2; 1971 c 427 s 21; 1973 c 123 art 5 s 7; 1Sp1981 c 1 art 8 s 8; 1988 c 719 art 5 s 29*

273.41 AMOUNT OF TAX; DISTRIBUTION.

There is hereby imposed upon each such cooperative association on December 31 of each year a tax of \$10 for each 100 members, or fraction thereof, of such association. The tax, when paid, shall be in lieu of all personal property taxes, state, county, or local, upon distribution lines and the attachments and appurtenances thereto of such associations located in rural areas. The tax shall be payable on or before March 1 of the next succeeding year, to the commissioner of revenue. If the tax, or any portion thereof, is not paid within the time herein specified for the payment thereof, there shall be added thereto a specific penalty equal to ten percent of the amount so remaining unpaid. Such penalty shall be collected as part of said tax, and the amount of said tax not timely paid, together with said penalty, shall bear interest at the rate specified in section 270.75 from the time such tax should have been paid until paid. The commissioner shall deposit the amount so received in the general fund of the state treasury.

History: *1939 c 303 s 3; 1951 c 590 s 1; 1959 c 158 s 18; Ex1971 c 31 art 20 s 7; 1973 c 582 s 3; 1973 c 650 art 3 s 1; 1975 c 377 s 8*

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

Subdivision 1. The property set forth in section 273.37, subdivision 2, consisting of transmission lines of less than 69 kv and transmission lines of 69 kv and above located in an unorganized township, and distribution lines not taxed as provided in sections 273.38, 273.40 and 273.41 shall be taxed at the average local tax rate of taxes levied for all purposes throughout the county after disparity reduction aid is applied, and shall be entered on the tax lists by the county auditor against the owner thereof and certified to the county treasurer at the same time and in the same manner that other taxes are certified, and, when paid, shall be credited as follows: 50 percent to the general revenue fund of the county and 50 percent to the general school fund of the county, except that if there are high voltage transmission lines as defined in section 116C.52, the construction of which was commenced after July 1, 1974, and which are located in unorganized townships within the county, then the distribution of taxes within this subdivision shall be credited as follows: 50 percent to the general revenue fund of the county, 40 percent to the general school fund of the county and ten percent to a utility property tax credit fund, which is hereby established.

Subd. 2. Owners of land that is an agricultural or nonagricultural homestead, non-homestead agricultural land, rental residential property, and both commercial and non-commercial seasonal residential recreational property, as those terms are defined in 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 or township by ten percent of the transmission line tax revenue derived from the tax on that portion of the line within the city or township pursuant to section 273.36. In the case of property owners in unorganized townships, the property tax credit shall be determined by multiplying a fraction, the numerator of which is the length of the qualifying high voltage transmission line which runs over the parcel and the denominator of which is the total length of the qualifying high voltage transmission line running over all property within all the unorganized townships within the county, by the total utility property tax credit fund amount available within the county for that year pursuant to subdivision 1. 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 credit received pursuant to section 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.

If, after the county auditor has computed the credit to those qualifying property owners in unorganized townships, there is money remaining in the utility property tax credit fund, then that excess amount in the fund shall be returned to the general school fund of the county.

History: (2012-3) 1925 c 306 s 3; 1949 c 554 s 3; 1978 c 658 s 4; 1979 c 303 art 2

s 20; 1980 c 607 art 10 s 3; 1Sp1981 c 1 art 2 s 15; 1982 c 523 art 16 s 1; 1Sp1985 c 14 art 4 s 70; 1Sp1986 c 1 art 4 s 24; 1987 c 268 art 6 s 35; 1Sp1989 c 1 art 2 s 11; 1990 c 604 art 3 s 22

273.425 ADJUSTMENT OF LEVY.

When preparing tax lists pursuant to section 275.28 for each levy year for which credits will be payable under section 273.42, the county auditor shall deduct from the net tax capacity of the property within the county an amount equal to ten percent of the net tax capacity of transmission lines with respect to which a credit is to be paid and which are valued pursuant to section 273.36. The local tax rate necessary to be applied to this reduced total net tax capacity in order to raise the required amount of tax revenue for the local taxing authorities shall be applied to the net tax capacity of all taxable property in the county, including the entire net tax capacity of those transmission lines. The proceeds of the tax levied against the excluded ten percent of the net tax capacity of those transmission lines shall be available for purposes of funding of the credit provided in section 273.42. If the amount of that portion of the levy exceeds the amount necessary to fund the credits, the excess shall be distributed to the taxing districts within which the affected property is located in proportion to their respective local tax rates, to be used for general levy purposes.

History: *1979 c 303 art 2 s 21; 1982 c 523 art 16 s 2; 1988 c 719 art 5 s 84; 1989 c 329 art 13 s 20; 1Sp1989 c 1 art 2 s 11*

273.43 PERSONAL PROPERTY OF CERTAIN COMPANIES, WHERE LISTED.

The personal property of street railroad, street railway, plank road, gravel road, turnpike, or bridge companies shall be listed in the county, town, city, or district where such property is situated, and where such personal property is situated in different counties, towns, cities, or districts, such part of such personal property situated in such county, town, city, or district, shall be listed and assessed by the commissioner of revenue in the taxing district where the same is situated, without regard to where the principal or any other place of business of such company is located.

History: *(2013) RL s 829; 1913 c 25 s 1; 1973 c 123 art 5 s 7; 1973 c 582 s 3*

273.44 [Repealed, 1983 c 222 s 45]

273.45 [Repealed, 1983 c 222 s 45]

273.46 ASSIGNEES AND RECEIVERS.

Personal property in the hands of an assignee or receiver shall be listed and assessed at the place of listing before the appointment of the assignee or receiver.

History: *(2016) RL s 832; 1986 c 444*

273.47 PROPERTY MOVED BETWEEN JANUARY AND MARCH.

The owner of personal property, removing from one county, town, or district to another between January 2 and March 1, shall be assessed in either in which the owner is first called upon by the assessor. A person moving into this state from another state between those dates shall list the property the person owns on January 2 of such year in the county, town, or district in which the person resides, unless it appears to the assessor that the person is held for tax of the current year on the property in another state.

History: *(2017) RL s 833; 1969 c 709 s 8; 1986 c 444*

273.48 WHERE LISTED IN CASE OF DOUBT.

In case of doubt as to the proper place of listing personal property, or where it cannot be listed as in this chapter provided, if between places in the same county, the place for listing and assessing shall be determined by the county board of equalization; and, if between different counties, or places in different counties, by the commissioner of revenue; and when determined in either case shall be as binding as if fixed hereby.

History: *(2018) RL s 834; 1911 c 223 s 1; 1973 c 582 s 3*

273.49 FORMS FOR LISTING; ASSESSOR TO VALUE.

The commissioner of revenue shall prepare suitable forms for the listing of personal property, each year. The commissioner may arrange and classify the items of such property in such groups and classes and, from time to time, change, separate, or consolidate the same as deemed advisable for securing more accurate information concerning and the more perfect listing and valuation of such property. The assessor shall determine and fix the market value of all items of personal property included in any such list and enter the same opposite such items, respectively, and the same shall be assessed for purposes of taxation according to law, so that when completed such statement shall truly and distinctly set forth the market value and also the net tax capacity for taxation of such personal property, as required by law.

History: (2019) *RL s 835*; 1909 *c 266 s 1*; 1971 *c 427 s 22*; 1973 *c 582 s 3*; 1986 *c 444*; 1988 *c 719 art 5 s 84*; 1989 *c 329 art 13 s 20*

273.50 LISTS MAY BE DESTROYED.

The county auditor may destroy any list or statement of personal property on file in the auditor's office after the expiration of six years from the date when the taxes thereon have been paid or become delinquent. If any proceeding has been begun to enforce payment of such taxes, such list or statement shall not be destroyed before the expiration of one year from the return of an execution unsatisfied, or the termination of the proceeding.

History: (2020) *RL s 837*; 1986 *c 444*

273.51 [Impliedly repealed, see *Bemis Bro Bag Co v Wallace* 197 Minn 216, 266 NW 690]

273.52 [Repealed, 1983 *c 222 s 45*]

273.53 [Repealed, 1969 *c 9 s 99*]

273.54 [Repealed, 1969 *c 9 s 99*]

273.55 [Repealed, 1969 *c 9 s 99*]

273.56 [Repealed, 1984 *c 593 s 46*]

273.57 [Repealed, 1969 *c 9 s 99*]

273.58 [Repealed, 1969 *c 9 s 99*]

273.59 [Repealed, 1969 *c 9 s 99*]

273.60 [Repealed, 1969 *c 9 s 99*]

273.61 [Repealed, 1969 *c 9 s 99*]

273.62 [Repealed, 1969 *c 9 s 99*]

273.63 [Repealed, 1969 *c 9 s 99*]

273.64 [Repealed, 1969 *c 9 s 99*]

273.65 FAILURE TO LIST; EXAMINATION UNDER OATH; DUTIES OF ASSESSOR.

When the assessor shall be of opinion that the person listing property for that person, or for any other person, company, or corporation, has not made a full, fair, and complete list thereof, the assessor may examine such person, under oath, in regard to the amount of the property required to be listed; and, if such person shall refuse to make full discovery under oath, the assessor may list the property of such person, or the person's principal, according to the assessor's best judgment and information.

History: (2030) *RL s 843*; 1986 *c 444*

273.66 OWNER ABSENT OR SICK.

If any person required to list property be sick or absent when the assessor calls for a list thereof, the assessor shall leave at the office or usual place of residence or business of such person a written or printed notice requiring such person to make out and leave

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at a place, and on or before a day named therein, the statement or list required by this chapter. The date of leaving such notice, and the name of the person so required to list, shall be noted by the assessor in the assessment book.

History: (2031) *RL s 844; 1986 c 444*

273.67 PROCEDURE WHEN OWNER DOES NOT LIST OR IS NOT SWORN.

When any person whose duty it is to list shall refuse or neglect to list personal property when called on by the assessor, or to take and subscribe the required oath in regard to the truth of a statement, or any part thereof, the assessor shall enter opposite the name of such person, in an appropriate column, the words "refused to list," or "refused to swear," as the case may be; and when any person whose duty it is to list is absent, or unable from sickness to list, the assessor shall enter opposite the name of such person, in an appropriate column, the word "absent" or "sick." The assessor may administer oaths to all persons who by this chapter are required to swear, or whom the assessor may require to testify, and may examine, upon oath, any person supposed to have knowledge of the amount or value of the personal property of any person refusing to list or to verify a list of personal property.

History: (2032) *RL s 845; 1986 c 444*

273.68 FAILURE TO OBTAIN LIST.

In case of failure to obtain a statement of personal property, the assessor shall ascertain the amount and value of such property, and assess the same at such amount as the assessor believes to be the market value thereof. When requested, the assessor shall sign and deliver to the person assessed a copy of the statement showing the valuation of the property so listed.

History: (2033) *RL s 846; 1975 c 339 s 8; 1986 c 444*

- 273.69 [Repealed, Ex1971 c 31 art 31 s 1]
- 273.70 [Repealed, Ex1971 c 31 art 31 s 1]
- 273.71 [Repealed, 1987 c 291 s 244]
- 273.72 [Repealed, 1987 c 291 s 244]
- 273.73 [Repealed, 1987 c 291 s 244]
- 273.74 [Repealed, 1987 c 291 s 244]
- 273.75 [Repealed, 1987 c 291 s 244]
- 273.76 [Repealed, 1987 c 291 s 244]
- 273.77 [Repealed, 1987 c 291 s 244]
- 273.78 [Repealed, 1987 c 291 s 244]
- 273.86 [Repealed, 1987 c 291 s 244]