

CHAPTER 287

MORTGAGE REGISTRY TAX; DEED TAX

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287.08 TAX, HOW PAYABLE; RECEIPTS.

(a) The tax imposed by sections 287.01 to 287.12 shall be paid to the treasurer of the county in which the mortgaged land or some part thereof is situated at or before the time of filing the mortgage for record or registration. The treasurer shall endorse receipt on the mortgage, countersigned by the county auditor, who shall charge the amount to the treasurer and such receipt shall be recorded with the mortgage, and such receipt of the record thereof shall be conclusive proof that the tax has been paid to the amount therein stated and authorize any county recorder to record the mortgage. Its form, in substance, shall be "registration tax hereon of dollars paid." If the mortgages be exempt from taxation the endorsement shall be "exempt from registration tax," to be signed in either case by the treasurer as such, and in case of payment to be countersigned by the auditor. In case the treasurer shall be unable to determine whether a claim of exemption should be allowed, the tax shall be paid as in the case of a taxable mortgage.

(b) Upon written application of the taxpayer, the county treasurer may refund in whole or in part any tax which has been erroneously paid, or a person having paid a mortgage registry tax amount may seek a refund of such tax, or other appropriate relief, by bringing an action in tax court in the county in which the tax was paid, within 60 days of the payment. The action is commenced by the serving of a petition for relief on the county treasurer, and by filing a copy with the court. The county attorney shall defend the action. The county treasurer shall notify the treasurer of each county that has or would receive a portion of the tax as paid.

(c) If the county treasurer determines a refund should be paid, or if a refund is ordered, the county treasurer of each county that actually received a portion of the tax shall immediately pay a proportionate share of three percent of the refund using any available county funds. The county treasurer of each county which received, or would have received, a portion of the tax shall also pay their county's proportionate share of the remaining 97 percent of the court-ordered refund on or before the tenth day of the following month using solely the mortgage registry tax funds that would be paid to the commissioner of revenue on that date under section 287.12. If the funds on hand under this procedure are insufficient to fully fund 97 percent of the court-ordered refund, the county treasurer of the county in which the action was brought shall file a claim with the commissioner of revenue under section 16A.48 for the remaining portion of 97 percent of the refund, and shall pay over the remaining portion upon receipt of a warrant from the state issued pursuant to the claim.

(d) When any such mortgage covers real property situate in more than one county in this state the whole of such tax shall be paid to the treasurer of the county where the mortgage is first presented for record or registration, and the payment shall be received and countersigned as above provided. The tax shall be divided and paid over by the county treasurer receiving the same, on or before the tenth day of each month after receipt thereof, to the county or counties entitled thereto in the ratio which the market value of the real property covered by the mortgage in each county bears to the market value of all the property described in the mortgage. In making such division and payment the county treasurer shall send therewith a statement giving the description of the property described in the mortgage and the market value of the part thereof situate in each county. For the purpose aforesaid, the treasurer of any county may require the treasurer of any other county to certify to the former the market valuation of any tract of land in any such mortgage.

History: 1997 c 84 art 1 s 2

287.13 VIOLATIONS; PENALTIES.

Subdivision 1. **Failure to pay full amount.** Any person liable for the tax imposed by section 287.05 who fails to pay the full amount of tax imposed under sections 287.01 to 287.12, unless such failure is shown to be due to reasonable cause, is liable for a civil penalty of \$250 for each such failure.

Subd. 2. **Additional penalty.** Any person who willfully attempts to evade or defeat the tax imposed under sections 287.01 to 287.12, or the payment thereof, shall, in addition to the penalty provided in subdivision 1, be liable for a penalty of 50 percent of the total amount of the underpayment of the tax.

History: 1997 c 84 art 6 s 17

287.22 EXCEPTIONS.

The tax imposed by section 287.21 shall not apply to:

A. Any executory contract for the sale of land under which the vendee is entitled to or does take possession thereof, or any assignment or cancellation thereof.

B. Any mortgage or any assignment, extension, partial release, or satisfaction thereof.

C. Any will.

D. Any plat.

E. Any lease.

F. Any deed, instrument, or writing in which the United States or any agency or instrumentality thereof is the grantor, assignor, transferor, conveyor, grantee or assignee.

G. Deeds for cemetery lots.

H. Deeds of distribution by personal representatives.

I. Deeds to or from coowners partitioning undivided interests in the same piece of property.

J. Any deed or other instrument of conveyance issued pursuant to a land exchange under section 92.121 and related laws.

K. A referee's or sheriff's certificate of sale in a mortgage or lien foreclosure sale.

L. A referee's or sheriff's certificate of redemption from a mortgage or lien foreclosure sale issued to the redeeming mortgagor or lienee.

M. Any deed, instrument, or writing which grants, creates, modifies, or cancels an easement.

N. A decree of marriage dissolution, as defined in section 287.01, subdivision 4, or any deed or other instrument between the parties to the dissolution made pursuant to the terms of the decree.

History: 1997 c 31 art 3 s 13; 1997 c 231 art 16 s 9

287.221 NEW RESIDENTIAL CONSTRUCTION.

The commissioner of revenue may not enforce a deed tax assessment on the consideration paid for an improvement in the case of new residential construction if, at or before the time the first residential owners of the improvement take possession, the deed tax has been paid on the consideration paid for the improvement.

History: 1997 c 231 art 16 s 10

287.28 REFUNDS OR REDEMPTION.

(a) The county treasurer may refund in whole or in part any tax which has been erroneously paid and may allow for or redeem such of the stamps, issued under the authority of sections 287.21 to 287.36 as may have been spoiled, destroyed, or rendered useless or unfit for the purpose intended or for which the owner may have no use or which through mistake may have been improperly or unnecessarily used. Such order shall be made only upon written application of the taxpayer.

(b) A person having paid a deed tax amount may seek a refund of the tax, or other appropriate relief, by commencing an action in tax court in the county where the tax was paid,

within 60 days of the payment. The action is commenced by serving a petition for relief on the county treasurer, and filing a copy with the court. The county attorney shall defend the action. The county treasurer shall notify the treasurer of each county that has, or would receive a portion of the tax as paid. Any refund of deed tax which the county treasurer determines should be made, and any court ordered refund of deed tax, shall be accomplished using the refund procedures in section 287.08.

History: 1997 c 84 art 1 s 3

287.31 VIOLATIONS; PENALTIES.

Subdivision 1. **Failure to comply.** Any person liable for the tax imposed by section 287.21 who fails to comply with the provisions of section 287.25, unless such failure is shown to be due to reasonable cause, shall be liable to a civil penalty of \$250 for each such failure.

[For text of subd 2, see M.S.1996]

History: 1997 c 84 art 6 s 18

287.34 VIOLATIONS.

Any person who in any manner intentionally attempts to evade a tax imposed by this chapter, or who intentionally aids or abets in the evasion or attempted evasion of such tax shall be guilty of a gross misdemeanor.

History: 1Sp1997 c 3 s 43