

## CHAPTER 275

### TAXES; LEVY, EXTENSION

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#### 275.01 LEVY IN SPECIFIC AMOUNTS.

All taxes shall be levied or voted in specific amounts and the rates percent shall be determined from the amount of property as equalized by the state Board of Equalization each year, except such general taxes as may be definitely fixed by law.

**History:** (2055) RL s 866

#### 275.011 MILL RATE LEVY LIMITATIONS; CONVERSION FROM MILLS TO DOLLARS.

Subdivision 1. **Determination of levy limit.** The property tax levied for any purpose under a special law that is not codified in Minnesota Statutes or a city charter provision and that is subject to a mill rate limitation imposed by the special law or city charter provision, excluding levies subject to mill rate limitations that use adjusted assessed values determined by the commissioner of revenue under section 124.2131, must not exceed the following amount for the years specified:

(a) for taxes payable in 1988, the product of the applicable mill rate limitation imposed by special law or city charter provision multiplied by the total assessed valuation of all taxable property subject to the tax as adjusted by the provisions of Minnesota Statutes 1986, sections 272.64; 273.13, subdivision 7a; and 275.49;

(b) for taxes payable in 1989, the product of (1) the property tax levy limitation for the taxes payable year 1988 determined under clause (a) multiplied by (2) an index for market valuation changes equal to the assessment year 1988 total market valuation of all taxable property subject to the tax divided by the assessment year 1987 total market valuation of all taxable property subject to the tax; and

(c) for taxes payable in 1990 and subsequent years, the product of (1) the property tax levy limitation for the previous year determined pursuant to this subdivision multiplied by (2) an index for market valuation changes equal to the total market valuation of all taxable property subject to the tax for the current assessment year divided by the total market valuation of all taxable property subject to the tax for the previous assessment year.

For the purpose of determining the property tax levy limitation for the taxes payable year 2014 and subsequent years under this subdivision, "total market valuation" means the estimated market value of all taxable property subject to the tax as provided under section 273.032.

**Subd. 2. Construction of mill rate levy limit.** A mill rate levy limitation imposed by a special law or city charter provision that is presently in effect, excluding those mill rate levy limitations that use adjusted assessed values determined by the commissioner of revenue under section 124.2131, shall be construed to allow no more and no less property taxes than the amount determined under this section.

**Subd. 3. County capital improvement mill limits.** For purposes of determining the mill rate limits applicable to county capital improvement programs under section 373.40, the mill rate limit applicable to the county must be divided by 0.45 and multiplied by the county's assessed value for taxes payable in 1988. The resulting dollar amount must be used in determining the limitation under the procedures provided by this section.

**History:** 1988 c 719 art 5 s 36; 1989 c 277 art 4 s 21,22; 1989 c 329 art 13 s 8; 1997 c 31 art 3 s 8; 1998 c 254 art 1 s 78; 2013 c 143 art 14 s 32

## **275.02 STATE LEVY FOR BONDED DEBT; CERTIFICATION OF TAX RATE.**

A state tax for bonded debt pursuant to the Minnesota Constitution, article XI, shall be levied on the tax capacity of all taxable property in the state. The rate of the tax shall be certified by the state auditor to each county auditor on or before November 1 annually. The tax under this section is not treated as a local tax rate under section 469.177.

**History:** (2056) RL s 867; 1935 c 282; Ex1959 c 70 art 2 s 1; 1965 c 45 s 49; 1984 c 593 s 33; 1Sp2001 c 5 art 3 s 45

## **275.025 STATE GENERAL TAX.**

**Subdivision 1. Levy amount.** The state general levy is levied against commercial-industrial property and seasonal residential recreational property, as defined in this section. The state general levy for commercial-industrial property is \$716,990,000 for taxes payable in 2023 and thereafter. The state general levy for seasonal-recreational property is \$41,690,000 for taxes payable in 2020 and thereafter. The tax under this section is not treated as a local tax rate under section 469.177 and is not the levy of a governmental unit under chapters 276A and 473F.

The commissioner shall increase or decrease the preliminary or final rate for a year as necessary to account for errors and tax base changes that affected a preliminary or final rate for either of the two preceding years. Adjustments are allowed to the extent that the necessary information is available to the commissioner at the time the rates for a year must be certified, and for the following reasons:

- (1) an erroneous report of taxable value by a local official;
- (2) an erroneous calculation by the commissioner; and

(3) an increase or decrease in taxable value for commercial-industrial or seasonal residential recreational property reported to the commissioner under section 270C.85, subdivision 2, clause (4), for the same year.

The commissioner may, but need not, make adjustments if the total difference in the tax levied for the year would be less than \$100,000.

**Subd. 2. Commercial-industrial tax capacity.** For the purposes of this section, "commercial-industrial tax capacity" means the tax capacity of all taxable property classified as class 3 or class 5(1) under section 273.13, excluding:

(1) the tax capacity attributable to the first \$150,000 of market value of each parcel of commercial-industrial property as defined under section 273.13, subdivision 24, clauses (1) and (2);

(2) electric generation attached machinery under class 3; and

(3) property described in section 473.625.

County commercial-industrial tax capacity amounts are not adjusted for the captured net tax capacity of a tax increment financing district under section 469.177, subdivision 2, the net tax capacity of transmission lines deducted from a local government's total net tax capacity under section 273.425, or fiscal disparities contribution and distribution net tax capacities under chapter 276A or 473F. For purposes of this subdivision, the procedures for determining eligibility for tier 1 under section 273.13, subdivision 24, clauses (1) and (2), shall apply in determining the portion of a property eligible to be considered within the first \$150,000 of market value.

**Subd. 3. Seasonal residential recreational tax capacity.** For the purposes of this section, "seasonal residential recreational tax capacity" means the tax capacity of tier III of class 1c under section 273.13, subdivision 22, and all class 4c(1), 4c(3)(ii), and 4c(12) property under section 273.13, subdivision 25, except that the first \$76,000 of market value of each noncommercial class 4c(12) property has a tax capacity for this purpose equal to 40 percent of its tax capacity under section 273.13.

**Subd. 4. Apportionment and levy of state general tax.** The state general tax must be levied by applying a uniform rate to all commercial-industrial tax capacity and a uniform rate to all seasonal residential recreational tax capacity. On or before October 1 each year, the commissioner of revenue shall certify the preliminary state general levy rates to each county auditor that must be used to prepare the notices of proposed property taxes for taxes payable in the following year. By January 1 of each year, the commissioner shall certify the final state general levy rates to each county auditor that shall be used in spreading taxes.

**Subd. 5. Underserved municipalities distribution.** (a) Any municipality that:

(1) lies wholly or partially within the metropolitan area as defined under section 473.121, subdivision 2, but outside the transit taxing district as defined under section 473.446, subdivision 2; and

(2) has a net fiscal disparities contribution equal to or greater than eight percent of its total taxable net tax capacity,

is eligible for a distribution from the proceeds of the state general levy imposed on taxpayers within the municipality.

(b) The distribution is equal to (1) the municipality's net tax capacity tax rate, times (2) the municipality's net fiscal disparities contribution in excess of eight percent of its total taxable net tax capacity; provided, however, that the distribution may not exceed the tax under this section imposed on taxpayers within the municipality. The amount of the distribution to each municipality must be determined by the commissioner

of revenue and certified to each affected municipality and county by September 1 of the year in which taxes are payable.

(c) The distribution under this subdivision must be paid to the qualifying municipality by the treasurer of the home county of the municipality by December 1 of the year the taxes are payable. The amounts distributed under this subdivision must be deducted from the settlement of the state general levy for the taxes payable year under section 276.112.

(d) For purposes of this subdivision, the following terms have the meanings given.

(1) "Municipality" means a home rule or statutory city, or a town, except that in the case of a city that lies only partially within the metropolitan area, municipality means the portion of the city lying within the metropolitan area.

(2) "Net fiscal disparities contribution" means a municipality's fiscal disparities contribution tax capacity minus its distribution net tax capacity.

(3) "Total taxable net tax capacity" means the total net tax capacity of all properties in the municipality under section 273.13 minus (i) the net fiscal disparities contribution, and (ii) the municipality's tax increment captured net tax capacity.

Subd. 6. **Natural gas pipeline.** (a) The county must abate the state general levy on personal property that is part of an intrastate natural gas transportation or distribution pipeline system if:

(1) construction of the pipeline system commenced after January 1, 2018; and

(2) the pipeline system provides service to an area:

(i) outside the seven-county metropolitan area, as defined in section 473.121, subdivision 4; and

(ii) in which more than half of the households or businesses lacked access to natural gas distribution systems as of January 1, 2018.

(b) In the first year that a taxpayer seeks an abatement under this subdivision, the taxpayer must file an application with the commissioner of revenue by March 1 of the assessment year on a form prescribed by the commissioner.

(c) The commissioner of revenue must notify any affected county in the first year that a pipeline system becomes eligible for an abatement under this subdivision.

(d) The abatement under this subdivision applies for a period not to exceed 12 taxable years, provided that once a property no longer qualifies, it may not subsequently qualify for an abatement under this subdivision.

**History:** *1Sp2001 c 5 art 3 s 46; 2003 c 127 art 5 s 24-26; 1Sp2003 c 21 art 4 s 5; 2005 c 151 art 2 s 17; 1Sp2005 c 3 art 1 s 19,20; 2008 c 154 art 2 s 16; 1Sp2011 c 7 art 5 s 9; 1Sp2017 c 1 art 2 s 14-17; 1Sp2019 c 6 art 4 s 20,21; art 18 s 16; 1Sp2021 c 14 art 6 s 9,10*

**275.03** [Repealed, 1993 c 375 art 3 s 47]

**275.035** [Repealed, 1988 c 719 art 6 s 21]

**275.04** [Repealed, 1965 c 45 s 73]

**275.05** [Repealed, 1965 c 45 s 73]

**275.06** [Repealed, 1965 c 45 s 73]

**275.064** [Repealed, 1996 c 310 s 1]

**275.065 PROPOSED PROPERTY TAXES; NOTICE.**

Subdivision 1. **Proposed levy.** (a) Notwithstanding any law or charter to the contrary, on or before September 30, each county, home rule charter or statutory city, town, and special taxing district, excluding the Metropolitan Council and the Metropolitan Mosquito Control Commission, shall certify to the county auditor the proposed property tax levy for taxes payable in the following year. For towns, the final certified levy shall also be considered the proposed levy.

(b) Notwithstanding any law or charter to the contrary, on or before September 15, the Metropolitan Council and the Metropolitan Mosquito Control Commission shall adopt and certify to the county auditor a proposed property tax levy for taxes payable in the following year.

(c) On or before September 30, each school district that has not mutually agreed with its home county to extend this date shall certify to the county auditor the proposed property tax levy for taxes payable in the following year. Each school district that has agreed with its home county to delay the certification of its proposed property tax levy must certify its proposed property tax levy for the following year no later than October 7. The school district shall certify the proposed levy as:

(1) a specific dollar amount by school district fund, broken down between voter-approved and non-voter-approved levies and between referendum market value and tax capacity levies; or

(2) the maximum levy limitation certified by the commissioner of education according to section 126C.48, subdivision 1.

(d) If the board of estimate and taxation or any similar board that establishes maximum tax levies for taxing jurisdictions within a first class city certifies the maximum property tax levies for funds under its jurisdiction by charter to the county auditor by the date specified in paragraph (a), the city shall be deemed to have certified its levies for those taxing jurisdictions.

(e) For purposes of this section, "special taxing district" means a special taxing district as defined in section 275.066. Intermediate school districts that levy a tax under chapter 124 or 136D, joint powers boards established under sections 123A.44 to 123A.445, and Common School Districts No. 323, Franconia, and No. 815, Prinsburg, are also special taxing districts for purposes of this section.

(f) At the meeting at which a taxing authority, other than a town, adopts its proposed tax levy under this subdivision, the taxing authority shall announce the time and place of any subsequent regularly scheduled meetings at which the budget and levy will be discussed and at which the public will be allowed to speak. The time and place of those meetings must be included in the proceedings or summary of proceedings published in the official newspaper of the taxing authority under section 123B.09, 375.12, or 412.191.

Subd. 1a. **Overlapping jurisdictions.** In the case of a taxing authority lying in two or more counties, the home county auditor shall certify the proposed levy and the proposed local tax rate to the other county auditor by October 5, unless the home county has agreed to delay the certification of its proposed property tax levy, in which case the home county auditor shall certify the proposed levy and the proposed local tax rate to the other county auditor by October 10. The home county auditor must estimate the levy or rate in preparing the notices required in subdivision 3, if the other county has not certified the appropriate information. If requested by the home county auditor, the other county auditor must furnish an estimate to the home county auditor.

Subd. 1b. [Repealed, 1992 c 511 art 3 s 9]

Subd. 1c. **Levy; shared, merged, consolidated services.** If two or more taxing authorities are in the process of negotiating an agreement for sharing, merging, or consolidating services between those taxing authorities at the time the proposed levy is to be certified under subdivision 1, each taxing authority involved in the negotiation shall certify its total proposed levy as provided in that subdivision, including a notification to the county auditor of the specific service involved in the agreement which is not yet finalized. The affected taxing authorities may amend their proposed levies under subdivision 1 until October 10 for levy amounts relating only to the specific service involved.

Subd. 1d. **Failure to certify proposed levy.** If a taxing authority fails to certify its proposed levy by the due dates specified under subdivisions 1, 1a, and 1c, the county auditor shall use the authority's previous year's final levy under section 275.07, subdivision 1, for purposes of determining its proposed property tax notices and public advertisements under this section.

Subd. 2. [Repealed, 1Sp1989 c 1 art 9 s 85]

Subd. 3. **Notice of proposed property taxes.** (a) The county auditor shall prepare and the county treasurer shall deliver after November 10 and on or before November 24 each year, by first class mail to each taxpayer at the address listed on the county's current year's assessment roll, a notice of proposed property taxes. Upon written request by the taxpayer, the treasurer may send the notice in electronic form or by electronic mail instead of on paper or by ordinary mail.

(b) The commissioner of revenue shall prescribe the form of the notice.

(c) The notice must inform taxpayers that it contains the amount of property taxes each taxing authority proposes to collect for taxes payable the following year. In the case of a town, or in the case of the state general tax, the final tax amount will be its proposed tax. The notice must clearly state for each city that has a population over 500, county, school district, regional library authority established under section 134.201, metropolitan taxing districts as defined in paragraph (i), and fire protection and emergency medical services special taxing districts established under section 144F.01, the time and place of a meeting for each taxing authority in which the budget and levy will be discussed and public input allowed, prior to the final budget and levy determination. The taxing authorities must provide the county auditor with the information to be included in the notice on or before the time it certifies its proposed levy under subdivision 1. The public must be allowed to speak at that meeting, which must occur after November 24 and must not be held before 6:00 p.m. It must provide a telephone number for the taxing authority that taxpayers may call if they have questions related to the notice and an address where comments will be received by mail, except that no notice required under this section shall be interpreted as requiring the printing of a personal telephone number or address as the contact information for a taxing authority. If a taxing authority does not maintain public offices where telephone calls can be received by the authority, the authority may inform the county of the lack of a public telephone number and the county shall not list a telephone number for that taxing authority.

(d) The notice must state for each parcel:

(1) the market value of the property as determined under section 273.11, and used for computing property taxes payable in the following year and for taxes payable in the current year as each appears in the records of the county assessor on November 1 of the current year; and, in the case of residential property, whether the property is classified as homestead or nonhomestead. The notice must clearly inform taxpayers of the years to which the market values apply and that the values are final values;

(2) the items listed below, shown separately by county, city or town, and state general tax, agricultural homestead credit under section 273.1384, school building bond agricultural credit under section 273.1387, voter approved school levy, other local school levy, and the sum of the special taxing districts, and as a total of all taxing authorities:

- (i) the actual tax for taxes payable in the current year; and
- (ii) the proposed tax amount.

If the county levy under clause (2) includes an amount for a lake improvement district as defined under sections 103B.501 to 103B.581, the amount attributable for that purpose must be separately stated from the remaining county levy amount.

In the case of a town or the state general tax, the final tax shall also be its proposed tax unless the town changes its levy at a special town meeting under section 365.52. If a school district has certified under section 126C.17, subdivision 9, that a referendum will be held in the school district at the November general election, the county auditor must note next to the school district's proposed amount that a referendum is pending and that, if approved by the voters, the tax amount may be higher than shown on the notice. In the case of the city of Minneapolis, the levy for Minneapolis Park and Recreation shall be listed separately from the remaining amount of the city's levy. In the case of the city of St. Paul, the levy for the St. Paul Library Agency must be listed separately from the remaining amount of the city's levy. In the case of Ramsey County, any amount levied under section 134.07 may be listed separately from the remaining amount of the county's levy. In the case of a parcel where tax increment or the fiscal disparities areawide tax under chapter 276A or 473F applies, the proposed tax levy on the captured value or the proposed tax levy on the tax capacity subject to the areawide tax must each be stated separately and not included in the sum of the special taxing districts; and

(3) the increase or decrease between the total taxes payable in the current year and the total proposed taxes, expressed as a percentage.

For purposes of this section, the amount of the tax on homesteads qualifying under the senior citizens' property tax deferral program under chapter 290B is the total amount of property tax before subtraction of the deferred property tax amount.

(e) The notice must clearly state that the proposed or final taxes do not include the following:

- (1) special assessments;
- (2) levies approved by the voters after the date the proposed taxes are certified, including bond referenda and school district levy referenda;
- (3) a levy limit increase approved by the voters by the first Tuesday after the first Monday in November of the levy year as provided under section 275.73;
- (4) amounts necessary to pay cleanup or other costs due to a natural disaster occurring after the date the proposed taxes are certified;
- (5) amounts necessary to pay tort judgments against the taxing authority that become final after the date the proposed taxes are certified; and
- (6) the contamination tax imposed on properties which received market value reductions for contamination.

(f) Except as provided in subdivision 7, failure of the county auditor to prepare or the county treasurer to deliver the notice as required in this section does not invalidate the proposed or final tax levy or the taxes payable pursuant to the tax levy.

(g) If the notice the taxpayer receives under this section lists the property as nonhomestead, and satisfactory documentation is provided to the county assessor by the applicable deadline, and the property qualifies for the homestead classification in that assessment year, the assessor shall reclassify the property to homestead for taxes payable in the following year.

(h) In the case of class 4 residential property used as a residence for lease or rental periods of 30 days or more, the taxpayer must either:

- (1) mail or deliver a copy of the notice of proposed property taxes to each tenant, renter, or lessee; or
- (2) post a copy of the notice in a conspicuous place on the premises of the property.

The notice must be mailed or posted by the taxpayer by November 27 or within three days of receipt of the notice, whichever is later. A taxpayer may notify the county treasurer of the address of the taxpayer, agent, caretaker, or manager of the premises to which the notice must be mailed in order to fulfill the requirements of this paragraph.

(i) For purposes of this subdivision and subdivision 6, "metropolitan special taxing districts" means the following taxing districts in the seven-county metropolitan area that levy a property tax for any of the specified purposes listed below:

- (1) Metropolitan Council under section 473.132, 473.167, 473.249, 473.325, 473.446, 473.521, 473.547, or 473.834;
- (2) Metropolitan Airports Commission under section 473.667, 473.671, or 473.672; and
- (3) Metropolitan Mosquito Control Commission under section 473.711.

For purposes of this section, any levies made by the regional rail authorities in the county of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington under chapter 398A shall be included with the appropriate county's levy.

(j) The governing body of a county, city, or school district may, with the consent of the county board, include supplemental information with the statement of proposed property taxes about the impact of state aid increases or decreases on property tax increases or decreases and on the level of services provided in the affected jurisdiction. This supplemental information may include information for the following year, the current year, and for as many consecutive preceding years as deemed appropriate by the governing body of the county, city, or school district. It may include only information regarding:

- (1) the impact of inflation as measured by the implicit price deflator for state and local government purchases;
- (2) population growth and decline;
- (3) state or federal government action; and
- (4) other financial factors that affect the level of property taxation and local services that the governing body of the county, city, or school district may deem appropriate to include.



The information may be presented using tables, written narrative, and graphic representations and may contain instruction toward further sources of information or opportunity for comment.

Subd. 3a. [Repealed, 1Sp2003 c 21 art 4 s 13]

Subd. 3b. **Notice of proposed property taxes required supplemental information.** (a) The county auditor must prepare a separate statement to be delivered with the notice of proposed taxes described in subdivision 3. The statement must fit on one sheet of paper and contain for each parcel:

(1) for the county, city or township, and school district in which the parcel lies, the certified levy for the current taxes payable year, the proposed levy for taxes payable in the following year, and the increase or decrease between these two amounts, expressed as a percentage; and

(2) summary budget information listed in paragraph (b).

(b) Summary budget information must contain budget data from the county, city, and school district that proposes a property tax levy on the parcel for taxes payable the following year. For the school district, the summary budget data must include the information provided to the public under section 123B.10, subdivision 1, paragraph (b), for the current year and prior year. For the county and city, the reported summary budget data must contain the same information, in the same categories, and in the same format as provided to the Office of the State Auditor as required by section 6.745. The statement must provide the governmental revenues and current expenditures information in clauses (1) and (2) for the taxing authority's budget for taxes payable the following year and the taxing authority's budget from taxes payable in the current year, as well as the percent change between the two years. The city must provide the county auditor with the summary budget data at the same time as the information required under subdivision 3. Only cities with a population of at least 500 are required to report the data described in this paragraph. If a city with a population over 500 fails to report the required information to the county auditor, the county auditor must list the city as "budget information not reported" on the portion of the statement dedicated to the city's budget information. The statement may take the same format as the annual summary budget report for cities and counties issued by the Office of the State Auditor. The summary budget data must include:

(1) a governmental revenues category, including and separately stating:

(i) "property taxes" defined as property taxes levied on an assessed valuation of real property and personal property, if applicable, by the city and county, including fiscal disparities;

(ii) "special assessments" defined as levies made against certain properties to defray all or part of the costs of a specific improvement, such as new sewer and water mains, deemed to benefit primarily those properties;

(iii) "state general purpose aid" defined as aid received from the state that has no restrictions on its use, including local government aid, county program aid, and market value credits; and

(iv) "state categorical aid" defined as revenues received for a specific purpose, such as streets and highways, fire relief, and flood control, including but not limited to police and fire state aid and out-of-home placement aid; and

(2) a current expenditures category, including and separately stating:

(i) "general government" defined as administration costs of city or county governments, including salaries of officials and maintenance of buildings;

(ii) "public safety" defined as costs related to the protection of persons and property, such as police, fire, ambulance services, building inspections, animal control, and flood control;

(iii) "streets and highways" defined as costs associated with the maintenance and repair of local highways, streets, bridges, and street equipment, such as patching, seal coating, street lighting, street cleaning, and snow removal;

(iv) "sanitation" defined as costs of refuse collection and disposal, recycling, and weed and pest control;

(v) "human services" defined as activities designed to provide public assistance and institutional care for individuals economically unable to provide for themselves;

(vi) "health" defined as costs of the maintenance of vital statistics, restaurant inspection, communicable disease control, and various health services and clinics;

(vii) "culture and recreation" defined as costs of libraries, park maintenance, mowing, planting, removal of trees, festivals, bands, museums, community centers, cable television, baseball fields, and organized recreation activities;

(viii) "conservation of natural resources" defined as the conservation and development of natural resources, including agricultural and forestry programs and services, weed inspection services, and soil and water conservation services;

(ix) "economic development and housing" defined as costs for development and redevelopment activities in blighted or otherwise economically disadvantaged areas, including low-interest loans, cleanup of hazardous sites, rehabilitation of substandard housing and other physical facilities, and other assistance to those wanting to provide housing and economic opportunity within a disadvantaged area; and

(x) "all other current expenditures" defined as costs not classified elsewhere, such as airport expenditures, cemeteries, unallocated insurance costs, unallocated pension costs, and public transportation costs.

(c) If a taxing authority reporting this data does not have revenues or expenditures in a category listed in paragraph (b), then the taxing authority must designate the amount as "0" for that specific category.

(d) The supplemental statement provided under this subdivision must be sent in electronic form or by email if the taxpayer requests an electronic version of the notice of proposed property taxes under subdivision 3, paragraph (a).

**Subd. 4. Costs.** If the reasonable cost of the county auditor's services and the cost of preparing and mailing the notice required in this section exceed the amount distributed to the county by the commissioner of revenue to administer this section, the taxing authority must reimburse the county for the excess cost. The excess cost must be apportioned between taxing jurisdictions as follows:

- (1) one-third is allocated to the county;
- (2) one-third is allocated to cities and towns within the county; and
- (3) one-third is allocated to school districts within the county.

The amounts in clause (2) must be further apportioned among the cities and towns in the proportion that the number of parcels in the city and town bears to the number of parcels in all the cities and towns within the county. The amount in clause (3) must be further apportioned among the school districts in the proportion

that the number of parcels in the school district bears to the number of parcels in all school districts within the county.

Subd. 5. [Repealed, 1Sp1989 c 1 art 9 s 85]

Subd. 5a. [Repealed, 2009 c 88 art 3 s 10]

Subd. 6. **Adoption of budget and levy.** (a) The property tax levy certified under section 275.07 by a city of any population, county, metropolitan special taxing district, regional library district, or school district must not exceed the proposed levy determined under subdivision 1, except by an amount up to the sum of the following amounts:

(1) the amount of a school district levy whose voters approved a referendum to increase taxes under section 123B.63, subdivision 3, or 126C.17, subdivision 9, after the proposed levy was certified;

(2) the amount of a city or county levy approved by the voters after the proposed levy was certified;

(3) the amount of a levy to pay principal and interest on bonds approved by the voters under section 475.58 after the proposed levy was certified;

(4) the amount of a levy to pay costs due to a natural disaster occurring after the proposed levy was certified, if that amount is approved by the commissioner of revenue under subdivision 6a;

(5) the amount of a levy to pay tort judgments against a taxing authority that become final after the proposed levy was certified, if the amount is approved by the commissioner of revenue under subdivision 6a;

(6) the amount of an increase in levy limits certified to the taxing authority by the commissioner of education or the commissioner of revenue after the proposed levy was certified;

(7) the amount required under section 126C.55;

(8) the levy to pay emergency debt certificates under section 475.755 authorized and issued after the proposed levy was certified; and

(9) the amount of unallotment under section 16A.152 that was recertified under section 275.07, subdivision 6.

(b) This subdivision does not apply to towns and special taxing districts other than regional library districts and metropolitan special taxing districts.

(c) Notwithstanding the requirements of this section, the employer is required to meet and negotiate over employee compensation as provided for in chapter 179A.

Subd. 6a. **Approval of commissioner.** (a) A taxing authority may appeal to the commissioner of revenue for authorization to levy an amount over the amount of the proposed levy. The taxing authority must provide evidence satisfactory to the commissioner that it has incurred costs for the purposes specified in paragraph (b).

(b) The commissioner may approve an increase in the taxing authority's levy of up to the amount of costs incurred or a lesser amount determined by the commissioner. The commissioner's decision is final.

(b) A levy addition may be made under paragraph (a) for the following costs incurred after the proposed levy is certified: (1) the unreimbursed costs to satisfy judgments rendered against the taxing authority by a court of competent jurisdiction in a tort action in excess of \$50,000 or ten percent of the current year's proposed certified levy whichever is less; and (2) the costs incurred in clean up of a natural disaster. For

purposes of this subdivision, "natural disaster" includes the occurrence or threat of widespread or severe damage, injury, or loss of life or property resulting from causes such as earthquake, fire, flood, windstorm, wave action, oil spill, water contamination, air contamination, or drought.

Subd. 6b. [Repealed, 2009 c 88 art 3 s 10]

Subd. 6c. [Repealed, 2009 c 88 art 3 s 10]

**Subd. 7. Certification of compliance.** At the time the taxing authority certifies its tax levy under section 275.07, it shall certify to the commissioner of revenue its compliance with this section. The certification must contain the information required by the commissioner of revenue to determine compliance with this section. If the commissioner determines that the taxing authority has failed to substantially comply with the requirements of this section, the commissioner of revenue shall notify the county auditor. The decision of the commissioner is final. When fixing rates under section 275.08 for a taxing authority that has not complied with this section, the county auditor must use the taxing authority's previous year's levy, plus any additional amounts necessary to pay principal and interest on general obligation bonds of the taxing authority for which its taxing powers have been pledged if the bonds were issued before 1989.

Subd. 8. [Repealed, 2009 c 88 art 3 s 10]

Subd. 9. [Repealed, 2009 c 88 art 3 s 10]

Subd. 10. [Repealed, 2009 c 88 art 3 s 10]

**History:** 1988 c 719 art 5 s 30; 1Sp1989 c 1 art 2 s 11; art 9 s 31-38; 1990 c 604 art 3 s 23-26; 1991 c 130 s 28,37; 1991 c 199 art 2 s 20; 1991 c 265 art 9 s 64-66; 1991 c 291 art 5 s 1-3; 1992 c 499 art 8 s 21; art 12 s 24,29; 1992 c 511 art 3 s 2-7; art 5 s 8; 1992 c 603 s 24; 1993 c 224 art 1 s 30; 1993 c 271 s 3; 1993 c 375 art 3 s 24; art 7 s 9-12,29; art 12 s 10; 1994 c 416 art 1 s 25-27; 1994 c 510 art 1 s 8; 1994 c 587 art 3 s 10; art 7 s 5; 1994 c 628 art 3 s 23,24; 1995 c 264 art 3 s 14,15; art 4 s 4; art 16 s 12; 1Sp1995 c 3 art 1 s 52; art 16 s 13; 1996 c 305 art 1 s 60; 1996 c 455 art 5 s 1,2; 1996 c 471 art 3 s 16-18,52; art 11 s 2; 1997 c 31 art 3 s 9; 1997 c 231 art 4 s 1-8,12; art 14 s 2; 1998 c 254 art 1 s 79; 1998 c 389 art 3 s 12,13; 1998 c 397 art 11 s 3; 1999 c 159 s 126; 2000 c 260 s 44; 1Sp2001 c 5 art 3 s 47-49; 2002 c 377 art 4 s 22; 2002 c 390 s 2; 2003 c 130 s 12; 1Sp2003 c 21 art 4 s 6; 2004 c 294 art 1 s 9; 1Sp2005 c 3 art 1 s 21-24; 2007 c 121 art 2 s 1,6; 2007 c 146 art 5 s 9,10; 2008 c 154 art 2 s 17; art 13 s 38,39; 2008 c 277 art 1 s 59; 2008 c 366 art 6 s 33,34; 2009 c 88 art 3 s 2-4; 2010 c 389 art 1 s 16; art 8 s 10; 2014 c 275 art 1 s 91; 2014 c 308 art 2 s 11; 1Sp2017 c 1 art 2 s 18; art 4 s 5; art 15 s 27; 1Sp2017 c 8 art 2 s 34; 1Sp2021 c 14 art 6 s 11,12

## 275.066 SPECIAL TAXING DISTRICTS; DEFINITION.

For the purposes of property taxation and property tax state aids, the term "special taxing districts" includes the following entities:

- (1) watershed districts under chapter 103D;
- (2) sanitary districts under sections 442A.01 to 442A.29;
- (3) regional sanitary sewer districts under sections 115.61 to 115.67;
- (4) regional public library districts under section 134.201;
- (5) park districts under chapter 398;

- (6) regional railroad authorities under chapter 398A;
- (7) hospital districts under sections 447.31 to 447.38;
- (8) St. Cloud Metropolitan Transit Commission under sections 458A.01 to 458A.15;
- (9) Duluth Transit Authority under sections 458A.21 to 458A.37;
- (10) regional development commissions under sections 462.381 to 462.398;
- (11) housing and redevelopment authorities under sections 469.001 to 469.047;
- (12) port authorities under sections 469.048 to 469.068;
- (13) economic development authorities under sections 469.090 to 469.1081;
- (14) Metropolitan Council under sections 473.123 to 473.549;
- (15) Metropolitan Airports Commission under sections 473.601 to 473.679;
- (16) Metropolitan Mosquito Control Commission under sections 473.701 to 473.716;
- (17) Morrison County Rural Development Financing Authority under Laws 1982, chapter 437, section 1;
- (18) Croft Historical Park District under Laws 1984, chapter 502, article 13, section 6;
- (19) East Lake County Medical Clinic District under Laws 1989, chapter 211, sections 1 to 6;
- (20) Floodwood Area Ambulance District under Laws 1993, chapter 375, article 5, section 39;
- (21) Middle Mississippi River Watershed Management Organization under sections 103B.211 and 103B.241;
- (22) fire protection and emergency medical services special taxing districts under section 144F.01;
- (23) a county levying under the authority of section 103B.241, 103B.245, or 103B.251;
- (24) Southern St. Louis County Special Taxing District; Chris Jensen Nursing Home under Laws 2003, First Special Session chapter 21, article 4, section 12;
- (25) an airport authority created under section 360.0426; and
- (26) any other political subdivision of the state of Minnesota, excluding counties, school districts, cities, and towns, that has the power to adopt and certify a property tax levy to the county auditor, as determined by the commissioner of revenue.

**History:** 1994 c 416 art 1 s 28; 1995 c 186 s 54; 1995 c 236 s 2; 2000 c 490 art 5 s 17; 1Sp2001 c 5 art 3 s 50; 1Sp2003 c 21 art 4 s 7; 2008 c 154 art 2 s 18; 2009 c 86 art 1 s 87; 2010 c 389 art 8 s 17; 2013 c 114 art 5 s 1; 2013 c 125 art 1 s 60; 1Sp2021 c 14 art 6 s 13

**275.067 SPECIAL TAXING DISTRICTS; ORGANIZATION DATE; CERTIFICATION OF LEVY OR SPECIAL ASSESSMENTS.**

Special taxing districts as defined in section 275.066 organized on or before July 1 in the current calendar year, and special taxing districts organized in a prior year that have not previously certified a levy to the

county auditor, are allowed to certify a levy to the county auditor in the current year for property taxes or special assessments to be payable in the following calendar year to the extent that the special taxing district is authorized by statute or special act to levy taxes or special assessments, but only if the county auditor receives written notice from the district on or before July 1 of the current year that the district may be certifying a levy in the current year, and the notice includes a complete list or other description of the tax parcels in the district and a map showing the boundaries of the district. Special taxing districts organized after July 1 in a calendar year may not certify a levy of property taxes or special assessments to the county auditor under the powers granted to them by statute or special act and subject to the requirements of this section until the following calendar year. All special taxing districts must notify the county auditor by July 1 in order for its boundaries for the levy to be certified that year to be different than its boundaries for levies certified in prior years, and the notice must include a complete list or other description of the tax parcels within the new boundaries and a map showing the new boundaries of the district.

**History:** 1994 c 416 art 1 s 29; 2008 c 154 art 13 s 40

### **275.07 CITY, TOWN, COUNTY, AND SCHOOL DISTRICT TAXES.**

Subdivision 1. **Certification of levy.** (a) Except as provided under paragraph (b), the taxes voted by cities, counties, school districts, and special districts shall be certified by the proper authorities to the county auditor on or before five working days after December 20 in each year. A town must certify the levy adopted by the town board to the county auditor by September 30 each year. If the town board modifies the levy at a special town meeting after September 30, the town board must recertify its levy to the county auditor on or before five working days after December 20. If a city, town, county, school district, or special district fails to certify its levy by that date, its levy shall be the amount levied by it for the preceding year.

(b)(i) The taxes voted by counties under sections 103B.241, 103B.245, and 103B.251 shall be separately certified by the county to the county auditor on or before five working days after December 20 in each year. The taxes certified shall not be reduced by the county auditor by the aid received under section 273.1398, subdivision 3. If a county fails to certify its levy by that date, its levy shall be the amount levied by it for the preceding year.

(ii) For purposes of the proposed property tax notice under section 275.065 and the property tax statement under section 276.04, for the first year in which the county implements the provisions of this paragraph, the county auditor shall reduce the county's levy for the preceding year to reflect any amount levied for water management purposes under clause (i) included in the county's levy.

Subd. 1a. [Repealed, 2004 c 228 art 3 s 18]

Subd. 2. **School district levies; special requirements.** (a) In school districts lying in more than one county, the clerk shall certify the tax levied to the auditor of the county in which the administrative offices of the school district are located.

(b) The district must identify the portion of the school district levy that is levied for debt service at the time the levy is certified under this section. For the purposes of this paragraph, "levied for debt service" means levies authorized under sections 123B.53, 123B.535, and 123B.55, as adjusted by sections 126C.46 and 126C.48, net of any debt excess levy reductions under section 475.61, subdivision 4, excluding debt service amounts necessary for repayment of other postemployment benefits under section 475.52, subdivision 6.

Subd. 3. [Repealed, 1993 c 375 art 4 s 21]

**Subd. 4. Report to commissioner.** (a) On or before October 8 of each year, the county auditor shall report to the commissioner of revenue the proposed levy certified by local units of government under section 275.065, subdivision 1. If any taxing authorities have notified the county auditor that they are in the process of negotiating an agreement for sharing, merging, or consolidating services but that when the proposed levy was certified under section 275.065, subdivision 1c, the agreement was not yet finalized, the county auditor shall supply that information to the commissioner when filing the report under this section and shall recertify the affected levies as soon as practical after October 10.

(b) On or before January 15 of each year, the county auditor shall report to the commissioner of revenue the final levy certified by local units of government under subdivision 1.

(c) The levies must be reported in the manner prescribed by the commissioner.

Subd. 5. [Repealed, 2004 c 228 art 3 s 18]

**Subd. 6. Recertification due to unallotment.** If a local government's December aid or credit payments under sections 477A.011 to 477A.014 and 273.1384 are reduced due to unallotment under section 16A.152, the local government may recertify its levy under subdivision 1 by January 15 of the year in which the levy will be paid. The local government must report the recertified amount to the county auditor within two business days of January 15 or the levy will remain at the amount certified under subdivision 1. Notwithstanding subdivision 4, the county auditor shall report to the commissioner of revenue any recertified levies under this subdivision by January 30 of the year in which the levy will be paid.

**History:** (2058) RL s 869; 1973 c 123 art 5 s 7; 1977 c 423 art 4 s 5; 1978 c 764 s 101; 1987 c 268 art 6 s 36; art 7 s 40; 1988 c 719 art 5 s 31,32; 1989 c 277 art 2 s 37; 1Sp1989 c 1 art 3 s 23; art 4 s 1,2; art 9 s 39,40; 1990 c 480 art 7 s 17; 1990 c 604 art 3 s 27,28; art 4 s 5; 1993 c 375 art 3 s 25,26; art 4 s 6,7; 1Sp1993 c 1 art 2 s 6; 1994 c 416 art 1 s 65; 1994 c 465 art 3 s 73; 1995 c 264 art 11 s 6; 1996 c 471 art 3 s 19; 1997 c 231 art 4 s 9; 1998 c 389 art 3 s 14; 1Sp2001 c 5 art 3 s 51; 2004 c 228 art 3 s 10; 2005 c 151 art 5 s 28,29; 2009 c 88 art 2 s 19; 1Sp2017 c 1 art 2 s 19; art 4 s 6

#### **275.075 OMISSION BY INADVERTENCE; CORRECTION.**

Whenever the amount of taxes as levied and certified by the tax levying body of any county, city, town, special taxing district, or school district has not been, as the result of error, inadvertence, or from the estimates as provided in section 275.08, by the county auditor extended and spread in conformity therewith, such tax levying body may include in its tax levy for the year following, the whole or any part of the amount so omitted through error, inadvertence, or from the estimates as provided in section 275.08, in addition to its current levy and in addition to and notwithstanding any limitations to the contrary.

**History:** 1947 c 71 s 1; 1973 c 123 art 5 s 7; 1Sp1981 c 1 art 8 s 9; 1997 c 84 art 1 s 1

#### **275.077 ERRORS BY COUNTY AUDITOR AFFECTING TOWNSHIP LEVY.**

**Subdivision 1. Error in recording levy.** If an error is made by a county auditor in recording the levy of a township lower than the levy certified by the township, the governing body of the county in which the error was made shall appropriate and disburse to the affected township sufficient funds to make up for the difference created by the error within 30 days of notification of the error.

**Subd. 2. Correction of levy amount.** The difference between the correct levy and the erroneous levy shall be added to the township levy for the subsequent levy year; provided that if the amount of the difference exceeds 0.12089 percent of estimated market value, the excess shall be added to the township levy for the second and later subsequent levy years, not to exceed an additional levy of 0.12089 percent of estimated

market value in any year, until the full amount of the difference has been levied. The funds collected from the corrected levies shall be used to reimburse the county for the payment required by subdivision 1.

**History:** 1979 c 16 s 1,2; 1989 c 277 art 4 s 23; 2013 c 143 art 14 s 33

**275.078** [Repealed, 1Sp2001 c 5 art 3 s 96]

### **275.079 COUNTY AUDITOR TO CALCULATE TAX RATE.**

The county auditor shall calculate the tax rate necessary to raise the required amount of the various taxes on the net tax capacity of all property as returned by the commissioner and the State Board of Equalization.

**History:** 2005 c 151 art 1 s 97

### **275.08 AUDITOR TO FIX RATE.**

Subdivision 1. **Generally.** The rate percent of all taxes, except the state tax and taxes the rate of which may be fixed by law, shall be calculated and fixed by the county auditor according to the limitations in this chapter hereinafter prescribed; provided, that if any county, city, town, or school district shall return a greater amount than the prescribed rates will raise, the auditor shall extend only such amount of tax as the limited rate will produce.

Subd. 1a. **Computation of tax capacity.** The county auditor shall compute the net tax capacity for each parcel according to the classification rates specified in section 273.13. The net tax capacity will be the appropriate classification rate multiplied by the parcel's market value.

Subd. 1b. **Computation of tax rates.** (a) The amounts certified to be levied against net tax capacity under section 275.07 by an individual local government unit shall be divided by the total net tax capacity of all taxable properties within the local government unit's taxing jurisdiction. The resulting ratio, the local government's local tax rate, multiplied by each property's net tax capacity shall be each property's net tax capacity tax for that local government unit before reduction by any credits.

(b) The auditor must also determine the school debt tax rate for each school district equal to (1) the school debt service levy certified under section 275.07, subdivision 2, divided by (2) the total net tax capacity of all taxable property within the district.

(c) Any amount certified to the county auditor to be levied against market value shall be divided by the total referendum market value of all taxable properties within the taxing district. The resulting ratio, the taxing district's new referendum tax rate, multiplied by each property's referendum market value shall be each property's new referendum tax before reduction by any credits. For the purposes of this subdivision, "referendum market value" means the market value as defined in section 126C.01, subdivision 3.

Subd. 1c. **Adjustment of local tax rates.** After the local tax rate of a local government has been determined pursuant to subdivision 1b, the auditor shall adjust the local government's local tax rate within each unique taxing jurisdiction as defined in section 273.1398, subdivision 1, in which the local government exercises taxing authority. The adjustment shall equal the unique taxing jurisdiction's disparity reduction aids allocated to the local government pursuant to section 273.1398, subdivision 3, divided by the total tax capacity of all taxable property within the unique taxing jurisdiction. The adjustment shall reduce the local tax rate of the local government within the unique taxing jurisdiction for which the adjustment was calculated.

Subd. 1d. **Additional adjustment.** If, after computing each local government's adjusted local tax rate within a unique taxing jurisdiction pursuant to subdivision 1c, the auditor finds that the total adjusted local tax rate of all local governments combined is 90 percent of net tax capacity, the auditor shall increase each



local government's adjusted local tax rate proportionately so the total adjusted local tax rate of all local governments combined equals 90 percent. The total amount of the increase in tax resulting from the increased local tax rates must not exceed the amount of disparity aid allocated to the unique taxing district under section 273.1398. The auditor shall certify to the Department of Revenue the difference between the disparity aid originally allocated under section 273.1398, subdivision 3, and the amount necessary to reduce the total adjusted local tax rate of all local governments combined to 90 percent. Each local government's disparity reduction aid payment under section 273.1398, subdivision 6, must be reduced accordingly.

Subd. 1e. [Repealed, 1Sp2001 c 5 art 3 s 96]

Subd. 2. **Estimates.** If, by January 15 of any year, the county auditor has not received from another county auditor the local tax rate or gross tax capacity applicable to any taxing district lying in two or more counties, the county auditor who has not received the necessary information may levy taxes for the overlapping district by estimating the local tax rate or the gross tax capacity.

Subd. 3. **Assistance of county auditor.** A county auditor who has not furnished the local tax rate or gross tax capacity of property in the county by January 15 shall, on request, furnish the county auditor of a county in the overlapping district an estimate of the tax capacities or the local tax rate. The auditor may request the assistance of the county assessor in determining the estimate.

Subd. 4. **Subsequent adjustment.** After the correct local tax rate or net tax capacity has been certified, the amount of taxes over or under levied shall be computed and notice sent to each affected taxing district. If the estimated tax levy exceeds the correct tax levy based on actual net tax capacity and local tax rate, the county treasurer shall remit any amount of excess collected to the affected taxing district. In the following levy year, the estimating county auditor shall adjust the levy of the affected taxing district to compensate for the amount of variance.

In the event that the estimated tax levy is less than the correct tax levy based on actual net tax capacity and local tax rate, the auditor shall adjust the levy of the affected taxing district as provided in section 275.075.

**History:** (2059) RL s 870; 1Sp1981 c 1 art 8 s 10; 1986 c 444; 1988 c 719 art 5 s 33-35,84; 1989 c 1 s 2; 1989 c 329 art 13 s 20; 1Sp1989 c 1 art 2 s 11; art 9 s 41,42; 1991 c 291 art 1 s 27; 1995 c 264 art 11 s 7; 1996 c 471 art 3 s 20; 1997 c 251 s 19; 1998 c 397 art 11 s 3; 2014 c 308 art 9 s 34,35; art 10 s 12; 1Sp2017 c 1 art 4 s 7

**275.081** [Repealed, 1988 c 719 art 5 s 81]

**275.082** [Repealed, 1988 c 719 art 5 s 81]

**275.09** Subdivision 1. [Repealed, 1984 c 593 s 46]

Subd. 2. [Repealed, 1984 c 593 s 46]

Subd. 3. [Repealed, 1983 c 342 art 3 s 9; 1984 c 593 s 46]

Subd. 4. [Repealed, 1984 c 593 s 46]

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

**275.092 LOCAL ACTS LIMITING COUNTY LEVY OR APPROPRIATION.**

Any special act for a single county relating to a limitation on the authority of a county board to levy taxes or make an appropriation for a particular purpose, however stated in mills, dollars, or a per capita amount, which is inconsistent with Laws 1973, chapter 583, sections 1 to 35 is superseded.

**History:** 1973 c 583 s 36

**275.10** [Repealed, 1979 c 153 s 2]

**275.11** Subdivision 1. [Repealed, 1Sp1989 c 1 art 5 s 51]

Subd. 2. [Repealed, 1Sp1989 c 1 art 5 s 51]

Subd. 3. MS 1957 [Repealed, 1961 c 500 s 2]

Subd. 3. MS 1990 [Repealed, 1Sp1989 c 1 art 5 s 51]

Subd. 4. [Repealed, 1Sp1989 c 1 art 5 s 51]

**275.12** [Repealed, Ex1971 c 31 art 20 s 25]

**275.121** [Local]

**275.122** [Expired]

**275.123** [Repealed, Ex1971 c 31 art 20 s 25]

**275.124 REPORT OF CERTIFIED LEVY.**

Prior to April 1 of each year, each county auditor shall report to the commissioner of education on forms furnished by the commissioner, the amount of the certified levy made by each school district within the county which has taxable property and any other information concerning these levies that is deemed necessary by the commissioner.

**History:** 1969 c 1109 s 3; 1975 c 162 s 40; 1977 c 447 art 7 s 25; 1978 c 764 s 102; 1Sp1989 c 1 art 9 s 43; 1Sp1995 c 3 art 16 s 13; 2003 c 130 s 12

**275.125** Subdivision 1. [Repealed, 1991 c 130 s 38]

Subd. 1a. [Repealed, 1982 c 548 art 7 s 13]

Subd. 2. [Repealed, 1973 c 683 s 30]

Subd. 2a. [Renumbered 124A.03, subdivision 1]

Subd. 2b. [Repealed, 1981 c 358 art 1 s 49]

Subd. 2c. [Renumbered subd 2e]

Subd. 2d. [Renumbered 124A.03, subd 2]

Subd. 2e. [Renumbered 124A.03, subd 3]

Subd. 2f. [Repealed, 3Sp1981 c 2 art 2 s 19]

Subd. 2g. [Repealed, 1984 c 463 art 2 s 8]

- Subd. 2h. [Repealed, 1984 c 463 art 2 s 8]
- Subd. 2i. [Repealed, 1984 c 463 art 2 s 8]
- Subd. 2j. [Repealed, 1984 c 463 art 2 s 8 subd 2; 1Sp1985 c 12 art 1 s 37]
- Subd. 2k. [Renumbered 124A.03, subd 4]
- Subd. 2l. [Renumbered 124A.03, subd 5]
- Subd. 3. [Repealed, 1987 c 398 art 1 s 27]
- Subd. 4. MS 1990 [Renumbered 124.912, subdivision 1]
- Subd. 4a. [Repealed, 1991 c 130 s 38]
- Subd. 5. MS 1990 [Renumbered 124.226, subdivision 1]
- Subd. 5a. MS 1990 [Renumbered 124.226, subd 2]
- Subd. 5b. MS 1990 [Renumbered 124.226, subd 3]
- Subd. 5c. MS 1990 [Renumbered 124.226, subd 4]
- Subd. 5d. [Repealed, 1987 c 398 art 2 s 14]
- Subd. 5e. MS 1990 [Renumbered 124.226, subd 5]
- Subd. 5f. MS 1990 [Renumbered 124.226, subd 6]
- Subd. 5g. MS 1990 [Renumbered 124.226, subd 7]
- Subd. 5h. MS 1990 [Renumbered 124.226, subd 8]
- Subd. 5i. MS 1990 [Renumbered 124.226, subd 9]
- Subd. 6. [Repealed, 1979 c 334 art 1 s 27]
- Subd. 6a. MS 1990 [Renumbered 124.916, subd 3]
- Subd. 6b. [Repealed, 1983 c 314 art 1 s 23]
- Subd. 6c. [Repealed, 1983 c 314 art 1 s 23]
- Subd. 6d. [Repealed, 1983 c 314 art 1 s 23]
- Subd. 6e. MS 1990 [Renumbered 124.912, subd 2]
- Subd. 6f. [Repealed, 1989 c 329 art 1 s 18]
- Subd. 6h. MS 1990 [Renumbered 124.916, subd 4]
- Subd. 6i. MS 1990 [Renumbered 124.912, subd 3]
- Subd. 6j. MS 1990 [Renumbered 124.912, subd 6]
- Subd. 6k. MS 1990 [Renumbered 124.916, subdivision 1]
- Subd. 7. [Repealed, 1979 c 334 art 1 s 27]

Subd. 7a. [Repealed, 1983 c 314 art 1 s 23]

Subd. 7b. [Repealed, 1981 c 358 art 1 s 49]

Subd. 7c. [Repealed, 1983 c 314 art 1 s 23]

Subd. 7d. [Renumbered 124A.06, subd 3a; 124A.08, subd 3a; 124A.10, subd 3a; 124A.12, subd 3a; 124A.14, subd 5a]

Subd. 7e. [Renumbered 124A.08, subd 5]

Subd. 8. [Repealed, 1989 c 329 art 4 s 20]

Subd. 8a. [Repealed, 1987 c 398 art 1 s 27]

Subd. 8b. [Repealed, 1991 c 265 art 4 s 33]

Subd. 8c. [Repealed, 1991 c 265 art 3 s 40]

Subd. 8d. [Repealed, 1991 c 130 s 38; 1991 c 265 art 6 s 67]

Subd. 8e. MS 1990 [Renumbered 124.912, subd 4]

Subd. 8f. MS 1990 [Renumbered 124.912, subd 5]

Subd. 9. MS 1990 [Renumbered 124.918, subd 8]

Subd. 9a. MS 1990 [Renumbered 124.914, subdivision 1]

Subd. 9b. MS 1990 [Renumbered 124.914, subd 2]

Subd. 9c. MS 1990 [Renumbered 124.914, subd 3]

Subd. 10. MS 1990 [Renumbered 124.918, subdivision 1]

Subd. 11. [Repealed, 1976 c 271 s 98 subd 1]

Subd. 11a. [Repealed, 1987 c 398 art 6 s 20]

Subd. 11b. [Repealed, 1Sp1986 c 1 art 9 s 64]

Subd. 11c. [Repealed, 1988 c 718 art 8 s 27]

Subd. 11d. MS 1990 [Renumbered 124.91, subdivision 1]

Subd. 11e. MS 1990 [Renumbered 124.91, subd 4]

Subd. 11f. MS 1990 [Renumbered 124.91, subd 2]

Subd. 11g. MS 1990 [Renumbered 124.91, subd 5]

Subd. 11h. MS 1990 [Renumbered 124.91, subd 3]

Subd. 12. [Repealed, 1987 c 398 art 6 s 20]

Subd. 12a. MS 1990 [Renumbered 124.91, subd 6]

Subd. 13. [Repealed, 1979 c 334 art 5 s 29]

Subd. 14. [Repealed, 1981 c 358 art 5 s 47]

Subd. 14a. MS 1990 [Renumbered 136C.411]

Subd. 15. MS 1990 [Renumbered 124.918, subd 3]

Subd. 16. [Repealed, 1Sp1986 c 1 art 9 s 64]

Subd. 17. MS 1990 [Renumbered 124.918, subd 4]

Subd. 18. MS 1990 [Renumbered 124.918, subd 2]

Subd. 19. [Renumbered 124A.03, subd 6]

Subd. 20. MS 1990 [Renumbered 124.918, subd 5]

Subd. 21. MS 1990 [Renumbered 124.918, subd 7]

Subd. 22. [Repealed, 1988 c 719 art 5 s 81]

Subd. 23. MS 1990 [Renumbered 124.918, subd 6]

Subd. 24. MS 1990 [Renumbered 124.916, subd 2]

Subd. 25. MS 1990 [Renumbered 124.2716]

**275.126** [Repealed, 1975 c 306 s 34]

**275.127** [Repealed, 1976 c 271 s 98 subd 1]

**275.128** [Repealed, 1989 c 329 art 9 s 34]

**275.13** [Expired]

**275.14 CENSUS.**

The population of a school district must be as certified by the Department of Education from the most recent federal census. In any year in which no federal census is taken pursuant to law in any school district affected by sections 124D.20 and 124D.531 a population estimate may be made and submitted to the state demographer for approval as hereinafter provided. The school board of a school district, in case it desires a population estimate, shall pass a resolution by July 1 containing a current estimate of the population of the school district and shall submit the resolution to the state demographer. The resolution shall describe the criteria on which the estimate is based and shall be in a form and accompanied by the data prescribed by the state demographer. The state demographer shall determine whether or not the criteria and process described in the resolution provide a reasonable basis for the population estimate and shall inform the school district of that determination within 30 days of receipt of the resolution. If the state demographer determines that the criteria and process described in the resolution do not provide a reasonable basis for the population estimate, the resolution shall be of no effect. If the state demographer determines that the criteria and process do provide a reasonable basis for the population estimate, the estimate shall be treated as the population of the school district for the purposes of sections 124D.20 and 124D.531 until the population of the school district has been established by the next federal census or until a more current population estimate is prepared and approved as provided herein, whichever occurs first. The state demographer shall establish guidelines for acceptable population estimation criteria and processes. The state demographer shall issue advisory opinions upon request in writing to cities or school districts as to proposed criteria and processes prior to

their implementation in an estimation. The advisory opinion shall be final and binding upon the demographer unless the demographer can show cause why it should not be final and binding.

In the event that a census tract employed in taking a federal or local census overlaps two or more school districts, the county auditor shall, on the basis of the best information available, allocate the population of said census tract to the school districts involved.

**History:** (2064) 1921 c 417 s 4; 1951 c 447 s 1; 1961 c 593 s 1; 1971 c 16 s 1; 1971 c 783 s 1; 1973 c 123 art 5 s 7; 1980 c 487 s 3; 1985 c 65 s 1; 1989 c 329 art 4 s 16; 1Sp1989 c 1 art 5 s 9; art 9 s 46; 1991 c 345 art 2 s 48; 1Sp1995 c 3 art 16 s 13; 2003 c 130 s 12; 1Sp2005 c 5 art 1 s 43

**275.15** [Repealed, 2005 c 151 art 5 s 46]

**275.16 COUNTY AUDITOR TO FIX AMOUNT OF LEVY.**

If any such municipality shall return to the county auditor a levy greater than permitted by chapters 123A, 123B, 124D, 126C, and 136C, sections 275.124 to 275.16, and 275.70 to 275.74, such county auditor shall extend only such amount of taxes as the limitations herein prescribed will permit; provided, if such levy shall include any levy for the payment of bonded indebtedness or judgments, such levies for bonded indebtedness or judgments shall be extended in full, and the remainder of the levies shall be reduced so that the total thereof, including levies for bonds and judgments, shall not exceed such amount as the limitations herein prescribed will permit.

**History:** (2066) 1921 c 417 s 6; 1941 c 543 s 4; 1Sp1989 c 1 art 5 s 11; 1991 c 130 s 33; 1997 c 231 art 3 s 1,9; 1998 c 397 art 11 s 3; 1999 c 243 art 6 s 10; 2000 c 260 s 45; 1Sp2001 c 5 art 16 s 1; 1Sp2005 c 5 art 1 s 44

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

**275.17** [Local]

**275.18** [Local]

**275.19** [Local]

**275.20** [Local]

**275.21** [Local]

**275.22** [Repealed, 1967 c 584 s 1]

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

**275.24** [Repealed, 1976 c 44 s 70]

**275.25** [Repealed, 1969 c 9 s 100]

**275.26 EXCESSIVE LEVY; INJUNCTION.**

When any county board shall levy taxes for any purpose in excess of the amount allowed by law, any taxpayer thereby affected, personally and for all other interested taxpayers in the county, may bring an action against the treasurer, the auditor, and the board of such county, to enjoin the collection of such taxes, and for an order requiring the defendants, or either of them, to correct the levy, and for such other order as may be proper for the correction and adjustment of such taxes and levy, notwithstanding that such taxpayers have

a speedy and adequate remedy in the ordinary course of law. When so corrected and adjusted, the taxes may be collected as other taxes.

**History:** (2069) *RL s 873; 1986 c 444*

### **275.27 CONTRACTS IN EXCESS VOID; LIABILITY OF OFFICERS.**

It shall be unlawful for the authorities of any county, town, city, or school district, unless expressly authorized by law, to contract any debt or incur any pecuniary liability for the payment of either the principal or the interest of which, during the current or any subsequent year, it shall be necessary to levy a rate of taxes higher than the maximum prescribed by law. Every such contract shall be null and void in regard to any obligation thereby sought to be imposed upon such corporation; but every officer, agent, or member thereof who participates in or authorizes the making of such contract shall be individually liable for its performance. Every such officer or agent who is present when such contract is made or authorized shall be deemed to participate in or authorize the making thereof, as the case may be, unless the officer or agent enter or cause to be entered a dissent therefrom in the records of such corporation.

**History:** (2070) *RL s 874; 1973 c 123 art 5 s 7; 1986 c 444*

### **275.28 TAX LISTS.**

Subdivision 1. **Auditor to make.** The county auditor shall make out the tax lists according to the prescribed form, and to correspond with the assessment districts. The rate percent necessary to raise the required amount of the various taxes shall be calculated on the net tax capacity of property as determined by the state Board of Equalization, but, in calculating such rates, no rate shall be used resulting in a fraction other than a decimal fraction, or less than a gross local tax rate of .01 percent or a net local tax rate of .01 percent; and, in extending any tax, whenever it amounts to the fractional part of a cent, it shall be made one cent. The tax lists shall also be made out to correspond with the assessment books in reference to ownership and description of property, with columns for the valuation and for the various items of tax included in the total amount of all taxes set down opposite each description. The auditor shall enter both the state tax determined under sections 275.02 and 275.025, and the local tax determined under section 275.08, on the tax lists. The total ad valorem property tax for each description of property before credits is the sum of the amounts of the various local taxes that apply to the parcel plus the amount of any applicable state tax. Opposite each description which has been sold for taxes, and which is subject to redemption, but not redeemed, shall be placed the words "sold for taxes." The amount of all special taxes shall be entered in the proper columns, but the general taxes may be shown by entering the rate percent of each tax at the head of the proper columns, without extending the same, in which case a schedule of the rates percent of such taxes shall be made on the first page of each tax list. If the auditor fails to enter on any such list before its delivery to the treasurer any tax levied, the tax may be subsequently entered. The tax lists shall be deemed completed, and all taxes extended thereon, as of January 1 annually.

Subd. 2. **Certificate of auditor.** The auditor shall make in each assessment book or list a certificate in the following form:

I, A.B., auditor of ..... County, and the state of Minnesota, do hereby certify that the following is a correct list of the taxes levied on the real and personal property in the (town or district, as the case may be) of ..... for the year ..... (being the same year the property was assessed and the tax levied), to become payable in the year .....

Witness my hand and official seal this ..... day of ....., .....

.....

County Auditor.

**Subd. 3. Designation of year of tax.** Taxes on real and personal property shall be related to and designated on the property tax statement by the year in which they become payable but the liens shall relate back to the assessment date preceding except as otherwise provided. For cash basis taxpayers, taxes on real and personal property shall relate to the year in which they become payable. For accrual basis taxpayers, taxes on real and personal property shall relate to the year in which the lien arose.

**Subd. 4. Unit card ledger counties.** In any county in this state in which the county auditor has elected to come under the provisions of section 273.03, subdivision 2, the auditor shall cause to be prepared a record to be known as "Real estate assessment and tax list for the year ....." In addition to the information provided for in subdivision 1, to be shown in tax lists, there shall also be included the amount of market value of land, building, and machinery, if any, and the total market value assessed against each parcel of real estate contained in such lists.

In such counties the auditor shall make in each list a certificate in the following form:

"I, ....., auditor of ..... County and the state of Minnesota, do hereby certify that the following is a correct list of the taxes levied on the real property, based on the total market value indicated therein, in the (town or district, as the case may be) of ..... for the year .....

Witness my hand and official seal this ..... day of .....

.....

County Auditor."

**History:** (2071, 2072) *RL s 875,876; 1963 c 39 s 1,2; 1963 c 781 s 5; 1965 c 545 s 1; 1969 c 323 s 1; 1973 c 458 s 1; 1975 c 339 s 8; 1980 c 607 art 2 s 18; 1986 c 444; 1988 c 719 art 5 s 84; 1989 c 277 art 4 s 24; 1989 c 329 art 15 s 20; 1Sp1989 c 1 art 2 s 11; art 9 s 47; 1993 c 375 art 2 s 1; 1998 c 254 art 1 s 107; 1Sp2001 c 5 art 3 s 52; 2002 c 379 art 1 s 65*

**275.29** MS 2018 [Repealed, 1Sp2019 c 6 art 18 s 19]

**275.295** [Repealed, 1Sp2011 c 7 art 6 s 27]

**275.30** [Repealed, 1974 c 14 s 1]

**275.31** [Repealed, 1980 c 437 s 19]

**275.32** [Repealed, 1980 c 437 s 19]

**275.33** [Repealed, 1980 c 437 s 19]

**275.34** [Repealed, 1980 c 437 s 19]

**275.35** [Repealed, 1980 c 437 s 19]

**275.36** [Repealed, 1976 c 44 s 70]

**275.37** [Repealed, 1953 c 29 s 1]

**275.38** [Expired]

**275.39** [Repealed, 1976 c 271 s 98 subd 1]



**275.40** [Expired]

**275.41** [Repealed, 1976 c 271 s 98 subd 1]

**275.42** [Repealed, 1976 c 271 s 98 subd 1]

**275.43** [Repealed, 1965 c 45 s 73]

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

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

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

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

**275.48 ADDITIONAL TAX LEVIES IN CERTAIN TAXING DISTRICTS.**

When by virtue of chapter 278, sections 270C.86, 375.192, or otherwise, the net tax capacity of a city or township for a taxable year is reduced after the taxes for the year have been spread by the county auditor, and when the local tax rate determined by the county auditor based on the original net tax capacity is applied on the reduced net tax capacity and does not produce the full amount of taxes actually levied and certified for that taxable year on the original net tax capacity, the city or township may include an additional amount in its tax levy made following final determination and notice of the reduction in net tax capacity. The amount shall equal the difference between the total amount of taxes actually levied and certified for that taxable year upon the original net tax capacity, not exceeding the maximum amount which could be raised on the net tax capacity as reduced, within existing local tax rate limitations, if any, and the amount of taxes collected for that taxable year on the reduced net tax capacity.

The amount of taxes so included shall be levied separately and shall be levied in addition to all limitations imposed by law; and further shall not result in any penalty in the nature of a reduction in state aid of any kind.

**History:** 1943 c 523 s 1,2; 1973 c 123 art 5 s 7; 1975 c 432 s 82; 1978 c 764 s 112; 1982 c 548 art 6 s 23; 1988 c 719 art 5 s 84; 1989 c 329 art 13 s 20; 1Sp1989 c 1 art 2 s 11; 1991 c 130 s 37; 1992 c 499 art 12 s 29; 1993 c 224 art 8 s 11; 1994 c 647 art 8 s 28; 2005 c 151 art 2 s 17

**275.49** [Repealed, 1988 c 719 art 5 s 81]

**275.50** Subdivision 1. [Repealed, 1Sp1989 c 1 art 5 s 51]

Subd. 2. [Repealed, 1Sp1989 c 1 art 5 s 51]

Subd. 3. [Repealed, 1988 c 719 art 5 s 81]

Subd. 4. [Repealed, 1Sp1989 c 1 art 5 s 51]

Subd. 5. [Repealed, 1Sp1989 c 1 art 5 s 51]

Subd. 5a. [Repealed, 1Sp1989 c 1 art 5 s 51]

Subd. 5b. [Repealed, 1Sp1989 c 1 art 5 s 51]

Subd. 6. [Repealed, 1983 c 342 art 3 s 9; 1Sp1989 c 1 art 5 s 51]

Subd. 7. [Repealed, 1988 c 719 art 5 s 81; 1Sp1989 c 1 art 5 s 51]

Subd. 8. [Repealed, 1988 c 719 art 5 s 81; 1Sp1989 c 1 art 5 s 51]

**275.51** Subdivision 1. [Repealed, 1Sp1989 c 1 art 5 s 51]

Subd. 2. MS 1978 [Expired]

Subd. 3. [Repealed, 1975 c 437 art 4 s 10; 1Sp1989 c 1 art 5 s 51]

Subd. 3a. [Repealed, 1975 c 437 art 4 s 10; 1Sp1989 c 1 art 5 s 51]

Subd. 3b. [Repealed, 1977 c 423 art 5 s 7; 1Sp1989 c 1 art 5 s 51]

Subd. 3c. [Repealed, 1977 c 423 art 5 s 7; 1Sp1989 c 1 art 5 s 51]

Subd. 3d. [Repealed, 1Sp1981 c 1 art 5 s 13; 1Sp1989 c 1 art 5 s 51]

Subd. 3e. [Repealed, 1983 c 342 art 3 s 9 ; 1Sp1989 c 1 art 5 s 51]

Subd. 3f. [Repealed, 1Sp1989 c 1 art 5 s 51]

Subd. 3g. [Repealed, 1Sp1989 c 1 art 5 s 51]

Subd. 3h. [Repealed, 1Sp1989 c 1 art 5 s 51]

Subd. 3i. [Repealed, 1Sp1989 c 1 art 5 s 51]

Subd. 3j. [Repealed, 1Sp1989 c 1 art 5 s 51]

Subd. 4. [Repealed, 1Sp1989 c 1 art 5 s 51]

Subd. 5. [Repealed, 1983 c 342 art 3 s 9; 1Sp1989 c 1 art 5 s 51]

Subd. 6. [Repealed, 1Sp1989 c 1 art 5 s 51]

Subd. 7. [Repealed, 1Sp1989 c 1 art 5 s 51]

**275.515** [Repealed, 3Sp1981 c 2 art 4 s 16]

**275.52** [Repealed, 1Sp1981 c 1 art 5 s 13]

**275.53** Subdivision 1. [Repealed, 1Sp1981 c 1 art 5 s 13]

Subd. 1a. [Repealed, 1980 c 487 s 23; 1Sp1981 c 1 art 5 s 13]

Subd. 2. [Repealed, 1Sp1981 c 1 art 5 s 13]

Subd. 3. [Repealed, 1Sp1981 c 1 art 5 s 13]

Subd. 4. [Repealed, 1Sp1981 c 1 art 5 s 13]

**275.54** [Repealed, 1Sp1989 c 1 art 5 s 51]

**275.55** [Repealed, 1Sp1989 c 1 art 5 s 51]

**275.551** [Repealed, 1Sp1981 c 1 art 5 s 13]

**275.552** [Repealed, 1Sp1981 c 1 art 5 s 13]

**275.56** [Repealed, 1Sp1989 c 1 art 5 s 51]

**275.561** [Repealed, 1Sp1989 c 1 art 5 s 51]

**275.57** [Repealed, 1989 c 277 art 2 s 77]

**275.58** Subdivision 1. [Repealed, 1Sp1989 c 1 art 5 s 51]

Subd. 2. [Repealed, 1Sp1989 c 1 art 5 s 51]

Subd. 3. [Repealed, 1Sp1989 c 1 art 5 s 51]

Subd. 4. [Repealed, 1989 c 277 art 2 s 77; 1Sp1989 c 1 art 5 s 51]

Subd. 5. [Repealed, 1Sp1989 c 1 art 5 s 51]

Subd. 6. [Repealed, 1Sp1989 c 1 art 5 s 51]

**275.59** [Repealed, 1Sp1981 c 1 art 5 s 13]

**275.60 LEVY OR BOND REFERENDUM; BALLOT NOTICE.**

(a) Notwithstanding any general or special law or any charter provisions, but subject to section 126C.17, subdivision 9, any question submitted to the voters by any local governmental subdivision at a general or special election after June 8, 1995, authorizing a property tax levy or tax rate increase, including the issuance of debt obligations payable in whole or in part from property taxes, must include on the ballot the following notice in boldface type:

"BY VOTING "YES" ON THIS BALLOT QUESTION, YOU ARE VOTING FOR A PROPERTY TAX INCREASE."

(b) For purposes of this section and section 275.61, "local governmental subdivision" includes counties, home rule and statutory cities, towns, school districts, and all special taxing districts. This statement is in addition to any general or special laws or any charter provisions that govern the contents of a ballot question and, in the case of a question on the issuance of debt obligations, may be supplemented by a description of revenues pledged to payment of the obligations that are intended as the primary source of payment.

(c) This section does not apply to a school district bond election if the debt service payments are to be made entirely from transfers of revenue from the capital fund to the debt service fund.

**History:** 1991 c 291 art 1 s 28; 1Sp1995 c 3 art 1 s 53; 1998 c 397 art 11 s 3; 2001 c 214 s 3

**275.61 VOTER-APPROVED LEVY; MARKET VALUE.**

Subdivision 1. **Market value.** (a) For local governmental subdivisions other than school districts, any levy approved by the voters at a general or special election shall be levied against the referendum market value of all taxable property within the governmental subdivision, as defined in section 126C.01, subdivision 3. Any levy amount subject to the requirements of this section shall be certified separately to the county auditor under section 275.07.

(b) The ballot shall state the maximum amount of the increased levy as a percentage of market value and the amount that will be raised by the new referendum tax rate in the first year it is to be levied.

(c) This subdivision does not apply to tax levies for the payment of debt obligations that are approved by the voters after June 30, 2008.

Subd. 2. [Repealed, 2005 c 151 art 5 s 46]

**History:** 1991 c 291 art 1 s 29; 1992 c 511 art 2 s 22; 1996 c 471 art 3 s 21; 1998 c 397 art 11 s 3; 1Sp2001 c 5 art 3 s 53; 2008 c 154 art 10 s 3

### 275.62 TAX LEVIES; REPORT TO THE COMMISSIONER OF REVENUE.

Subdivision 1. **Report on taxes levied.** The commissioner of revenue shall establish procedures for the annual reporting of local government levies. Each local governmental unit shall submit a report to the commissioner by December 30 of the year in which the tax is levied. The report shall include, but is not limited to, information on the amount of the tax levied by the governmental unit for the following purposes:

(1) social services and related programs, which include taxes levied for the purposes defined in Minnesota Statutes 1991 Supplement, section 275.50, subdivision 5, clauses (a), (j), and (v);

(2) the amounts levied for each of the purposes listed in section 275.70, subdivision 5; and

(3) other levies, which include the taxes levied for all purposes not included in clauses (1) or (2).

Subd. 2. **Local governments required to report.** For purposes of this section, "local governmental unit" means a county, home rule charter or statutory city with a population greater than 2,500.

Subd. 3. **Population estimate.** For the purposes of this section, the population of a local governmental unit shall be that established by the last federal census, by a census taken under section 275.14, or by an estimate made by the Metropolitan Council or by the state demographer made under section 4A.02, whichever is the most recent as to the stated date of count or estimate for the calendar year preceding the current levy year.

Subd. 4. **Penalty for late reporting.** If a local government unit fails to submit the report required in subdivision 1 by January 30 of the year after the year in which the tax was levied, aid payments to the local governmental unit in the year after the year in which the tax was levied shall be reduced as follows:

(1) for a county, the aid amount under chapter 256M shall be reduced by five percent; and

(2) for other local governmental units, the aid certified to be received under sections 477A.011 to 477A.014 shall be reduced by five percent.

**History:** 1992 c 511 art 5 s 10; 1995 c 186 s 119; 1997 c 231 art 3 s 2; 1999 c 243 art 6 s 10; 1Sp2001 c 5 art 3 s 54; 2005 c 98 art 3 s 22; 1Sp2017 c 1 art 15 s 28

### 275.70 LEVY LIMITATIONS; DEFINITIONS.

Subdivision 1. MS 1998 [Expired]

Subdivision 1. **Application.** For the purposes of sections 275.70 to 275.74, the following terms have the meanings given them, unless provided otherwise.

Subd. 2. MS 1998 [Expired]

Subd. 2. **Implicit price deflator.** "Implicit price deflator" means the implicit price deflator for government consumption expenditures and gross investment for state and local governments prepared by the Bureau of Economic Analysis of the United States Department of Commerce for the 12-month period ending March 31 of the levy year.

Subd. 3. MS 1998 [Expired]

Subd. 3. **Local governmental unit.** "Local governmental unit" means a county, or a statutory or home rule charter city with a population greater than 2,500.

Subd. 4. MS 1998 [Expired]

Subd. 4. **Population; number of households.** "Population" or "number of households" means the population or number of households for the local governmental unit as established by the last federal census, by a census taken under section 275.14, or by an estimate made by the metropolitan council or by the state demographer under section 4A.02, whichever is most recent as to the stated date of the count or estimate up to and including June 1 of the current levy year.

Subd. 5. **Special levies.** "Special levies" means those portions of ad valorem taxes levied by a local governmental unit for the following purposes or in the following manner:

(1) to pay the costs of the principal and interest on bonded indebtedness or to reimburse for the amount of liquor store revenues used to pay the principal and interest due on municipal liquor store bonds in the year preceding the year for which the levy limit is calculated;

(2) to pay the costs of principal and interest on certificates of indebtedness issued for any corporate purpose except for the following:

(i) tax anticipation or aid anticipation certificates of indebtedness;

(ii) certificates of indebtedness issued under sections 298.28 and 298.282;

(iii) certificates of indebtedness used to fund current expenses or to pay the costs of extraordinary expenditures that result from a public emergency; or

(iv) certificates of indebtedness used to fund an insufficiency in tax receipts or an insufficiency in other revenue sources, provided that nothing in this subdivision limits the special levy authorized under section 475.755;

(3) to provide for the bonded indebtedness portion of payments made to another political subdivision of the state of Minnesota;

(4) to fund payments made to the Minnesota State Armory Building Commission under section 193.145, subdivision 2, to retire the principal and interest on armory construction bonds;

(5) property taxes approved by voters which are levied against the referendum market value as provided under section 275.61;

(6) to fund matching requirements needed to qualify for federal or state grants or programs to the extent that either (i) the matching requirement exceeds the matching requirement in calendar year 2001, or (ii) it is a new matching requirement that did not exist prior to 2002;

(7) to pay the expenses reasonably and necessarily incurred in preparing for or repairing the effects of natural disaster including the occurrence or threat of widespread or severe damage, injury, or loss of life or property resulting from natural causes, in accordance with standards formulated by the Emergency Services Division of the state Department of Public Safety, as allowed by the commissioner of revenue under section 275.74, subdivision 2;

(8) pay amounts required to correct an error in the levy certified to the county auditor by a city or county in a levy year, but only to the extent that when added to the preceding year's levy it is not in excess of an

applicable statutory, special law or charter limitation, or the limitation imposed on the governmental subdivision by sections 275.70 to 275.74 in the preceding levy year;

(9) to pay an abatement under section 469.1815;

(10) to pay any costs attributable to increases in the employer contribution rates under chapter 353, or locally administered pension plans, that are effective after June 30, 2001;

(11) to pay the operating or maintenance costs of a county jail as authorized in section 641.01 or 641.262, or of a correctional facility as defined in section 241.021, subdivision 1i, to the extent that the county can demonstrate to the commissioner of revenue that the amount has been included in the county budget as a direct result of a rule, minimum requirement, minimum standard, or directive of the Department of Corrections, or to pay the operating or maintenance costs of a regional jail as authorized in section 641.262. For purposes of this clause, a district court order is not a rule, minimum requirement, minimum standard, or directive of the Department of Corrections. If the county utilizes this special levy, except to pay operating or maintenance costs of a new regional jail facility under sections 641.262 to 641.264 which will not replace an existing jail facility, any amount levied by the county in the previous levy year for the purposes specified under this clause and included in the county's previous year's levy limitation computed under section 275.71, shall be deducted from the levy limit base under section 275.71, subdivision 2, when determining the county's current year levy limitation. The county shall provide the necessary information to the commissioner of revenue for making this determination;

(12) to pay for operation of a lake improvement district, as authorized under section 103B.555. If the county utilizes this special levy, any amount levied by the county in the previous levy year for the purposes specified under this clause and included in the county's previous year's levy limitation computed under section 275.71 shall be deducted from the levy limit base under section 275.71, subdivision 2, when determining the county's current year levy limitation. The county shall provide the necessary information to the commissioner of revenue for making this determination;

(13) to repay a state or federal loan used to fund the direct or indirect required spending by the local government due to a state or federal transportation project or other state or federal capital project. This authority may only be used if the project is not a local government initiative;

(14) to fund a firefighters relief association as required under Laws 2013, chapter 111, article 5, sections 31 to 42, to the extent that the required amount exceeds the amount levied for this purpose in 2001;

(15) for purposes of a storm sewer improvement district under section 444.20;

(16) to pay for the maintenance and support of a city or county society for the prevention of cruelty to animals under section 343.11, but not to exceed in any year \$4,800 or the sum of \$1 per capita based on the county's or city's population as of the most recent federal census, whichever is greater. If the city or county uses this special levy, any amount levied by the city or county in the previous levy year for the purposes specified in this clause and included in the city's or county's previous year's levy limit computed under section 275.71, must be deducted from the levy limit base under section 275.71, subdivision 2, in determining the city's or county's current year levy limit;

(17) for counties, to pay for the increase in their share of health and human service costs caused by reductions in federal health and human services grants effective after September 30, 2007;

(18) for a city, for the costs reasonably and necessarily incurred for securing, maintaining, or demolishing foreclosed or abandoned residential properties, as allowed by the commissioner of revenue under section 275.74, subdivision 2. A city must have either (i) a foreclosure rate of at least 1.4 percent in 2007, or (ii) a

foreclosure rate in 2007 in the city or in a zip code area of the city that is at least 50 percent higher than the average foreclosure rate in the metropolitan area, as defined in section 473.121, subdivision 2, to use this special levy. For purposes of this paragraph, "foreclosure rate" means the number of foreclosures, as indicated by sheriff sales records, divided by the number of households in the city in 2007;

(19) to pay costs attributable to wages and benefits for sheriff, police, and fire personnel. If a local governmental unit did not use this special levy in the previous year its levy limit base under section 275.71 shall be reduced by the amount equal to the amount it levied for the purposes specified in this clause in the previous year;

(20) an amount equal to any reductions in the certified aids or credit reimbursements payable under sections 477A.011 to 477A.014, and section 273.1384, due to unallotment under section 16A.152 or reductions under another provision of law. The amount of the levy allowed under this clause for each year is limited to the amount unallotted or reduced from the aids and credit reimbursements certified for payment in the year following the calendar year in which the tax levy is certified unless the unallotment or reduction amount is not known by September 1 of the levy certification year, and the local government has not adjusted its levy under section 275.065, subdivision 6, or 275.07, subdivision 6, in which case that unallotment or reduction amount may be levied in the following year;

(21) to pay for the difference between one-half of the costs of confining sex offenders undergoing the civil commitment process and any state payments for this purpose pursuant to section 253D.12;

(22) for a county to pay the costs of the first year of maintaining and operating a new facility or new expansion, either of which contains courts, corrections, dispatch, criminal investigation labs, or other public safety facilities and for which all or a portion of the funding for the site acquisition, building design, site preparation, construction, and related equipment was issued or authorized prior to the imposition of levy limits. The levy limit base shall then be increased by an amount equal to the new facility's first full year's operating costs as described in this clause; and

(23) for the estimated amount of reduction to market value credit reimbursements under section 273.1384 for credits payable in the year in which the levy is payable.

Subd. 6. **Levy aid base.** "Levy aid base" for a local governmental unit for a levy year means its total levy spread on net tax capacity, minus any amounts that would qualify as a special levy under this section, plus the sum of (1) the total amount of aids and reimbursements that the local governmental unit is certified to receive under sections 477A.011 to 477A.014 in the same year, (2) taconite aids under sections 298.28 and 298.282 in the same year, including any aid which was required to be placed in a special fund for expenditure in the next succeeding year, and (3) payments to the local governmental unit under section 272.029 in the same year, adjusted for any error in estimation in the preceding year.

**History:** 1997 c 231 art 3 s 3; ISp1997 c 5 s 24; 1998 c 389 art 4 s 1,2; 1999 c 222 art 2 s 4; 1999 c 243 art 6 s 3; 2000 c 396 s 6; 2000 c 490 art 6 s 4; ISp2001 c 5 art 16 s 2-6; 2002 c 377 art 6 s 5; 2002 c 379 art 1 s 66; ISp2003 c 21 art 7 s 1; 2005 c 152 art 1 s 3; ISp2005 c 3 art 1 s 25; 2008 c 366 art 3 s 1,2; 2009 c 88 art 2 s 20; 2010 c 215 art 13 s 3; 2010 c 389 art 8 s 11; 2013 c 49 s 22; 2013 c 111 art 5 s 45; 2014 c 308 art 9 s 36; 2022 c 55 art 1 s 139

**275.71** [Expired]

## **275.71 LEVY LIMITS.**

Subdivision 1. MS 1998 [Expired]

Subdivision 1. **Limit on levies.** Notwithstanding any other provision of law or municipal charter to the contrary which authorize ad valorem taxes in excess of the limits established by sections 275.70 to 275.74, the provisions of this section apply to local governmental units for all purposes other than those for which special levies and special assessments are made.

Subd. 2. MS 1999 Supp [Expired]

Subd. 2. **Levy limit base.** The levy limit base for a local governmental unit for taxes levied in 2008 is its levy aid base from the previous year, subject to any adjustments under section 275.72. For taxes levied in 2009 and 2010, the levy limit base for a local governmental unit is its adjusted levy limit base in the previous year, subject to any adjustments under section 275.72.

Subd. 3. MS 1999 Supp [Expired]

Subd. 3. [Repealed by amendment, 2008 c 366 art 3 s 3]

Subd. 4. MS 1999 Supp [Expired]

Subd. 4. **Adjusted levy limit base.** For taxes levied in 2008 through 2010, the adjusted levy limit base is equal to the levy limit base computed under subdivision 2 or section 275.72, multiplied by:

(1) one plus the percentage growth in the implicit price deflator, but the percentage shall not be less than zero or exceed 3.9 percent;

(2) one plus a percentage equal to 50 percent of the percentage increase in the number of households, if any, for the most recent 12-month period for which data is available; and

(3) one plus a percentage equal to 50 percent of the percentage increase in the estimated market value of the jurisdiction due to new construction of class 3 property, as defined in section 273.13, subdivision 24, except for state-assessed utility and railroad property, for the most recent year for which data is available.

Subd. 5. MS 1998 [Expired]

Subd. 5. **Property tax levy limit.** (a) For taxes levied in 2008 through 2010, the property tax levy limit for a local governmental unit is equal to its adjusted levy limit base determined under subdivision 4 plus any additional levy authorized under section 275.73, which is levied against net tax capacity, reduced by the sum of (i) the total amount of aids and reimbursements that the local governmental unit is certified to receive under sections 477A.011 to 477A.014, (ii) taconite aids under sections 298.28 and 298.282 including any aid which was required to be placed in a special fund for expenditure in the next succeeding year, (iii) estimated payments to the local governmental unit under section 272.029, adjusted for any error in estimation in the preceding year, and (iv) aids under section 477A.16.

(b) If an aid, payment, or other amount used in paragraph (a) to reduce a local government unit's levy limit is reduced by an unallotment under section 16A.152, the amount of the aid, payment, or other amount prior to the unallotment is used in the computations in paragraph (a). In order for a local government unit to levy outside of its limit to offset the reduction in revenues attributable to an unallotment, it must do so under, and to the extent authorized by, a special levy authorization.

Subd. 6. **Levies in excess of levy limits.** If the levy made by a city or county exceeds the levy limit provided in sections 275.70 to 275.74, except when the excess levy is due to the rounding of the rate in



accordance with section 275.28, the county auditor shall only extend the amount of taxes permitted under sections 275.70 to 275.74, as provided for in section 275.16.

**History:** *1Sp2001 c 5 art 16 s 7; 2002 c 377 art 6 s 6-8; 1Sp2003 c 19 art 2 s 47; 1Sp2003 c 21 art 7 s 2-5; 2008 c 366 art 3 s 3; 2010 c 389 art 1 s 17; art 8 s 12; 2013 c 143 art 14 s 34; 2017 c 40 art 1 s 94*

275.72 MS 1998 [Expired]

#### **275.72 LEVY LIMIT ADJUSTMENTS FOR CONSOLIDATION AND ANNEXATION.**

Subdivision 1. **Adjustments for consolidation.** If all of the area included in two or more local governmental units is consolidated, merged, or otherwise combined to constitute a single governmental unit, the levy limit base for the resulting governmental unit in the first levy year in which the consolidation is effective shall be equal to (1) the highest tax rate in any of the merging governmental units in the previous year multiplied by the net tax capacity of all the merging governmental units in the previous year, minus (2) the sum of all levies in the merging governmental units in the previous year that qualify as special levies under section 275.70, subdivision 5.

Subd. 2. **Adjustments for annexation.** If a local governmental unit increases its tax base through annexation of an area which is not the area of an entire local governmental unit and the area of annexation contains a population of 50 or more, the levy limit base of the local governmental unit in the first year in which the annexation is effective shall be equal to its levy limit base for the current levy year multiplied by the ratio of the net tax capacity in the local governmental unit after the annexation compared to its net tax capacity before the annexation.

Subd. 3. **Adjustments for changes in service levels.** If a local governmental unit, as a result of an annexation agreement, has different tax rates in various parts of the jurisdiction due to different service levels, it may petition the commissioner of revenue to adjust its levy limits established under section 275.71. The commissioner shall adjust the levy limits to reflect scheduled changes in tax rates related to increasing service levels in areas currently receiving less city services. The local governmental unit shall provide the commissioner with any information the commissioner deems necessary in making the levy limit adjustment.

Subd. 4. **Transfer of governmental functions.** If a function or service of one local governmental unit is transferred to another local governmental unit, the levy limits established under section 275.71 must be adjusted by the commissioner of revenue in such manner so as to fairly and equitably reflect the reduced or increased property tax burden resulting from the transfer. The aggregate of the adjusted limitations must not exceed the aggregate of the limitations prior to adjustment.

Subd. 5. **Effective date for levy limits purposes.** Annexations, mergers, and shifts in services and functional responsibilities that are effective by June 30 of the levy year are included in the calculation of the levy limit for that levy year. Annexations, mergers, and shifts in services and functional responsibilities that are effective after June 30 of a levy year are not included in the calculation of the levy limit until the subsequent levy year.

**History:** *1Sp2001 c 5 art 16 s 8; 1Sp2003 c 21 art 7 s 6; 2017 c 40 art 1 s 95*

275.73 MS 1998 [Expired]

#### **275.73 ELECTIONS FOR ADDITIONAL LEVIES.**

Subdivision 1. **Additional levy authorization.** Notwithstanding the provisions of sections 275.70 to 275.72, but subject to other law or charter provisions establishing other limitations on the amount of property

taxes a local governmental unit may levy, a local governmental unit may levy an additional levy in any amount which is approved by the majority of voters of the governmental unit voting on the question at a general or special election. Notwithstanding section 275.61, any levy authorized under this section must be levied against net tax capacity unless the levy required voter approval under another general or special law or any charter provisions. When the governing body of the local governmental unit resolves to increase the levy pursuant to this section, it shall provide for submission of the proposition of an additional levy at a general or special election. Notice of the election must be given in the manner required by law. The notice must state the purpose and the maximum yearly amount of the additional levy.

Subd. 2. **Levy effective date.** An additional levy approved under subdivision 1 at a general or special election held on or before the first Tuesday after the first Monday in November in any levy year may be levied in that same levy year and subsequent levy years. An additional levy approved under subdivision 1 at a general or special election held after the first Tuesday after the first Monday in November in any levy year shall not be levied in that same levy but may be levied in subsequent levy years.

**History:** *1Sp2001 c 5 art 16 s 9; 1Sp2003 c 21 art 7 s 7*

**275.74** MS 1998 [Expired]

#### **275.74 STATE REGULATION OF LEVIES.**

Subdivision 1. **Calculation and notification.** The commissioner of revenue shall make all necessary calculations for determining levy limits for local governmental units and notify the affected governmental units of their levy limits directly by September 1 of each levy year. The local governmental units shall, upon request, provide the commissioner with any information needed to make the calculations. The local governmental unit shall report by September 30, in a manner prescribed by the commissioner, the maximum amount of taxes it plans to levy for each of the purposes listed under special levies and any additional levy authorized under section 275.73, along with any necessary documentation. The commissioner shall review the proposed special levies and make any adjustments needed. The commissioner's decision is final. The final allowed special levy amounts and any levy limit adjustments must be certified back to the local governments by December 10. In addition, the commissioner of revenue shall notify all county auditors on or before five working days after December 20 of the sum of the levy limit plus the total of allowed special levies for each local governmental unit located within their boundaries so that they may fix the levies as required in section 275.16. The local governmental units shall provide the commissioner of revenue with all information that the commissioner deems necessary to make the calculations provided for in sections 275.70 to 275.73.

Subd. 2. **Authorization for special levies.** (a) A local governmental unit may request authorization to levy for unreimbursed costs for natural disasters under section 275.70, subdivision 5, clause (7). The local governmental unit shall submit a request to levy under section 275.70, subdivision 5, clause (7), to the commissioner of revenue by September 30 of the levy year and the request must include information documenting the estimated unreimbursed costs. The commissioner of revenue may grant levy authority, up to the amount requested based on the documentation submitted. All decisions of the commissioner are final.

(b) A city may request authorization to levy for reasonable and necessary costs for securing, maintaining, or demolishing foreclosed or abandoned residential properties under section 275.70, subdivision 5, clause (18). The local governmental unit shall submit a request to levy under section 275.70, subdivision 5, clause (18), to the commissioner of revenue by September 30 of the levy year and the request must include information documenting the estimated costs. For taxes payable in 2009, the amount may include unanticipated costs incurred above the amount budgeted for these purposes in 2008. Costs of securing foreclosed or

abandoned residential properties include payment for police and fire department services. The commissioner of revenue may grant levy authority, up to the lesser of (1) the amount requested based on the documentation submitted, or (2) \$3,000 multiplied by the number of foreclosed residential properties, as defined by sheriff sales records, in calendar year 2007. All decisions of the commissioner are final.

Subd. 3. **Information necessary to calculate levy limit base.** A local governmental unit must provide the commissioner with the information required to calculate the amount under section 275.71, subdivision 2, by July 20 of the levy year. If the information is not received by the commissioner by that date, or is not deemed sufficient to make the calculation under that clause, the commissioner has the discretion to set the local governmental unit's levy limit for all purposes including those purposes for which special levies may be made, equal to the amount of the local governmental unit's certified levy for the prior year.

**History:** *1Sp2001 c 5 art 16 s 10; 2002 c 377 art 10 s 9; 1Sp2003 c 21 art 7 s 8; 2008 c 366 art 3 s 4; 2014 c 308 art 9 s 37*

### **275.75 CHARTER EXEMPTION FOR AID LOSS.**

Notwithstanding any other provision of a municipal charter that limits ad valorem taxes to a lesser amount, or that would require voter approval for any increase, the governing body of a municipality may by resolution increase its levy in any year by an amount equal to its special levies under section 275.70, subdivision 5, clauses (20) and (23).

**History:** *2003 c 127 art 2 s 17; 2010 c 389 art 1 s 18; 2014 c 308 art 9 s 38*

**275.76** [Repealed, 2009 c 3 s 2]

### **275.761 MAINTENANCE OF EFFORT REQUIREMENTS REDUCED.**

(a) Notwithstanding any law to the contrary and except as provided in paragraphs (b) and (c), the amounts required to be expended under the maintenance of effort requirements for counties under sections 134.34, 245.4835, 256F.10, and 256F.13, are reduced to 90 percent of the amounts required for 2011.

(b) This section does not permit a county to reduce compliance with maintenance of effort requirements to the extent that the reduction would:

- (1) require the state to expend additional money or incur additional costs; or
- (2) cause a reduction in the receipt by the state or the county of federal funds.

(c) The commissioner of management and budget may determine the maintenance of effort requirements that are not permitted, in whole or in part, to be reduced under paragraph (b). The commissioner shall publish these determinations on the department's website and no county may reduce compliance with a maintenance of effort requirement that the commissioner determines is not subject to reduction.

(d) Notwithstanding any law to the contrary, the amounts required to be expended under the maintenance of effort requirements for all statutory and home rule charter cities under section 134.34 are reduced to 90 percent of the amounts required for 2011.

**History:** *1Sp2011 c 7 art 5 s 10*

**275.77** [Repealed, 2014 c 308 art 9 s 94]