

Approved by
Revisor of Statutes



1.1 Loeffler from the Property and Local Tax Division to which was referred:

1.2 H. F. No. 2348, A bill for an act relating to taxation; property tax refunds; increasing
1.3 the maximum refund for the homestead credit refund; amending Minnesota Statutes 2018,
1.4 section 290A.04, subdivision 2.

1.5 Reported the same back with the following amendments:

1.6 Delete everything after the enacting clause and insert:

1.7 **"ARTICLE 1**
1.8 **PROPERTY TAXES**

1.9 Section 1. Minnesota Statutes 2018, section 138.053, is amended to read:

1.10 **138.053 COUNTY HISTORICAL SOCIETY; TAX LEVY; CITIES OR TOWNS.**

1.11 The governing body of any home rule charter or statutory city or town may annually
1.12 appropriate from its general fund an amount not to exceed 0.02418 percent of estimated
1.13 market value, derived from ad valorem taxes on property or other revenues, to be paid to
1.14 the historical society of its respective city, town, or county to be used for the promotion of
1.15 historical work and to aid in defraying the expenses of carrying on the historical work in
1.16 the city, town, or county. No city or town may appropriate any funds for the benefit of any
1.17 historical society unless the society is affiliated with and approved by the Minnesota
1.18 Historical Society.

1.19 **EFFECTIVE DATE.** This section is effective the day following final enactment.

1.20 Sec. 2. Minnesota Statutes 2018, section 162.145, subdivision 3, is amended to read:

1.21 Subd. 3. **Administration.** (a) Subject to funds made available by law, the commissioner
1.22 shall allocate all funds as provided in subdivision 4 and shall notify, by June 1, certify to
1.23 the commissioner of revenue the amounts to be paid.

(b) Following ~~notification~~ certification from the commissioner of ~~transportation~~, the commissioner of revenue shall distribute the specified funds to cities in the same manner as local government aid under chapter 477A. An appropriation to the commissioner of ~~transportation~~ under this section is available to the commissioner of revenue for the purposes specified in this paragraph.

(c) Notwithstanding other law to the contrary, in order to receive distributions under this section, a city must conform to the standards in section 477A.017, subdivision 2. A city that receives funds under this section must make and preserve records necessary to show that the funds are spent in compliance with subdivision 4.

EFFECTIVE DATE. This section is effective for aids payable in 2019 and thereafter.

Sec. 3. Minnesota Statutes 2018, section 197.603, subdivision 2, is amended to read:

Subd. 2. **Records; data privacy.** Pursuant to chapter 13 the county veterans service officer is the responsible authority with respect to all records in the officer's custody. The data on clients' applications for assistance is private data on individuals, as defined in section 13.02, subdivision 12. The county veterans service officer may disclose to the county assessor private data necessary to determine a client's eligibility for the disabled veteran's homestead market value exclusion under section 273.13, subdivision 34.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 4. Minnesota Statutes 2018, section 270C.85, subdivision 2, is amended to read:

Subd. 2. **Powers and duties.** The commissioner shall have and exercise the following powers and duties in administering the property tax laws:

~~(a)~~ (1) confer with, advise, and give the necessary instructions and directions to local assessors and local boards of review throughout the state as to their duties under the laws of the state;

~~(b)~~ (2) direct proceedings, actions, and prosecutions to be instituted to enforce the laws relating to the liability and punishment of public officers and officers and agents of corporations for failure or negligence to comply with the provisions of the property tax laws, and cause complaints to be made against local assessors, members of boards of equalization, members of boards of review, or any other assessing or taxing officer, to the proper authority, for their removal from office for misconduct or negligence of duty;

3.1 (e) (3) require county attorneys to assist in the commencement of prosecutions in actions
3.2 or proceedings for removal, forfeiture, and punishment, for violation of the property tax
3.3 laws in their respective districts or counties;

3.4 (d) (4) require town, city, county, and other public officers to report and certify
3.5 information, at the parcel level or in the aggregate, as to the assessment and taxation of real
3.6 and personal property, and such other information as may be needful in the work of the
3.7 commissioner, in such form as the commissioner may prescribe. The commissioner shall
3.8 prescribe the content, format, manner, and time of filing of all required reports and
3.9 certifications;

3.10 (e) (5) transmit to the governor, on or before the third Monday in December of each
3.11 even-numbered year, and to each member of the legislature, on or before November 15 of
3.12 each even-numbered year, the report of the department for the preceding years, showing all
3.13 the taxable property subject to the property tax laws and the value of the same, in tabulated
3.14 form;

3.15 (f) (6) inquire into the methods of assessment and taxation and ascertain whether the
3.16 assessors faithfully discharge their duties; and

3.17 (g) (7) assist local assessors in determining the estimated market value of industrial
3.18 special-use property. For purposes of this paragraph clause, "industrial special-use property"
3.19 means property that:

3.20 (1) (i) is designed and equipped for a particular type of industry;

3.21 (2) (ii) is not easily adapted to some other use due to the unique nature of the facilities;

3.22 (3) (iii) has facilities totaling at least 75,000 square feet in size; and

3.23 (4) (iv) has a total estimated market value of \$10,000,000 or greater based on the
3.24 assessor's preliminary determination.

3.25 **EFFECTIVE DATE.** This section is effective the day following final enactment.

3.26 Sec. 5. Minnesota Statutes 2018, section 270C.89, subdivision 1, is amended to read:

3.27 Subdivision 1. **Initial report.** Each county assessor shall file ~~by April 1~~ with the
3.28 commissioner a copy of ~~the abstract~~ preliminary assessment information that the
3.29 commissioner may require under section 270C.85, subdivision 2, clause (4), that will be
3.30 acted upon by the local and county boards of review. The abstract must list the real and
3.31 personal property in the county itemized by assessment districts. The assessor of each county
3.32 in the state shall file with the commissioner, within ten working days following final action

of the local board of review or equalization and within five days following final action of the county board of equalization, any changes made by the local or county board. The information must be filed in the manner prescribed by the commissioner.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 6. Minnesota Statutes 2018, section 270C.89, subdivision 2, is amended to read:

Subd. 2. **Final report.** The final ~~abstract of assessments~~ assessment information after adjustments by the State Board of Equalization and inclusion of any omitted property shall be ~~submitted~~ reported to the commissioner ~~on or before September 1 of each calendar year under section 270C.85, subdivision 2, clause (4). The final abstract must separately report the captured tax capacity of tax increment financing districts under section 469.177, subdivision 2, the areawide net tax capacity contribution values determined under sections 276A.05, subdivision 1, and 473F.07, subdivision 1, and the value subject to the power line credit under section 273.42.~~

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 7. Minnesota Statutes 2018, section 270C.91, is amended to read:

**270C.91 RECORD OF PROCEEDINGS CHANGING NET TAX CAPACITY;
DUTIES OF COUNTY AUDITOR.**

A record of all proceedings of the commissioner affecting any change in the net tax capacity of any property, as revised by the State Board of Equalization, shall be kept by the commissioner and a copy thereof, duly certified, shall be mailed each year to the auditor of each county wherein such property is situated, on or before June 30 ~~or 30 days after submission of the abstract required by section 270C.89, whichever is later.~~ This record shall specify the amounts or amount, or both, added to or deducted from the net tax capacity of the real property of each of the several towns and cities, and of the real property not in towns or cities, also the percent or amount of both, added to or deducted from the several classes of personal property in each of the towns and cities, and also the amount added to or deducted from the assessment of any person. The county auditor shall add to or deduct from such tract or lot, or portion thereof, of any real property in the county the required percent or amount, or both, on the net tax capacity thereof as it stood after equalized by the county board, adding in each case a fractional sum of 50 cents or more, and deducting in each case any fractional sum of less than 50 cents, so that no net tax capacity of any separate tract or lot shall contain any fraction of a dollar; and add to, or deduct from, the several classes of personal property in the county the required percent or amount, or both, on the net tax

capacity thereof as it stood after equalized by the county board, adding or deducting in manner aforesaid any fractional sum so that no net tax capacity of any separate class of personal property shall contain a fraction of a dollar, and add to or deduct from assessment of any person, as they stood after equalization by the county board, the required amounts to agree with the assessments as returned by the commissioner.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 8. Minnesota Statutes 2018, section 272.02, subdivision 49, is amended to read:

Subd. 49. Agricultural historical society property. Property is exempt from taxation if it is owned by a nonprofit charitable or educational organization that qualifies for exemption under section 501(c)(3) of the Internal Revenue Code and meets the following criteria:

(1) the property is primarily used for storing and exhibiting tools, equipment, and artifacts useful in providing an understanding of local or regional agricultural history. Primary use is determined each year based on the number of days the property is used solely for storage and exhibition purposes;

(2) the property is limited to a maximum of ~~20~~ 40 acres per owner per county, but includes the land and any taxable structures, fixtures, and equipment on the land;

(3) the property is not used for a revenue-producing activity for more than ten days in each calendar year; and

(4) the property is not used for residential purposes on either a temporary or permanent basis.

Notwithstanding section 272.025, applications for exemptions under this subdivision filed in assessment year 2019 must be filed with the assessor by July 1, 2019.

EFFECTIVE DATE. This section is effective for assessments beginning in 2019.

Sec. 9. Minnesota Statutes 2018, section 272.02, is amended by adding a subdivision to read:

Subd. 102. Certain property owned by an Indian tribe. (a) Property is exempt that:

(1) is located in a city of the first class with a population of more than 380,000 as of the 2010 federal census;

(2) was on January 1, 2016, and is for the current assessment, owned by a federally recognized Indian tribe, or its instrumentality, that is located within the state of Minnesota; and

(3) is used exclusively as a pharmacy.

(b) Property that qualifies for the exemption under this subdivision is limited to parcels and structures that do not exceed, in the aggregate, 4,000 square feet. Property acquired for single-family housing, market-rate apartments, agriculture, or forestry does not qualify for this exemption. The exemption created by this subdivision expires with taxes payable in 2029.

EFFECTIVE DATE. This section is effective beginning with taxes payable in 2020 and thereafter.

Sec. 10. Minnesota Statutes 2018, section 272.02, is amended by adding a subdivision to read:

Subd. 103. **Charitable farmland.** Property owned by an organization exempt under subdivision 4, 6, or 58 and used in the production of agricultural products as defined in section 273.13, subdivision 23, is exempt, provided that any proceeds from the sale of the agricultural products are used to support the mission of an organization exempt under subdivision 4, 6, or 58.

EFFECTIVE DATE. This section is effective beginning with property taxes payable in 2020.

Sec. 11. Minnesota Statutes 2018, section 272.115, subdivision 1, is amended to read:

Subdivision 1. **Requirement.** Except as otherwise provided in subdivision 5, 6, or 7, whenever any real estate is sold for a consideration in excess of ~~\$1,000~~ \$3,000, whether by warranty deed, quitclaim deed, contract for deed or any other method of sale, the grantor, grantee or the legal agent of either shall file a certificate of value with the county auditor in the county in which the property is located when the deed or other document is presented for recording. Contract for deeds are subject to recording under section 507.235, subdivision 1. Value shall, in the case of any deed not a gift, be the amount of the full actual consideration thereof, paid or to be paid, including the amount of any lien or liens assumed. The items and value of personal property transferred with the real property must be listed and deducted from the sale price. The certificate of value shall include the classification to which the property belongs for the purpose of determining the fair market value of the property, and

shall include any proposed change in use of the property known to the person filing the certificate that could change the classification of the property. The certificate shall include financing terms and conditions of the sale which are necessary to determine the actual, present value of the sale price for purposes of the sales ratio study. If the property is being acquired as part of a like-kind exchange under section 1031 of the Internal Revenue Code of 1986, as amended through December 31, 2006, that must be indicated on the certificate. The commissioner of revenue shall promulgate administrative rules specifying the financing terms and conditions which must be included on the certificate. The certificate of value must include the Social Security number or the federal employer identification number of the grantors and grantees. However, a married person who is not an owner of record and who is signing a conveyance instrument along with the person's spouse solely to release and convey their marital interest, if any, in the real property being conveyed is not a grantor for the purpose of the preceding sentence. A statement in the deed that is substantially in the following form is sufficient to allow the county auditor to accept a certificate for filing without the Social Security number of the named spouse: "(Name) claims no ownership interest in the real property being conveyed and is executing this instrument solely to release and convey a marital interest, if any, in that real property." The identification numbers of the grantors and grantees are private data on individuals or nonpublic data as defined in section 13.02, subdivisions 9 and 12, but, notwithstanding that section, the private or nonpublic data may be disclosed to the commissioner of revenue for purposes of tax administration. The information required to be shown on the certificate of value is limited to the information required as of the date of the acknowledgment on the deed or other document to be recorded.

EFFECTIVE DATE. This section is effective for certificates of value filed after December 31, 2019.

Sec. 12. Minnesota Statutes 2018, section 272.12, is amended to read:

272.12 CONVEYANCES, TAXES PAID BEFORE RECORDING.

When:

- (a) a deed or other instrument conveying land,
- (b) a plat of any townsite or addition thereto,
- (c) a survey required pursuant to section 508.47,
- (d) a condominium plat subject to chapter 515 or 515A or a declaration that contains such a plat, or

8.1 (e) a common interest community plat subject to chapter 515B or a declaration that
8.2 contains such a plat,
8.3 is presented to the county auditor for transfer, the auditor shall ascertain from the records
8.4 if there be taxes delinquent upon the land described therein, or if it has been sold for taxes.
8.5 An assignment of a sheriff's or referee's certificate of sale, when the certificate of sale
8.6 describes real estate, and certificates of redemption from mortgage or lien foreclosure sales,
8.7 when the certificate of redemption encompasses real estate and is issued to a junior creditor,
8.8 are considered instruments conveying land for the purposes of this section and section
8.9 272.121. If there are taxes delinquent, the auditor shall certify to the same; and upon payment
8.10 of such taxes or confession of judgment under section 279.37 stating that delinquent taxes
8.11 are being paid by the senior citizens' property tax deferral under chapter 290B, or in case
8.12 no taxes are delinquent, shall transfer the land upon the books of the auditor's office, and
8.13 note upon the instrument, over official signature, the words, "no delinquent taxes and transfer
8.14 entered," or, if the land described has been sold or assigned to an actual purchaser for taxes,
8.15 the words "paid by sale of land described within;" and, unless such statement is made upon
8.16 such instrument, the county recorder or the registrar of titles shall refuse to receive or record
8.17 the same; provided, that sheriff's or referees' certificates of sale on execution or foreclosure
8.18 of a lien or mortgage, certificates of redemption from mortgage or lien foreclosure sales
8.19 issued to the redeeming mortgagor or lienor, deeds of distribution made by a personal
8.20 representative in probate proceedings, transfer on death deeds under section 507.071, decrees
8.21 and judgments, receivers receipts, patents, and copies of town or statutory city plats, in case
8.22 the original plat filed in the office of the county recorder has been lost or destroyed, and
8.23 the instruments releasing, removing and discharging reversionary and forfeiture provisions
8.24 affecting title to land and instruments releasing, removing or discharging easement rights
8.25 in land or building or other restrictions, may be recorded without such certificate; and,
8.26 provided that instruments conveying land and, as appurtenant thereto an easement over
8.27 adjacent tract or tracts of land, may be recorded without such certificate as to the land
8.28 covered by such easement; and provided further, that any instrument granting an easement
8.29 made in favor of any public utility or pipe line for conveying gas, liquids or solids in
8.30 suspension, in the nature of a right-of-way over, along, across or under a tract of land may
8.31 be recorded without such certificate as to the land covered by such easement. Documents
8.32 governing homeowners associations of condominiums, townhouses, common interest
8.33 ownership communities, and other planned unit developments may be recorded without the
8.34 auditor's certificate to the extent provided in section 515B.1-116(e).

9.1 A deed of distribution made by a personal representative in a probate proceeding, a
9.2 decree, or a judgment that conveys land shall be presented to the county auditor, who shall
9.3 transfer the land upon the books of the auditor's office and note upon the instrument, over
9.4 official signature, the words, "transfer entered", and the instrument may then be recorded.
9.5 A decree or judgment that affects title to land but does not convey land may be recorded
9.6 without presentation to the auditor.

9.7 A violation of this section by the county recorder or the registrar of titles shall be a gross
9.8 misdemeanor, and, in addition to the punishment therefor, the recorder or registrar shall be
9.9 liable to the grantee of any instrument so recorded for the amount of any damages sustained.

9.10 When, as a condition to permitting the recording of deed or other instrument affecting
9.11 the title to real estate previously forfeited to the state under the provisions of sections 281.16
9.12 to 281.25, county officials, after such real estate has been purchased or repurchased, have
9.13 required the payment of taxes erroneously assumed to have accrued against such real estate
9.14 after forfeiture and before the date of purchase or repurchase, the sum required to be so paid
9.15 shall be refunded to the persons entitled thereto out of moneys in the funds in which the
9.16 sum so paid was placed. Delinquent taxes are those taxes deemed delinquent under section
9.17 279.02.

9.18 **EFFECTIVE DATE.** This section is effective the day following final enactment.

9.19 Sec. 13. **[272.72] DOCUMENTATION OF TITLE.**

9.20 For the purposes of any program administered by the Department of Revenue, a copy
9.21 of a court order transferring title to the applicant is sufficient to demonstrate that title is held
9.22 by the applicant.

9.23 **EFFECTIVE DATE.** This section is effective the day following final enactment.

9.24 Sec. 14. Minnesota Statutes 2018, section 273.061, subdivision 9, is amended to read:

9.25 Subd. 9. **Additional general duties.** Additional duties of the county assessor ~~shall be~~
9.26 are as follows:

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

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

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

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

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

(6) to attend the meeting of the county board of equalization; to investigate and report on any assessment ordered by said board; to enter all changes made by said board in the assessment books and prepare ~~the abstract of assessments for the commissioner of revenue~~ information reported to the commissioner under section 270C.85, subdivision 2, clause (4); to enter all changes made by the State Board of Equalization in the assessment books; to deduct all exemptions authorized by law from each assessment and certify to the county auditor the taxable value of each parcel of land, as described and listed in the assessment books by the county auditor, and the taxable value of the personal property of each person, firm, or corporation assessed;

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

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

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 15. Minnesota Statutes 2018, section 273.0755, is amended to read:

273.0755 TRAINING AND EDUCATION OF PROPERTY TAX PERSONNEL.

(a) Beginning with the four-year period starting on July 1, 2000, every person licensed by the state Board of Assessors at the Accredited Minnesota Assessor level or higher, shall successfully complete a weeklong Minnesota laws course sponsored by the Department of Revenue at least once in every four-year period. An assessor need not attend the course if they successfully pass the test for the course.

(b) The commissioner of revenue may require that each county, and each city for which the city assessor performs the duties of county assessor, have ~~(i)~~ (1) a person on the assessor's staff who is certified by the Department of Revenue in sales ratio calculations, ~~(ii)~~ (2) an officer or employee who is certified by the Department of Revenue in tax calculations, and

~~(iii) (3) an officer or employee who is certified by the Department of Revenue in the proper preparation of abstracts of assessment. The commissioner of revenue may require that each county have an officer or employee who is certified by the Department of Revenue in the proper preparation of abstracts of tax lists~~ information reported to the commissioner under section 270C.85, subdivision 2, clause (4). Certifications under this paragraph expire after four years.

(c) Beginning with the four-year educational licensing period starting on July 1, 2004, every Minnesota assessor licensed by the State Board of Assessors must attend and participate in a seminar that focuses on ethics, professional conduct and the need for standardized assessment practices developed and presented by the commissioner of revenue. This requirement must be met at least once in every subsequent four-year period. This requirement applies to all assessors licensed for one year or more in the four-year period.

(d) When the commissioner of revenue determines that an individual or board that performs functions related to property tax administration has performed those functions in a manner that is not uniform or equitable, the commissioner may require that the individual or members of the board complete supplemental training. The commissioner may not require that an individual complete more than 32 hours of supplemental training pursuant to this paragraph. If the individual is required to complete supplemental training due to that individual's membership on a local or county board of appeal and equalization, the commissioner may not require that the individual complete more than two hours of supplemental training.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 16. Minnesota Statutes 2018, section 273.113, subdivision 3, is amended to read:

Subd. 3. **Reimbursement for lost revenue.** The county auditor shall certify to the commissioner of revenue, ~~as part of the abstracts of tax lists required to be filed with the commissioner~~ under section 275.29 270C.85, subdivision 2, clause (4), the amount of tax lost to the county from the property tax credit under subdivision 2. Any prior year adjustments must also be certified ~~in the abstracts of tax lists.~~ The commissioner of revenue shall review the certifications to determine their accuracy. The commissioner may make the changes in the certification that are considered necessary or return a certification to the county auditor for corrections. The commissioner shall reimburse each taxing district, other than school districts, for the taxes lost. The payments must be made at the time provided in section 473H.10 for payment to taxing jurisdictions in the same proportion that the ad valorem tax is distributed. Reimbursements to school districts must be made as provided in section

12.1 273.1392. The amount necessary to make the reimbursements under this section is annually
12.2 appropriated from the general fund to the commissioner of revenue.

12.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

12.4 Sec. 17. Minnesota Statutes 2018, section 273.119, subdivision 2, is amended to read:

12.5 Subd. 2. **Reimbursement for lost revenue.** The county may transfer money from the
12.6 county conservation account created in section 40A.152 to the county revenue fund to
12.7 reimburse the fund for the cost of the property tax credit. The county auditor shall certify
12.8 to the commissioner of revenue, ~~as part of the abstracts of tax lists required to be filed with~~
12.9 ~~the commissioner~~ under section ~~275.29~~ 270C.85, subdivision 2, clause (4), the amount of
12.10 tax lost to the county from the property tax credit under subdivision 1 and the extent that
12.11 the tax lost exceeds funds available in the county conservation account. Any prior year
12.12 adjustments must also be certified ~~in the abstracts of tax lists~~. The commissioner of revenue
12.13 shall review the certifications to determine their accuracy. The commissioner may make
12.14 the changes in the certification that are considered necessary or return a certification to the
12.15 county auditor for corrections. The commissioner shall reimburse each taxing district, other
12.16 than school districts, from the Minnesota conservation fund under section 40A.151 for the
12.17 taxes lost in excess of the county account. The payments must be made at the time provided
12.18 in section 473H.10, subdivision 3, for payment to taxing jurisdictions in the same proportion
12.19 that the ad valorem tax is distributed.

12.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

12.21 Sec. 18. Minnesota Statutes 2018, section 273.1231, subdivision 3, is amended to read:

12.22 Subd. 3. **Disaster or emergency area.** (a) "Disaster or emergency area" means a
12.23 geographic area for which:

12.24 (1)(i) the president of the United States, the secretary of agriculture, or the administrator
12.25 of the Small Business Administration has determined that a disaster exists pursuant to federal
12.26 law, or

12.27 (ii) a local emergency has been declared pursuant to section 12.29; and

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

12.30 (b) The executive council must not approve an application unless:

12.31 (1) a completed disaster survey is included; and

(2) within the boundaries of the applicant, (i) the average damage for the buildings that are damaged is at least \$5,000, and (ii) either at least 25 taxable buildings were damaged, or the total dollar amount of damage to all taxable buildings equals or exceeds one percent of the total taxable market value of buildings for the applicant as reported to the commissioner of revenue under section ~~270C.89, subdivision 2~~ 270C.85, subdivision 2, clause (4), for the assessment in the year prior to the year of the damage.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 19. Minnesota Statutes 2018, section 273.124, subdivision 3a, is amended to read:

Subd. 3a. Manufactured home park cooperative. (a) When a manufactured home park is owned by a corporation or association organized under chapter 308A or 308B, and each person who owns a share or shares in the corporation or association is entitled to occupy a lot within the park, the corporation or association may claim homestead treatment for the park. Each lot must be designated by legal description or number, and each lot is limited to not more than one-half acre of land.

(b) The manufactured home park shall be entitled to homestead treatment if all of the following criteria are met:

(1) the occupant or the cooperative corporation or association is paying the ad valorem property taxes and any special assessments levied against the land and structure either directly, or indirectly through dues to the corporation or association; and

(2) the corporation or association organized under chapter 308A or 308B is wholly owned by persons having a right to occupy a lot owned by the corporation or association.

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

(d) "Homestead treatment" under this subdivision means the classification rate provided for class 4c property classified under section 273.13, subdivision 25, paragraph (d), clause (5), item (ii)-, and the homestead market value exclusion under section 273.13, subdivision 35, does not apply and the property taxes assessed against the park shall not be included in the determination of taxes payable for rent paid under section 290A.03.

EFFECTIVE DATE. This section is effective beginning with claims for taxes payable in 2020.

14.1 Sec. 20. Minnesota Statutes 2018, section 273.124, subdivision 14, is amended to read:

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

14.5 (1) the parcel on which the house is located is contiguous on at least two sides to (i)
14.6 agricultural land, (ii) land owned or administered by the United States Fish and Wildlife
14.7 Service, or (iii) land administered by the Department of Natural Resources on which in lieu
14.8 taxes are paid under sections 477A.11 to 477A.14;

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

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

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

14.15 Homesteads initially classified as class 2a under the provisions of this paragraph shall
14.16 remain classified as class 2a, irrespective of subsequent changes in the use of adjoining
14.17 properties, as long as the homestead remains under the same ownership, the owner owns a
14.18 noncontiguous parcel of agricultural land that is at least 20 acres, and the agricultural use
14.19 value qualifies under clause (4). Homestead classification under this paragraph is limited
14.20 to property that qualified under this paragraph for the 1998 assessment.

14.21 (b)(i) Agricultural property shall be classified as the owner's homestead, to the same
14.22 extent as other agricultural homestead property, if all of the following criteria are met:

14.23 (1) the agricultural property consists of at least 40 acres including undivided government
14.24 lots and correctional 40's;

14.25 (2) the owner, the owner's spouse, or a grandchild, child, sibling, or parent of the owner
14.26 or of the owner's spouse, is actively farming the agricultural property, either on the person's
14.27 own behalf as an individual or on behalf of a partnership operating a family farm, family
14.28 farm corporation, joint family farm venture, or limited liability company of which the person
14.29 is a partner, shareholder, or member;

14.30 (3) both the owner of the agricultural property and the person who is actively farming
14.31 the agricultural property under clause (2), are Minnesota residents;

15.1 (4) neither the owner nor the spouse of the owner claims another agricultural homestead
15.2 in Minnesota; and

15.3 (5) neither the owner nor the person actively farming the agricultural property lives
15.4 farther than four townships or cities, or a combination of four townships or cities, from the
15.5 agricultural property, except that if the owner or the owner's spouse is required to live in
15.6 employer-provided housing, the owner or owner's spouse, whichever is actively farming
15.7 the agricultural property, may live more than four townships or cities, or combination of
15.8 four townships or cities from the agricultural property.

15.9 The relationship under this paragraph may be either by blood or marriage.

15.10 ~~(ii) Agricultural property held by a trustee under a trust is eligible for agricultural~~
15.11 ~~homestead classification under this paragraph if the qualifications in clause (i) are met,~~
15.12 ~~except that "owner" means the grantor of the trust.~~

15.13 ~~(iii)~~ (iii) Property containing the residence of an owner who owns qualified property under
15.14 clause (i) shall be classified as part of the owner's agricultural homestead, if that property
15.15 is also used for noncommercial storage or drying of agricultural crops.

15.16 ~~(iv)~~ (iii) As used in this paragraph, "agricultural property" means class 2a property and
15.17 any class 2b property that is contiguous to and under the same ownership as the class 2a
15.18 property.

15.19 (c) Noncontiguous land shall be included as part of a homestead under section 273.13,
15.20 subdivision 23, paragraph (a), only if the homestead is classified as class 2a and the detached
15.21 land is located in the same township or city, or not farther than four townships or cities or
15.22 combination thereof from the homestead. Any taxpayer of these noncontiguous lands must
15.23 notify the county assessor that the noncontiguous land is part of the taxpayer's homestead,
15.24 and, if the homestead is located in another county, the taxpayer must also notify the assessor
15.25 of the other county.

15.26 (d) Agricultural land used for purposes of a homestead and actively farmed by a person
15.27 holding a vested remainder interest in it must be classified as a homestead under section
15.28 273.13, subdivision 23, paragraph (a). If agricultural land is classified class 2a, any other
15.29 dwellings on the land used for purposes of a homestead by persons holding vested remainder
15.30 interests who are actively engaged in farming the property, and up to one acre of the land
15.31 surrounding each homestead and reasonably necessary for the use of the dwelling as a home,
15.32 must also be assessed class 2a.

16.1 (e) Agricultural land and buildings that were class 2a homestead property under section
16.2 273.13, subdivision 23, paragraph (a), for the 1997 assessment shall remain classified as
16.3 agricultural homesteads for subsequent assessments if:

16.4 (1) the property owner abandoned the homestead dwelling located on the agricultural
16.5 homestead as a result of the April 1997 floods;

16.6 (2) the property is located in the county of Polk, Clay, Kittson, Marshall, Norman, or
16.7 Wilkin;

16.8 (3) the agricultural land and buildings remain under the same ownership for the current
16.9 assessment year as existed for the 1997 assessment year and continue to be used for
16.10 agricultural purposes;

16.11 (4) the dwelling occupied by the owner is located in Minnesota and is within 30 miles
16.12 of one of the parcels of agricultural land that is owned by the taxpayer; and

16.13 (5) the owner notifies the county assessor that the relocation was due to the 1997 floods,
16.14 and the owner furnishes the assessor any information deemed necessary by the assessor in
16.15 verifying the change in dwelling. Further notifications to the assessor are not required if the
16.16 property continues to meet all the requirements in this paragraph and any dwellings on the
16.17 agricultural land remain uninhabited.

16.18 (f) Agricultural land and buildings that were class 2a homestead property under section
16.19 273.13, subdivision 23, paragraph (a), for the 1998 assessment shall remain classified
16.20 agricultural homesteads for subsequent assessments if:

16.21 (1) the property owner abandoned the homestead dwelling located on the agricultural
16.22 homestead as a result of damage caused by a March 29, 1998, tornado;

16.23 (2) the property is located in the county of Blue Earth, Brown, Cottonwood, LeSueur,
16.24 Nicollet, Nobles, or Rice;

16.25 (3) the agricultural land and buildings remain under the same ownership for the current
16.26 assessment year as existed for the 1998 assessment year;

16.27 (4) the dwelling occupied by the owner is located in this state and is within 50 miles of
16.28 one of the parcels of agricultural land that is owned by the taxpayer; and

16.29 (5) the owner notifies the county assessor that the relocation was due to a March 29,
16.30 1998, tornado; and the owner furnishes the assessor any information deemed necessary by
16.31 the assessor in verifying the change in homestead dwelling. For taxes payable in 1999, the
16.32 owner must notify the assessor by December 1, 1998. Further notifications to the assessor

17.1 are not required if the property continues to meet all the requirements in this paragraph and
17.2 any dwellings on the agricultural land remain uninhabited.

17.3 (g) Agricultural property of a family farm corporation, joint family farm venture, family
17.4 farm limited liability company, or partnership operating a family farm as described under
17.5 subdivision 8 shall be classified homestead, to the same extent as other agricultural homestead
17.6 property, if all of the following criteria are met:

17.7 (1) the property consists of at least 40 acres including undivided government lots and
17.8 correctional 40's;

17.9 (2) a shareholder, member, or partner of that entity is actively farming the agricultural
17.10 property;

17.11 (3) that shareholder, member, or partner who is actively farming the agricultural property
17.12 is a Minnesota resident;

17.13 (4) neither that shareholder, member, or partner, nor the spouse of that shareholder,
17.14 member, or partner claims another agricultural homestead in Minnesota; and

17.15 (5) that shareholder, member, or partner does not live farther than four townships or
17.16 cities, or a combination of four townships or cities, from the agricultural property.

17.17 Homestead treatment applies under this paragraph for property leased to a family farm
17.18 corporation, joint farm venture, limited liability company, or partnership operating a family
17.19 farm if legal title to the property is in the name of an individual who is a member, shareholder,
17.20 or partner in the entity.

17.21 (h) To be eligible for the special agricultural homestead under this subdivision, an initial
17.22 full application must be submitted to the county assessor where the property is located.
17.23 Owners and the persons who are actively farming the property shall be required to complete
17.24 only a one-page abbreviated version of the application in each subsequent year provided
17.25 that none of the following items have changed since the initial application:

17.26 (1) the day-to-day operation, administration, and financial risks remain the same;

17.27 (2) the owners and the persons actively farming the property continue to live within the
17.28 four townships or city criteria and are Minnesota residents;

17.29 (3) the same operator of the agricultural property is listed with the Farm Service Agency;

17.30 (4) a Schedule F or equivalent income tax form was filed for the most recent year;

17.31 (5) the property's acreage is unchanged; and

18.1 (6) none of the property's acres have been enrolled in a federal or state farm program
18.2 since the initial application.

18.3 The owners and any persons who are actively farming the property must include the
18.4 appropriate Social Security numbers, and sign and date the application. If any of the specified
18.5 information has changed since the full application was filed, the owner must notify the
18.6 assessor, and must complete a new application to determine if the property continues to
18.7 qualify for the special agricultural homestead. The commissioner of revenue shall prepare
18.8 a standard reapplication form for use by the assessors.

18.9 (i) Agricultural land and buildings that were class 2a homestead property under section
18.10 273.13, subdivision 23, paragraph (a), for the 2007 assessment shall remain classified
18.11 agricultural homesteads for subsequent assessments if:

18.12 (1) the property owner abandoned the homestead dwelling located on the agricultural
18.13 homestead as a result of damage caused by the August 2007 floods;

18.14 (2) the property is located in the county of Dodge, Fillmore, Houston, Olmsted, Steele,
18.15 Wabasha, or Winona;

18.16 (3) the agricultural land and buildings remain under the same ownership for the current
18.17 assessment year as existed for the 2007 assessment year;

18.18 (4) the dwelling occupied by the owner is located in this state and is within 50 miles of
18.19 one of the parcels of agricultural land that is owned by the taxpayer; and

18.20 (5) the owner notifies the county assessor that the relocation was due to the August 2007
18.21 floods, and the owner furnishes the assessor any information deemed necessary by the
18.22 assessor in verifying the change in homestead dwelling. For taxes payable in 2009, the
18.23 owner must notify the assessor by December 1, 2008. Further notifications to the assessor
18.24 are not required if the property continues to meet all the requirements in this paragraph and
18.25 any dwellings on the agricultural land remain uninhabited.

18.26 (j) Agricultural land and buildings that were class 2a homestead property under section
18.27 273.13, subdivision 23, paragraph (a), for the 2008 assessment shall remain classified as
18.28 agricultural homesteads for subsequent assessments if:

18.29 (1) the property owner abandoned the homestead dwelling located on the agricultural
18.30 homestead as a result of the March 2009 floods;

18.31 (2) the property is located in the county of Marshall;

(3) the agricultural land and buildings remain under the same ownership for the current assessment year as existed for the 2008 assessment year and continue to be used for agricultural purposes;

(4) the dwelling occupied by the owner is located in Minnesota and is within 50 miles of one of the parcels of agricultural land that is owned by the taxpayer; and

(5) the owner notifies the county assessor that the relocation was due to the 2009 floods, and the owner furnishes the assessor any information deemed necessary by the assessor in verifying the change in dwelling. Further notifications to the assessor are not required if the property continues to meet all the requirements in this paragraph and any dwellings on the agricultural land remain uninhabited.

EFFECTIVE DATE. This section is effective beginning for property taxes payable in 2020.

Sec. 21. Minnesota Statutes 2018, section 273.124, subdivision 21, is amended to read:

Subd. 21. Trust property; homestead. Real or personal property, including agricultural property, held by a trustee under a trust is eligible for classification as homestead property if the property satisfies the requirements of paragraph (a), (b), (c), ~~or~~ (d), or (e).

(a) The grantor or surviving spouse of the grantor of the trust occupies and uses the property as a homestead.

(b) A relative or surviving relative of the grantor who meets the requirements of subdivision 1, paragraph (c), in the case of residential real estate; or subdivision 1, paragraph (d), in the case of agricultural property, occupies and uses the property as a homestead.

(c) A family farm corporation, joint farm venture, limited liability company, or partnership operating a family farm in which the grantor or the grantor's surviving spouse is a shareholder, member, or partner rents the property; and, either (1) a shareholder, member, or partner of the corporation, joint farm venture, limited liability company, or partnership occupies and uses the property as a homestead; or (2) the property is at least 40 acres, including undivided government lots and correctional 40's, and a shareholder, member, or partner of the tenant-entity is actively farming the property on behalf of the corporation, joint farm venture, limited liability company, or partnership.

(d) A person who has received homestead classification for property taxes payable in 2000 on the basis of an unqualified legal right under the terms of the trust agreement to occupy the property as that person's homestead and who continues to use the property as a homestead; or, a person who received the homestead classification for taxes payable in 2005

under paragraph (c) who does not qualify under paragraph (c) for taxes payable in 2006 or thereafter but who continues to qualify under paragraph (c) as it existed for taxes payable in 2005.

(e) The qualifications under subdivision 14, paragraph (b), clause (i), are met. For purposes of this paragraph, "owner" means the grantor of the trust or the surviving spouse of the grantor.

(f) For purposes of this subdivision, the following terms have the meanings given them:

(1) "agricultural property" means the house, garage, other farm buildings and structures, and agricultural land;

(2) "agricultural land" has the meaning given in section 273.13, subdivision 23, except that the phrases "owned by same person" or "under the same ownership" as used in that subdivision mean and include contiguous tax parcels owned by:

(i) an individual and a trust of which the individual, the individual's spouse, or the individual's deceased spouse is the grantor; or

(ii) different trusts of which the grantors of each trust are any combination of an individual, the individual's spouse, or the individual's deceased spouse; and

~~For purposes of this subdivision, (3) "grantor" is defined as~~ means the person creating or establishing a testamentary, inter Vivos, revocable or irrevocable trust by written instrument or through the exercise of a power of appointment.

(g) Noncontiguous land is included as part of a homestead under this subdivision, only if the homestead is classified as class 2a, as defined in section 273.13, subdivision 23, and the detached land is located in the same township or city, or not farther than four townships or cities or combination thereof from the homestead. Any taxpayer of these noncontiguous lands must notify the county assessor that the noncontiguous land is part of the taxpayer's homestead, and, if the homestead is located in another county, the taxpayer must also notify the assessor of the other county.

EFFECTIVE DATE. This section is effective beginning for property taxes payable in 2020.

Sec. 22. Minnesota Statutes 2018, section 273.124, is amended by adding a subdivision to read:

Subd. 23. **Fractional homesteads.** In the case of property that is classified as part homestead and part nonhomestead solely because not all the owners occupy or farm the

21.1 property, not all the owners have qualifying relatives occupying or farming the property,
21.2 or not all the spouses of owners occupy the property, the portions of property classified as
21.3 part homestead and part nonhomestead must correspond to the ownership percentages that
21.4 each owner has in the property, as determined by the land records in the county recorder's
21.5 office or registrar of titles. If the ownership percentages of each owner cannot be determined
21.6 by reference to the land records, the portions of property classified as part homestead and
21.7 part nonhomestead must correspond to the ownership percentages each owner would have
21.8 if they each owned an equal share of the property.

21.9 **EFFECTIVE DATE.** This section is effective for assessments beginning in 2019.

21.10 Sec. 23. Minnesota Statutes 2018, section 273.1245, subdivision 2, is amended to read:

21.11 Subd. 2. **Disclosure.** The assessor shall disclose the data described in subdivision 1 to
21.12 the commissioner of revenue as provided by law. The assessor shall also disclose all or
21.13 portions of the data described in subdivision 1 to:

21.14 (1) the county treasurer solely for the purpose of proceeding under the Revenue Recapture
21.15 Act to recover personal property taxes owing; and

21.16 (2) the county veterans service officer for the purpose of determining a person's eligibility
21.17 for the disabled veteran's homestead market value exclusion under section 273.13, subdivision
21.18 34.

21.19 **EFFECTIVE DATE.** This section is effective the day following final enactment.

21.20 Sec. 24. **[273.129] ELDERLY LIVING FACILITY DEFERRAL.**

21.21 Subdivision 1. **Requirements.** An elderly living facility is eligible for tax deferment
21.22 under this section if it meets all of the following requirements:

21.23 (1) the facility is located in a city of the first class with a population of fewer than
21.24 110,000;

21.25 (2) the facility is owned and operated by a nonprofit organization organized under section
21.26 501(c)(3) of the Internal Revenue Code;

21.27 (3) construction of the facility was completed between January 1, 1963, and January 1,
21.28 1964;

21.29 (4) the facility has a housing with services license under chapter 144D and a
21.30 comprehensive home care license under chapter 144A;

21.31 (5) residents of the facility must be (i) at least 62 years of age, or (ii) disabled; and

22.1 (6) at least 30 percent of the units in the facility are occupied by persons whose annual
22.2 income does not exceed 50 percent of the median family income for the area.

22.3 Subd. 2. **Deferral of taxes.** Property meeting the requirements of subdivision 1 must,
22.4 upon timely application by the owner in the manner provided in subdivision 3, be treated
22.5 as exempt property as defined in section 272.02. However, the assessor must make a separate
22.6 determination of market value of such property and the tax based upon the appropriate tax
22.7 rate applicable to such property in the taxing district must be recorded on the property
22.8 assessment records.

22.9 Subd. 3. **Application.** Application for the deferment of taxes under this section must be
22.10 filed by December 1 of the year prior to the year in which the taxes are payable. Any
22.11 application filed under this subdivision and granted shall continue in effect for subsequent
22.12 years until the property no longer qualifies. The application must be filed with the assessor
22.13 in the taxing district in which the property is located on the form prescribed by the
22.14 commissioner of revenue.

22.15 Subd. 4. **Payment of taxes.** Property receiving the tax deferment under this section
22.16 continues to qualify until it is sold, transferred, or no longer qualifies under subdivision 1.
22.17 The portion of the property that is sold, transferred, or no longer qualifying under subdivision
22.18 1 is subject to taxes in the amount equal to the tax that would have been due on the property
22.19 had it not been treated as exempt property under subdivision 2. These taxes must be extended
22.20 against the property for taxes payable in the current year, plus the four prior years, to the
22.21 extent that the property has qualified for a tax deferment under this section. No interest or
22.22 penalties shall be levied on the taxes due under this subdivision if timely paid.

22.23 Subd. 5. **Lien.** The taxes imposed by this section are a lien upon the property assessed
22.24 to the same extent and for the same duration as other taxes imposed on the property in this
22.25 state. The tax shall be annually extended by the county auditor and if and when payable
22.26 shall be collected and distributed in the manner provided by law for the collection and
22.27 distribution of other property taxes.

22.28 **EFFECTIVE DATE.** This section is effective beginning with property taxes payable
22.29 in 2020.

22.30 Sec. 25. Minnesota Statutes 2018, section 273.13, subdivision 23, is amended to read:

22.31 Subd. 23. **Class 2.** (a) An agricultural homestead consists of class 2a agricultural land
22.32 that is homesteaded, along with any class 2b rural vacant land that is contiguous to the class
22.33 2a land under the same ownership. The market value of the house and garage and immediately

23.1 surrounding one acre of land has the same classification rates as class 1a or 1b property
23.2 under subdivision 22. The value of the remaining land including improvements up to the
23.3 first tier valuation limit of agricultural homestead property has a classification rate of 0.5
23.4 percent of market value. The remaining property over the first tier has a classification rate
23.5 of one percent of market value. For purposes of this subdivision, the "first tier valuation
23.6 limit of agricultural homestead property" and "first tier" means the limit certified under
23.7 section 273.11, subdivision 23.

23.8 (b) Class 2a agricultural land consists of parcels of property, or portions thereof, that
23.9 are agricultural land and buildings. Class 2a property has a classification rate of one percent
23.10 of market value, unless it is part of an agricultural homestead under paragraph (a). Class 2a
23.11 property must also include any property that would otherwise be classified as 2b, but is
23.12 interspersed with class 2a property, including but not limited to sloughs, wooded wind
23.13 shelters, acreage abutting ditches, ravines, rock piles, land subject to a setback requirement,
23.14 and other similar land that is impractical for the assessor to value separately from the rest
23.15 of the property or that is unlikely to be able to be sold separately from the rest of the property.

23.16 An assessor may classify the part of a parcel described in this subdivision that is used
23.17 for agricultural purposes as class 2a and the remainder in the class appropriate to its use.

23.18 (c) Class 2b rural vacant land consists of parcels of property, or portions thereof, that
23.19 are unplatted real estate, rural in character and not used for agricultural purposes, including
23.20 land used for growing trees for timber, lumber, and wood and wood products, that is not
23.21 improved with a structure. The presence of a minor, ancillary nonresidential structure as
23.22 defined by the commissioner of revenue does not disqualify the property from classification
23.23 under this paragraph. Any parcel of 20 acres or more improved with a structure that is not
23.24 a minor, ancillary nonresidential structure must be split-classified, and ten acres must be
23.25 assigned to the split parcel containing the structure. Class 2b property has a classification
23.26 rate of one percent of market value unless it is part of an agricultural homestead under
23.27 paragraph (a), or qualifies as class 2c under paragraph (d).

23.28 (d) Class 2c managed forest land consists of no less than 20 and no more than 1,920
23.29 acres statewide per taxpayer that is being managed under a forest management plan that
23.30 meets the requirements of chapter 290C, but is not enrolled in the sustainable forest resource
23.31 management incentive program. It has a classification rate of .65 percent, provided that the
23.32 owner of the property must apply to the assessor in order for the property to initially qualify
23.33 for the reduced rate and provide the information required by the assessor to verify that the
23.34 property qualifies for the reduced rate. If the assessor receives the application and information
23.35 before May 1 in an assessment year, the property qualifies beginning with that assessment

24.1 year. If the assessor receives the application and information after April 30 in an assessment
24.2 year, the property may not qualify until the next assessment year. The commissioner of
24.3 natural resources must concur that the land is qualified. The commissioner of natural
24.4 resources shall annually provide county assessors verification information on a timely basis.
24.5 The presence of a minor, ancillary nonresidential structure as defined by the commissioner
24.6 of revenue does not disqualify the property from classification under this paragraph.

24.7 (e) Agricultural land as used in this section means:

24.8 (1) contiguous acreage of ten acres or more, used during the preceding year for
24.9 agricultural purposes; or

24.10 (2) contiguous acreage used during the preceding year for an intensive livestock or
24.11 poultry confinement operation, provided that land used only for pasturing or grazing does
24.12 not qualify under this clause.

24.13 "Agricultural purposes" as used in this section means the raising, cultivation, drying, or
24.14 storage of agricultural products for sale, or the storage of machinery or equipment used in
24.15 support of agricultural production by the same farm entity. For a property to be classified
24.16 as agricultural based only on the drying or storage of agricultural products, the products
24.17 being dried or stored must have been produced by the same farm entity as the entity operating
24.18 the drying or storage facility. "Agricultural purposes" also includes (i) enrollment in a local
24.19 conservation program or the Reinvest in Minnesota program under sections 103F.501 to
24.20 103F.535 or the federal Conservation Reserve Program as contained in Public Law 99-198
24.21 or a similar state or federal conservation program if the property was classified as agricultural
24.22 (i) (A) under this subdivision for taxes payable in 2003 because of its enrollment in a
24.23 qualifying program and the land remains enrolled or (ii) (B) in the year prior to its enrollment,
24.24 or (ii) use of land, not to exceed three acres, to provide environmental benefits such as buffer
24.25 strips, old growth forest restoration or retention, or retention ponds to prevent soil erosion.

24.26 For purposes of this section, a "local conservation program" means a program administered
24.27 by a town, statutory or home rule charter city, or county, including a watershed district,
24.28 water management organization, or soil and water conservation district, in which landowners
24.29 voluntarily enroll land and receive incentive payments equal to at least \$50 per acre in
24.30 exchange for use or other restrictions placed on the land. In order for property to qualify
24.31 under the local conservation program provision, a taxpayer must apply to the assessor by
24.32 February 1 of the assessment year and must submit the information required by the assessor,
24.33 including but not limited to a copy of the program requirements, the specific agreement
24.34 between the land owner and the local agency, if applicable, and a map of the conservation

25.1 area. Agricultural classification shall not be based upon the market value of any residential
25.2 structures on the parcel or contiguous parcels under the same ownership.

25.3 "Contiguous acreage," for purposes of this paragraph, means all of, or a contiguous
25.4 portion of, a tax parcel as described in section 272.193, or all of, or a contiguous portion
25.5 of, a set of contiguous tax parcels under that section that are owned by the same person.

25.6 (f) Agricultural land under this section also includes:

25.7 (1) contiguous acreage that is less than ten acres in size and exclusively used in the
25.8 preceding year for raising or cultivating agricultural products; or

25.9 (2) contiguous acreage that contains a residence and is less than 11 acres in size, if the
25.10 contiguous acreage exclusive of the house, garage, and surrounding one acre of land was
25.11 used in the preceding year for one or more of the following three uses:

25.12 (i) for an intensive grain drying or storage operation, or for intensive machinery or
25.13 equipment storage activities used to support agricultural activities on other parcels of property
25.14 operated by the same farming entity;

25.15 (ii) as a nursery, provided that only those acres used intensively to produce nursery stock
25.16 are considered agricultural land; or

25.17 (iii) for intensive market farming; for purposes of this paragraph, "market farming"
25.18 means the cultivation of one or more fruits or vegetables or production of animal or other
25.19 agricultural products for sale to local markets by the farmer or an organization with which
25.20 the farmer is affiliated.

25.21 "Contiguous acreage," for purposes of this paragraph, means all of a tax parcel as
25.22 described in section 272.193, or all of a set of contiguous tax parcels under that section that
25.23 are owned by the same person.

25.24 (g) Land shall be classified as agricultural even if all or a portion of the agricultural use
25.25 of that property is the leasing to, or use by another person for agricultural purposes.

25.26 Classification under this subdivision is not determinative for qualifying under section
25.27 273.111.

25.28 (h) The property classification under this section supersedes, for property tax purposes
25.29 only, any locally administered agricultural policies or land use restrictions that define
25.30 minimum or maximum farm acreage.

25.31 (i) The term "agricultural products" as used in this subdivision includes production for
25.32 sale of:

26.1 (1) livestock, dairy animals, dairy products, poultry and poultry products, fur-bearing
26.2 animals, horticultural and nursery stock, fruit of all kinds, vegetables, forage, grains, bees,
26.3 and apiary products by the owner;

26.4 (2) aquacultural products for sale and consumption, as defined under section 17.47, if
26.5 the aquaculture occurs on land zoned for agricultural use;

26.6 (3) the commercial boarding of horses, which may include related horse training and
26.7 riding instruction, if the boarding is done on property that is also used for raising pasture
26.8 to graze horses or raising or cultivating other agricultural products as defined in clause (1);

26.9 (4) property which is owned and operated by nonprofit organizations used for equestrian
26.10 activities, excluding racing;

26.11 (5) game birds and waterfowl bred and raised (i) on a game farm licensed under section
26.12 97A.105, provided that the annual licensing report to the Department of Natural Resources,
26.13 which must be submitted annually by March 30 to the assessor, indicates that at least 500
26.14 birds were raised or used for breeding stock on the property during the preceding year and
26.15 that the owner provides a copy of the owner's most recent schedule F; or (ii) for use on a
26.16 shooting preserve licensed under section 97A.115;

26.17 (6) insects primarily bred to be used as food for animals;

26.18 (7) trees, grown for sale as a crop, including short rotation woody crops, and not sold
26.19 for timber, lumber, wood, or wood products; and

26.20 (8) maple syrup taken from trees grown by a person licensed by the Minnesota
26.21 Department of Agriculture under chapter 28A as a food processor.

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

26.24 (1) wholesale and retail sales;

26.25 (2) processing of raw agricultural products or other goods;

26.26 (3) warehousing or storage of processed goods; and

26.27 (4) office facilities for the support of the activities enumerated in clauses (1), (2), and
26.28 (3),

26.29 the assessor shall classify the part of the parcel used for agricultural purposes as class 1b,
26.30 2a, or 2b, whichever is appropriate, and the remainder in the class appropriate to its use.

26.31 The grading, sorting, and packaging of raw agricultural products for first sale is considered
26.32 an agricultural purpose. A greenhouse or other building where horticultural or nursery

27.1 products are grown that is also used for the conduct of retail sales must be classified as
27.2 agricultural if it is primarily used for the growing of horticultural or nursery products from
27.3 seed, cuttings, or roots and occasionally as a showroom for the retail sale of those products.
27.4 Use of a greenhouse or building only for the display of already grown horticultural or nursery
27.5 products does not qualify as an agricultural purpose.

27.6 (k) The assessor shall determine and list separately on the records the market value of
27.7 the homestead dwelling and the one acre of land on which that dwelling is located. If any
27.8 farm buildings or structures are located on this homesteaded acre of land, their market value
27.9 shall not be included in this separate determination.

27.10 (l) Class 2d airport landing area consists of a landing area or public access area of a
27.11 privately owned public use airport. It has a classification rate of one percent of market value.
27.12 To qualify for classification under this paragraph, a privately owned public use airport must
27.13 be licensed as a public airport under section 360.018. For purposes of this paragraph, "landing
27.14 area" means that part of a privately owned public use airport properly cleared, regularly
27.15 maintained, and made available to the public for use by aircraft and includes runways,
27.16 taxiways, aprons, and sites upon which are situated landing or navigational aids. A landing
27.17 area also includes land underlying both the primary surface and the approach surfaces that
27.18 comply with all of the following:

27.19 (i) the land is properly cleared and regularly maintained for the primary purposes of the
27.20 landing, taking off, and taxiing of aircraft; but that portion of the land that contains facilities
27.21 for servicing, repair, or maintenance of aircraft is not included as a landing area;

27.22 (ii) the land is part of the airport property; and

27.23 (iii) the land is not used for commercial or residential purposes.

27.24 The land contained in a landing area under this paragraph must be described and certified
27.25 by the commissioner of transportation. The certification is effective until it is modified, or
27.26 until the airport or landing area no longer meets the requirements of this paragraph. For
27.27 purposes of this paragraph, "public access area" means property used as an aircraft parking
27.28 ramp, apron, or storage hangar, or an arrival and departure building in connection with the
27.29 airport.

27.30 (m) Class 2e consists of land with a commercial aggregate deposit that is not actively
27.31 being mined and is not otherwise classified as class 2a or 2b, provided that the land is not
27.32 located in a county that has elected to opt-out of the aggregate preservation program as
27.33 provided in section 273.1115, subdivision 6. It has a classification rate of one percent of
27.34 market value. To qualify for classification under this paragraph, the property must be at

28.1 least ten contiguous acres in size and the owner of the property must record with the county
28.2 recorder of the county in which the property is located an affidavit containing:

28.3 (1) a legal description of the property;

28.4 (2) a disclosure that the property contains a commercial aggregate deposit that is not
28.5 actively being mined but is present on the entire parcel enrolled;

28.6 (3) documentation that the conditional use under the county or local zoning ordinance
28.7 of this property is for mining; and

28.8 (4) documentation that a permit has been issued by the local unit of government or the
28.9 mining activity is allowed under local ordinance. The disclosure must include a statement
28.10 from a registered professional geologist, engineer, or soil scientist delineating the deposit
28.11 and certifying that it is a commercial aggregate deposit.

28.12 For purposes of this section and section 273.1115, "commercial aggregate deposit"
28.13 means a deposit that will yield crushed stone or sand and gravel that is suitable for use as
28.14 a construction aggregate; and "actively mined" means the removal of top soil and overburden
28.15 in preparation for excavation or excavation of a commercial deposit.

28.16 (n) When any portion of the property under this subdivision or subdivision 22 begins to
28.17 be actively mined, the owner must file a supplemental affidavit within 60 days from the
28.18 day any aggregate is removed stating the number of acres of the property that is actively
28.19 being mined. The acres actively being mined must be (1) valued and classified under
28.20 subdivision 24 in the next subsequent assessment year, and (2) removed from the aggregate
28.21 resource preservation property tax program under section 273.1115, if the land was enrolled
28.22 in that program. Copies of the original affidavit and all supplemental affidavits must be
28.23 filed with the county assessor, the local zoning administrator, and the Department of Natural
28.24 Resources, Division of Land and Minerals. A supplemental affidavit must be filed each
28.25 time a subsequent portion of the property is actively mined, provided that the minimum
28.26 acreage change is five acres, even if the actual mining activity constitutes less than five
28.27 acres.

28.28 (o) The definitions prescribed by the commissioner under paragraphs (c) and (d) are not
28.29 rules and are exempt from the rulemaking provisions of chapter 14, and the provisions in
28.30 section 14.386 concerning exempt rules do not apply.

28.31 **EFFECTIVE DATE.** This section is effective for assessment year 2019 and thereafter.

29.1 Sec. 26. Minnesota Statutes 2018, section 273.13, subdivision 34, is amended to read:

29.2 Subd. 34. **Homestead of disabled veteran or family caregiver.** (a) All or a portion of
29.3 the market value of property owned by a veteran and serving as the veteran's homestead
29.4 under this section is excluded in determining the property's taxable market value if the
29.5 veteran has a service-connected disability of 70 percent or more as certified by the United
29.6 States Department of Veterans Affairs. To qualify for exclusion under this subdivision, the
29.7 veteran must have been honorably discharged from the United States armed forces, as
29.8 indicated by United States Government Form DD214 or other official military discharge
29.9 papers.

29.10 (b)(1) For a disability rating of 70 percent or more, \$150,000 of market value is excluded,
29.11 except as provided in clause (2); and

29.12 (2) for a total (100 percent) and permanent disability, \$300,000 of market value is
29.13 excluded.

29.14 (c) If a disabled veteran qualifying for a valuation exclusion under paragraph (b), clause
29.15 (2), predeceases the veteran's spouse, and if upon the death of the veteran the spouse holds
29.16 the legal or beneficial title to the homestead and permanently resides there, the exclusion
29.17 shall carry over to the benefit of the veteran's spouse ~~for the current taxes payable year and~~
29.18 ~~for eight additional taxes payable years or~~ until such time as the spouse remarries, or sells,
29.19 transfers, or otherwise disposes of the property, ~~whichever comes first~~ except as otherwise
29.20 provided in paragraph (n). Qualification under this paragraph requires an application under
29.21 paragraph (h), and a spouse must notify the assessor if there is a change in the spouse's
29.22 marital status, ownership of the property, or use of the property as a permanent residence.

29.23 (d) If the spouse of a member of any branch or unit of the United States armed forces
29.24 who dies due to a service-connected cause while serving honorably in active service, as
29.25 indicated on United States Government Form DD1300 or DD2064, holds the legal or
29.26 beneficial title to a homestead and permanently resides there, the spouse is entitled to the
29.27 benefit described in paragraph (b), clause (2), ~~for eight taxes payable years, or~~ until such
29.28 time as the spouse remarries or sells, transfers, or otherwise disposes of the property,
29.29 ~~whichever comes first~~ except as otherwise provided in paragraph (n).

29.30 (e) If a veteran meets the disability criteria of paragraph (a) but does not own property
29.31 classified as homestead in the state of Minnesota, then the homestead of the veteran's primary
29.32 family caregiver, if any, is eligible for the exclusion that the veteran would otherwise qualify
29.33 for under paragraph (b).

(f) In the case of an agricultural homestead, only the portion of the property consisting of the house and garage and immediately surrounding one acre of land qualifies for the valuation exclusion under this subdivision.

(g) A property qualifying for a valuation exclusion under this subdivision is not eligible for the market value exclusion under subdivision 35, or classification under subdivision 22, paragraph (b).

(h) To qualify for a valuation exclusion under this subdivision a property owner must apply to the assessor by ~~July 1~~ December 15 of the first assessment year for which the exclusion is sought. For an application received after ~~July 1~~ December 15, the exclusion shall become effective for the following assessment year. Except as provided in paragraph (c), the owner of a property that has been accepted for a valuation exclusion must notify the assessor if there is a change in ownership of the property or in the use of the property as a homestead. When a property qualifying for a market value exclusion under this subdivision is sold or transferred, the exclusion must be removed for the current assessment year, provided that the new owner may file a claim for an exclusion if eligible.

(i) A first-time application by a qualifying spouse for the market value exclusion under paragraph (d) must be made any time within two years of the death of the service member.

(j) For purposes of this subdivision:

(1) "active service" has the meaning given in section 190.05;

(2) "own" means that the person's name is present as an owner on the property deed;

(3) "primary family caregiver" means a person who is approved by the secretary of the United States Department of Veterans Affairs for assistance as the primary provider of personal care services for an eligible veteran under the Program of Comprehensive Assistance for Family Caregivers, codified as United States Code, title 38, section 1720G; and

(4) "veteran" has the meaning given the term in section 197.447.

(k) If a veteran dying after December 31, 2011, did not apply for or receive the exclusion under paragraph (b), clause (2), before dying, the veteran's spouse is entitled to the benefit under paragraph (b), clause (2), ~~for eight taxes payable years or~~ until the spouse remarries or sells, transfers, or otherwise disposes of the property, except as otherwise provided in paragraph (n), if:

(1) the spouse files a first-time application within two years of the death of the service member or by June 1, 2019, whichever is later;

(2) upon the death of the veteran, the spouse holds the legal or beneficial title to the homestead and permanently resides there;

(3) the veteran met the honorable discharge requirements of paragraph (a); and

(4) the United States Department of Veterans Affairs certifies that:

(i) the veteran met the total (100 percent) and permanent disability requirement under paragraph (b), clause (2); or

(ii) the spouse has been awarded dependency and indemnity compensation.

(l) The purpose of this provision of law providing a level of homestead property tax relief for gravely disabled veterans, their primary family caregivers, and their surviving spouses is to help ease the burdens of war for those among our state's citizens who bear those burdens most heavily.

(m) By July 1 for current enrollees and by December 15 for new applications, the county veterans service officer must certify the disability rating and permanent address of each veteran receiving the benefit under paragraph (b) to the assessor.

(n) A spouse who received the benefit in paragraph (c), (d), or (k) but no longer holds the legal or beneficial title to the property may continue to receive the exclusion for a property other than the property for which the exclusion was initially granted until the spouse remarries or sells, transfers, or otherwise disposes of the property, provided that:

(1) the spouse applies under paragraph (h) for the continuation of the exclusion allowed under this paragraph;

(2) the spouse holds the legal or beneficial title to the property for which the continuation of the exclusion is sought under this paragraph, and permanently resides there;

(3) the estimated market value of the property for which the exclusion is sought under this paragraph is less than or equal to the estimated market value of the property that first received the exclusion, based on the value of each property on the date of the sale of the property that first received the exclusion; and

(4) the spouse has not previously received the benefit under this paragraph for a property other than the property for which the exclusion is sought.

EFFECTIVE DATE. This section is effective beginning with assessments in 2019, for taxes payable in 2020.

32.1 Sec. 27. Minnesota Statutes 2018, section 273.13, subdivision 35, is amended to read:

32.2 Subd. 35. **Homestead market value exclusion.** (a) Prior to determining a property's
32.3 net tax capacity under this section, property classified as class 1a or 1b under subdivision
32.4 22, and the portion of property classified as class 2a under subdivision 23 consisting of the
32.5 house, garage, and surrounding one acre of land, shall be eligible for a market value exclusion
32.6 as determined under paragraph (b).

32.7 (b) For a homestead valued at \$76,000 or less, the exclusion is 40 percent of market
32.8 value. For a homestead valued between \$76,000 and \$413,800, the exclusion is \$30,400
32.9 minus nine percent of the valuation over \$76,000. For a homestead valued at \$413,800 or
32.10 more, there is no valuation exclusion. The valuation exclusion shall be rounded to the nearest
32.11 whole dollar, and may not be less than zero.

32.12 (c) Any valuation exclusions or adjustments under section 273.11 shall be applied prior
32.13 to determining the amount of the valuation exclusion under this subdivision.

32.14 (d) In the case of a property that is classified as part homestead and part nonhomestead,
32.15 (i) the exclusion shall apply only to the homestead portion of the property, but (ii) if a portion
32.16 of a property is classified as nonhomestead solely because not all the owners occupy the
32.17 property, not all the owners have qualifying relatives occupying the property, or solely
32.18 because not all the spouses of owners occupy the property, the exclusion amount shall be
32.19 initially computed as if that nonhomestead portion were also in the homestead class and
32.20 then prorated to the owner-occupant's percentage of ownership, as determined by the land
32.21 records in the county recorder's office or registrar of titles. For the purpose of this section,
32.22 when an owner-occupant's spouse does not occupy the property, the percentage of ownership
32.23 for the owner-occupant spouse is one-half of the couple's ownership percentage.

32.24 **EFFECTIVE DATE.** This section is effective for taxes payable in 2020 and thereafter.

32.25 Sec. 28. Minnesota Statutes 2018, section 273.136, subdivision 2, is amended to read:

32.26 Subd. 2. **Reduction amounts submitted to county.** The commissioner of revenue shall
32.27 determine, not later than April 1 of each year, the amount of reduction resulting from section
32.28 273.135 in each county containing a tax relief area as defined by section 273.134, paragraph
32.29 (b), basing determinations on a review of ~~abstracts of tax lists submitted by the county~~
32.30 ~~auditors pursuant to section 275.29~~ information reported to the commissioner under section
32.31 270C.85, subdivision 2, clause (4). The commissioner may make changes ~~in the abstracts~~
32.32 ~~of tax lists~~ as deemed necessary. The commissioner of revenue, after such review, shall
32.33 submit to the St. Louis County auditor, on or before April 15, the amount of the first half

33.1 payment payable hereunder and on or before September 15 the amount of the second half
33.2 payment.

33.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

33.4 Sec. 29. Minnesota Statutes 2018, section 273.1384, subdivision 2, is amended to read:

33.5 Subd. 2. **Agricultural homestead market value credit.** Property classified as agricultural
33.6 homestead under section 273.13, subdivision 23, paragraph (a), is eligible for an agricultural
33.7 credit. The credit is computed using the property's agricultural credit market value, defined
33.8 for this purpose as the property's market value excluding the market value of the house,
33.9 garage, and immediately surrounding one acre of land. The credit is equal to 0.3 percent of
33.10 the first \$115,000 of the property's agricultural credit market value plus 0.1 percent of the
33.11 property's agricultural credit market value in excess of \$115,000, subject to a maximum
33.12 credit of \$490. In the case of property that is classified as part homestead and part
33.13 nonhomestead solely because not all the owners occupy or farm the property, not all the
33.14 owners have qualifying relatives occupying or farming the property, or solely because not
33.15 all the spouses of owners occupy the property, the credit is computed on the amount of
33.16 agricultural credit market value corresponding to the owner-occupant's percentage of
33.17 homestead. the percentage of homestead is equal to 100 divided by the number of owners
33.18 of the property, or, in the case of a trust, the number of grantors of the trust that owns the
33.19 property ownership, as determined by the land records in the county recorder's office or
33.20 registrar of titles.

33.21 **EFFECTIVE DATE.** This section is effective for taxes payable in 2020 and thereafter.

33.22 Sec. 30. Minnesota Statutes 2018, section 273.1384, subdivision 3, is amended to read:

33.23 Subd. 3. **Credit reimbursements.** The county auditor shall determine the tax reductions
33.24 allowed under subdivision 2 within the county for each taxes payable year and shall certify
33.25 that amount to the commissioner of revenue ~~as a part of the abstracts of tax lists submitted~~
33.26 ~~by the county auditors under section 275.29~~ under section 270C.85, subdivision 2, clause
33.27 (4). Any prior year adjustments shall also be certified ~~on the abstracts of tax lists.~~ The
33.28 commissioner shall review the certifications for accuracy, and may make such changes as
33.29 are deemed necessary, or return the certification to the county auditor for correction. The
33.30 credit under this section must be used to proportionately reduce the net tax capacity-based
33.31 property tax payable to each local taxing jurisdiction as provided in section 273.1393.

33.32 **EFFECTIVE DATE.** This section is effective the day following final enactment.

34.1 Sec. 31. Minnesota Statutes 2018, section 273.1387, subdivision 3, is amended to read:

34.2 Subd. 3. **Credit reimbursements.** The county auditor shall determine the tax reductions
34.3 allowed under this section within the county for each taxes payable year and shall certify
34.4 that amount to the commissioner of revenue ~~as a part of the abstracts of tax lists submitted~~
34.5 ~~under section 275.29~~ under section 270C.85, subdivision 2, clause (4). Any prior year
34.6 adjustments shall also be certified ~~on the abstracts of tax lists~~. The commissioner shall
34.7 review the certifications for accuracy, and may make such changes as are deemed necessary,
34.8 or return the certification to the county auditor for correction. The credit under this section
34.9 must be used to reduce the school district net tax capacity-based property tax as provided
34.10 in section 273.1393.

34.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

34.12 Sec. 32. Minnesota Statutes 2018, section 273.18, is amended to read:

34.13 **273.18 LISTING, VALUATION, AND ASSESSMENT OF EXEMPT PROPERTY**
34.14 **BY COUNTY AUDITORS.**

34.15 (a) In every sixth year after the year 2010, the county auditor shall enter the description
34.16 of each tract of real property exempt by law from taxation, with the name of the owner, and
34.17 the assessor shall value and assess the same in the same manner that other real property is
34.18 valued and assessed, and shall designate in each case the purpose for which the property is
34.19 used.

34.20 (b) ~~For purposes of the apportionment of fire state aid under section 69.021, subdivision~~
34.21 ~~7,~~ The county auditor shall include ~~on the abstract of assessment of exempt real property~~
34.22 ~~filed under this section~~ in the exempt property information that the commissioner may
34.23 require under section 270C.85, subdivision 2, clause (4), the total number of acres of all
34.24 natural resources lands for which in lieu payments are made under sections 477A.11 to
34.25 477A.14. The assessor shall estimate its market value, provided that if the assessor is not
34.26 able to estimate the market value of the land on a per parcel basis, the assessor shall furnish
34.27 the commissioner of revenue with an estimate of the average value per acre of this land
34.28 within the county.

34.29 **EFFECTIVE DATE.** This section is effective the day following final enactment.

35.1 Sec. 33. Minnesota Statutes 2018, section 274.14, is amended to read:

35.2 **274.14 LENGTH OF SESSION; RECORD.**

35.3 The board must meet after the second Friday in June on at least one meeting day and
35.4 may meet for up to ten consecutive meeting days. The actual meeting dates must be contained
35.5 on the valuation notices mailed to each property owner in the county as provided in section
35.6 273.121. For this purpose, "meeting days" is defined as any day of the week excluding
35.7 Sunday. At the board's discretion, "meeting days" may include Saturday. No action taken
35.8 by the county board of review after June 30 is valid, except for corrections permitted in
35.9 sections 273.01 and 274.01. The county auditor shall keep an accurate record of the
35.10 proceedings and orders of the board. The record must be published like other proceedings
35.11 of county commissioners. A copy of the published record must be sent to the commissioner
35.12 of revenue, ~~with the abstract of assessment required by section 274.16~~ within five days
35.13 following final action of the county board of equalization.

35.14 For counties that conduct either regular board of review meetings or open book meetings,
35.15 at least one of the meeting days must include a meeting that does not end before 7:00 p.m.
35.16 For counties that require taxpayer appointments for the board of review, appointments must
35.17 include some available times that extend until at least 7:00 p.m. The county may have a
35.18 Saturday meeting in lieu of, or in addition to, the extended meeting times under this
35.19 paragraph.

35.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

35.21 Sec. 34. Minnesota Statutes 2018, section 274.16, is amended to read:

35.22 **274.16 CORRECTED LISTS, ~~ABSTRACTS.~~**

35.23 The county assessor or, in Ramsey County, the official designated by the board of county
35.24 commissioners shall calculate the changes of the assessment lists determined by the county
35.25 board of equalization, and make corrections accordingly, in the real or personal lists, or
35.26 both, and shall make ~~duplicate abstracts~~ duplicates of them. One must be filed in the assessor's
35.27 office, and one must be forwarded to the commissioner of revenue as provided in section
35.28 270C.89.

35.29 **EFFECTIVE DATE.** This section is effective the day following final enactment.

35.30 Sec. 35. Minnesota Statutes 2018, section 275.025, subdivision 1, is amended to read:

35.31 Subdivision 1. **Levy amount.** The state general levy is levied against
35.32 commercial-industrial property and seasonal residential recreational property, as defined

in this section. The state general levy for commercial-industrial property is \$784,590,000 for taxes payable in 2018 and thereafter. The state general levy for seasonal-recreational property is \$44,190,000 for taxes payable in 2018 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 on the abstracts of tax lists submitted under section 275.29 that was not reported on the abstracts of assessment submitted under section 270C.89 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.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 36. Minnesota Statutes 2018, section 282.01, subdivision 6, is amended to read:

Subd. 6. Duties of commissioner after sale. (a) When any sale has been made by the county auditor under sections 282.01 to 282.13, the auditor shall immediately certify to the commissioner of revenue such information relating to such sale, on such forms as the commissioner of revenue may prescribe as will enable the commissioner of revenue to prepare an appropriate deed if the sale is for cash, or keep necessary records if the sale is on terms; and not later than October 31 of each year the county auditor shall submit to the commissioner of revenue a statement of all instances wherein any payment of principal, interest, or current taxes on lands held under certificate, due or to be paid during the preceding calendar years, are still outstanding at the time such certificate is made. When such statement shows that a purchaser or the purchaser's assignee is in default, the commissioner of revenue may instruct the county board of the county in which the land is located to cancel said certificate of sale in the manner provided by subdivision 5, provided that upon recommendation of the county board, and where the circumstances are such that the

commissioner of revenue after investigation is satisfied that the purchaser has made every effort reasonable to make payment of both the annual installment and said taxes, and that there has been no willful neglect on the part of the purchaser in meeting these obligations, then the commissioner of revenue may extend the time for the payment for such period as the commissioner may deem warranted, not to exceed one year. On payment in full of the purchase price, appropriate conveyance in fee, in such form as may be prescribed by the attorney general, shall be issued by the commissioner of revenue, which conveyance must be recorded by the county and shall have the force and effect of a patent from the state subject to easements and restrictions of record at the date of the tax judgment sale, including, but without limitation, permits for telephone and electric power lines either by underground cable or conduit or otherwise, sewer and water lines, highways, railroads, and pipe lines for gas, liquids, or solids in suspension.

(b) The commissioner of revenue shall issue an appropriate conveyance in fee when approval from the county auditor is given based upon written confirmation from a licensed closing agent, title insurer, or title insurance agent as specified in section 82.641. For purposes of this paragraph, "written confirmation" means a written commitment or approval that the funding for the conveyance is held in an escrow account available for disbursement upon delivery of a conveyance. The conveyance issued by the commissioner of revenue shall not be effective as a conveyance until it is recorded. The conveyance shall be issued to the county auditor where the land is located. Upon receipt of the conveyance, the county auditor shall hold the conveyance until the conveyance is requested from a licensed closing agent, title insurer, or title insurance agent to settle and close on the conveyance. If a request for the conveyance is not made within 30 days of the date the conveyance is issued by the commissioner of revenue, the county auditor shall return the conveyance to the commissioner. If the conveyance is delivered to the licensed closing agent, title insurer, or title insurance agent and the closing does not occur within ten days of the request, the licensed closing agent, title insurer, or title insurance agent shall immediately return the conveyance to the county auditor and, upon receipt, the county auditor shall return the conveyance to the commissioner of revenue. The commissioner of revenue shall cancel and destroy all conveyances returned by the county auditor pursuant to this subdivision. The licensed closing agent, title insurer, or title insurance agent must promptly record the conveyance after the closing and must deliver an attested or certified copy to the county auditor and to the grantee or grantees named on the conveyance.

EFFECTIVE DATE. This section is effective for conveyances issued by the commissioner of revenue after December 31, 2019.

38.1 Sec. 37. Minnesota Statutes 2018, section 287.21, subdivision 1, is amended to read:

38.2 Subdivision 1. **Determination of tax.** (a) A tax is imposed on each deed or instrument
38.3 by which any real property in this state is granted, assigned, transferred, or otherwise
38.4 conveyed. The tax applies against the net consideration. For purposes of the tax, the
38.5 conversion of a corporation to a limited liability company, a limited liability company to a
38.6 corporation, a partnership to a limited partnership, a limited partnership to another limited
38.7 partnership or other entity, or a similar conversion of one entity to another does not grant,
38.8 assign, transfer, or convey real property.

38.9 (b) The tax is determined in the following manner: (1) when transfers are made by
38.10 instruments pursuant to (i) consolidations or mergers, or (ii) designated transfers, the tax is
38.11 \$1.65; (2) when there is no consideration or when the consideration, exclusive of the value
38.12 of any lien or encumbrance remaining thereon at the time of sale, is ~~\$500~~ \$3,000 or less,
38.13 the tax is \$1.65; or (3) when the consideration, exclusive of the value of any lien or
38.14 encumbrance remaining at the time of sale, exceeds ~~\$500~~ \$3,000, the tax is .0033 of the net
38.15 consideration.

38.16 (c) If, within six months from the date of a designated transfer, an ownership interest in
38.17 the grantee entity is transferred by an initial owner to any person or entity with the result
38.18 that the designated transfer would not have been a designated transfer if made to the grantee
38.19 entity with its subsequent ownership, then a tax is imposed at .0033 of the net consideration
38.20 for the designated transfer. If the subsequent transfer of ownership interests was reasonably
38.21 expected at the time of the designated transfer, the applicable penalty under section 287.31,
38.22 subdivision 1, must be paid. The deed tax imposed under this paragraph is due within 30
38.23 days of the subsequent transfer that caused the tax to be imposed under this paragraph.
38.24 Involuntary transfers of ownership shall not be considered transfers of ownership under this
38.25 paragraph. The commissioner may adopt rules defining the types of transfers to be considered
38.26 involuntary.

38.27 (d) The tax is due at the time a taxable deed or instrument is presented for recording,
38.28 except as provided in paragraph (c). The commissioner may require the tax to be documented
38.29 in a manner prescribed by the commissioner, and may require that the documentation be
38.30 attached to and recorded as part of the deed or instrument. The county recorder or registrar
38.31 of titles shall accept the attachment for recording as part of the deed or instrument and may
38.32 not require, as a condition of recording a deed or instrument, evidence that a transfer is a
38.33 designated transfer in addition to that required by the commissioner. Such an attachment
38.34 shall not, however, provide actual or constructive notice of the information contained therein
38.35 for purposes of determining any interest in the real property. The commissioner shall

39.1 prescribe the manner in which the tax due under paragraph (c) is to be paid and may require
39.2 grantees of designated transfers to file with the commissioner subsequent statements verifying
39.3 that the tax provided under paragraph (c) does not apply.

39.4 **EFFECTIVE DATE.** This section is effective for deeds recorded after December 31,
39.5 2019.

39.6 Sec. 38. Minnesota Statutes 2018, section 290A.03, subdivision 13, is amended to read:

39.7 Subd. 13. **Property taxes payable.** "Property taxes payable" means the property tax
39.8 exclusive of special assessments, penalties, and interest payable on a claimant's homestead
39.9 after deductions made under sections 273.135, 273.1384, 273.1391, 273.42, subdivision 2,
39.10 and any other state paid property tax credits in any calendar year, and after any refund
39.11 claimed and allowable under section 290A.04, subdivision 2h, that is first payable in the
39.12 year that the property tax is payable. In the case of a claimant who makes ground lease
39.13 payments, "property taxes payable" includes the amount of the payments directly attributable
39.14 to the property taxes assessed against the parcel on which the house is located. Regardless
39.15 of the limitations in section 280A(c)(5) of the Internal Revenue Code, "property taxes
39.16 payable" must be apportioned or reduced for the use of a portion of the claimant's homestead
39.17 for a business purpose if the claimant deducts any business depreciation expenses for the
39.18 use of a portion of the homestead or deducts expenses under section 280A of the Internal
39.19 Revenue Code for a business operated in the claimant's homestead. For homesteads which
39.20 are manufactured homes as defined in section 273.125, subdivision 8, ~~and for homesteads~~
39.21 ~~which are~~ including manufactured homes located in a manufactured home community owned
39.22 by a cooperative organized under chapter 308A or 308B, and park trailers taxed as
39.23 manufactured homes under section 168.012, subdivision 9, "property taxes payable" shall
39.24 also include 17 percent of the gross rent paid in the preceding year for the site on which the
39.25 homestead is located. When a homestead is owned by two or more persons as joint tenants
39.26 or tenants in common, such tenants shall determine between them which tenant may claim
39.27 the property taxes payable on the homestead. If they are unable to agree, the matter shall
39.28 be referred to the commissioner of revenue whose decision shall be final. Property taxes
39.29 are considered payable in the year prescribed by law for payment of the taxes.

39.30 In the case of a claim relating to "property taxes payable," the claimant must have owned
39.31 and occupied the homestead on January 2 of the year in which the tax is payable and (i) the
39.32 property must have been classified as homestead property pursuant to section 273.124, on
39.33 or before December 15 of the assessment year to which the "property taxes payable" relate;
39.34 or (ii) the claimant must provide documentation from the local assessor that application for

40.1 homestead classification has been made on or before December 15 of the year in which the
40.2 "property taxes payable" were payable and that the assessor has approved the application.

40.3 **EFFECTIVE DATE.** This section is effective beginning with claims for tax payable
40.4 in 2020.

40.5 Sec. 39. Minnesota Statutes 2018, section 290B.04, subdivision 1, is amended to read:

40.6 Subdivision 1. **Initial application.** (a) A taxpayer meeting the program qualifications
40.7 under section 290B.03 may apply to the commissioner of revenue for the deferral of taxes.
40.8 Applications are due on or before ~~July~~ November 1 for deferral of any of the following
40.9 year's property taxes. A taxpayer may request an early notification of approval or denial at
40.10 any time. The commissioner must notify a taxpayer in writing of the reasons for an
40.11 application denial and that the application may be amended and resubmitted by the due date
40.12 specified in this subdivision. A taxpayer may apply in the year in which the taxpayer becomes
40.13 65 years old, provided that no deferral of property taxes will be made until the calendar
40.14 year after the taxpayer becomes 65 years old. The application, which shall be prescribed
40.15 by the commissioner of revenue, shall include the following items and any other information
40.16 which the commissioner deems necessary:

40.17 (1) the name, address, and Social Security number of the owner or owners;

40.18 (2) a copy of the property tax statement for the current payable year for the homesteaded
40.19 property;

40.20 (3) the initial year of ownership and occupancy as a homestead;

40.21 (4) the owner's household income for the previous calendar year; and

40.22 (5) information on any mortgage loans or other amounts secured by mortgages or other
40.23 liens against the property, for which purpose the commissioner may require the applicant
40.24 to provide a copy of the mortgage note, the mortgage, or a statement of the balance owing
40.25 on the mortgage loan provided by the mortgage holder. The commissioner may require the
40.26 appropriate documents in connection with obtaining and confirming information on unpaid
40.27 amounts secured by other liens.

40.28 The application must state that program participation is voluntary. The application must
40.29 also state that the deferred amount depends directly on the applicant's household income,
40.30 and that program participation includes authorization for the annual deferred amount, the
40.31 cumulative deferral and interest that appear on each year's notice prepared by the county
40.32 under subdivision 6, is public data.

41.1 The application must state that program participants may claim the property tax refund
41.2 based on the full amount of property taxes eligible for the refund, including any deferred
41.3 amounts. The application must also state that property tax refunds will be used to offset any
41.4 deferral and interest under this program, and that any other amounts subject to revenue
41.5 recapture under section 270A.03, subdivision 7, will also be used to offset any deferral and
41.6 interest under this program.

41.7 (b) If an application is denied, the applicant must be allowed to correct and resubmit the
41.8 denied application within 90 days of the application deadline. The submission date of the
41.9 resubmitted application is considered to be the same as the submission date of the original
41.10 application.

41.11 ~~(b)~~ (c) As part of the initial application process, the commissioner may require the
41.12 applicant to obtain at the applicant's own cost and submit:

41.13 (1) if the property is registered property under chapter 508 or 508A, a copy of the original
41.14 certificate of title in the possession of the county registrar of titles (sometimes referred to
41.15 as "condition of register"); or

41.16 (2) if the property is abstract property, a report prepared by a licensed abstracter showing
41.17 the last deed and any unsatisfied mortgages, liens, judgments, and state and federal tax lien
41.18 notices which were recorded on or after the date of that last deed with respect to the property
41.19 or to the applicant; or

41.20 (3) a copy of a court order transferring title to the applicant.

41.21 The certificate or report under clauses (1) and (2) need not include references to any
41.22 documents filed or recorded more than 40 years prior to the date of the certification or report.
41.23 The certification or report must be as of a date not more than 30 days prior to submission
41.24 of the application.

41.25 The commissioner may also require the county recorder or county registrar of the county
41.26 where the property is located to provide copies of recorded documents related to the applicant
41.27 or the property, for which the recorder or registrar shall not charge a fee. The commissioner
41.28 may use any information available to determine or verify eligibility under this section. The
41.29 household income from the application is private data on individuals as defined in section
41.30 13.02, subdivision 12.

41.31 **EFFECTIVE DATE.** This section is effective beginning with applications submitted
41.32 in 2019, except that paragraphs (b) and (c), clause (3), are effective the day following final
41.33 enactment and apply to applications resubmitted on or after that date.

42.1 Sec. 40. Minnesota Statutes 2018, section 290B.09, subdivision 1, is amended to read:

42.2 Subdivision 1. **Determination; payment.** The county auditor shall determine the total
42.3 current year's deferred amount of property tax under this chapter in the county, and submit
42.4 report those amounts as part of the abstracts of tax lists submitted by the county auditors
42.5 under section 275.29 to the commissioner under section 270C.85, subdivision 2, clause (4).
42.6 The commissioner may make changes in the abstracts of tax lists as deemed necessary. The
42.7 commissioner of revenue, after such review, shall pay the deferred amount of property tax
42.8 to each county treasurer on or before August 31.

42.9 The county treasurer shall distribute as part of the October settlement the funds received
42.10 as if they had been collected as a part of the property tax.

42.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

42.12 Sec. 41. Minnesota Statutes 2018, section 469.177, subdivision 1, is amended to read:

42.13 Subdivision 1. **Original net tax capacity.** (a) Upon or after adoption of a tax increment
42.14 financing plan, the auditor of any county in which the district is situated shall, upon request
42.15 of the authority, certify the original net tax capacity of the tax increment financing district
42.16 and that portion of the district overlying any subdistrict as described in the tax increment
42.17 financing plan and shall certify in each year thereafter the amount by which the original net
42.18 tax capacity has increased or decreased as a result of a change in tax exempt status of
42.19 property within the district and any subdistrict, reduction or enlargement of the district or
42.20 changes pursuant to subdivision 4. The auditor shall certify the amount within 30 days after
42.21 receipt of the request and sufficient information to identify the parcels included in the district.
42.22 The certification relates to the taxes payable year as provided in subdivision 6.

42.23 (b) If the classification under section 273.13 of property located in a district changes to
42.24 a classification that has a different assessment ratio, the original net tax capacity of that
42.25 property must be redetermined at the time when its use is changed as if the property had
42.26 originally been classified in the same class in which it is classified after its use is changed.

42.27 (c) The amount to be added to the original net tax capacity of the district as a result of
42.28 previously tax exempt real property within the district becoming taxable equals the net tax
42.29 capacity of the real property as most recently assessed pursuant to section 273.18 information
42.30 reported to the commissioner under section 270C.85, subdivision 2, clause (4), or, if that
42.31 assessment was made more than one year prior to the date of title transfer rendering the
42.32 property taxable, the net tax capacity assessed by the assessor at the time of the transfer. If
42.33 improvements are made to tax exempt property after the municipality approves the district

43.1 and before the parcel becomes taxable, the assessor shall, at the request of the authority,
43.2 separately assess the estimated market value of the improvements. If the property becomes
43.3 taxable, the county auditor shall add to original net tax capacity, the net tax capacity of the
43.4 parcel, excluding the separately assessed improvements. If substantial taxable improvements
43.5 were made to a parcel after certification of the district and if the property later becomes tax
43.6 exempt, in whole or part, as a result of the authority acquiring the property through
43.7 foreclosure or exercise of remedies under a lease or other revenue agreement or as a result
43.8 of tax forfeiture, the amount to be added to the original net tax capacity of the district as a
43.9 result of the property again becoming taxable is the amount of the parcel's value that was
43.10 included in original net tax capacity when the parcel was first certified. The amount to be
43.11 added to the original net tax capacity of the district as a result of enlargements equals the
43.12 net tax capacity of the added real property as most recently certified by the commissioner
43.13 of revenue as of the date of modification of the tax increment financing plan pursuant to
43.14 section 469.175, subdivision 4.

43.15 (d) If the net tax capacity of a property increases because the property no longer qualifies
43.16 under the Minnesota Agricultural Property Tax Law, section 273.111; the Minnesota Open
43.17 Space Property Tax Law, section 273.112; or the Metropolitan Agricultural Preserves Act,
43.18 chapter 473H, the Rural Preserve Property Tax Program under section 273.114, or because
43.19 platted, unimproved property is improved or market value is increased after approval of the
43.20 plat under section 273.11, subdivision 14a or 14b, the increase in net tax capacity must be
43.21 added to the original net tax capacity. If the net tax capacity of a property increases because
43.22 the property no longer qualifies for the homestead market value exclusion under section
43.23 273.13, subdivision 35, the increase in net tax capacity must be added to original net tax
43.24 capacity if the original construction of the affected home was completed before the date the
43.25 assessor certified the original net tax capacity of the district.

43.26 (e) The amount to be subtracted from the original net tax capacity of the district as a
43.27 result of previously taxable real property within the district becoming tax exempt or
43.28 qualifying in whole or part for an exclusion from taxable market value, or a reduction in
43.29 the geographic area of the district, shall be the amount of original net tax capacity initially
43.30 attributed to the property becoming tax exempt, being excluded from taxable market value,
43.31 or being removed from the district. If the net tax capacity of property located within the tax
43.32 increment financing district is reduced by reason of a court-ordered abatement, stipulation
43.33 agreement, voluntary abatement made by the assessor or auditor or by order of the
43.34 commissioner of revenue, the reduction shall be applied to the original net tax capacity of
43.35 the district when the property upon which the abatement is made has not been improved

since the date of certification of the district and to the captured net tax capacity of the district in each year thereafter when the abatement relates to improvements made after the date of certification. The county auditor may specify reasonable form and content of the request for certification of the authority and any modification thereof pursuant to section 469.175, subdivision 4.

(f) If a parcel of property contained a substandard building or improvements described in section 469.174, subdivision 10, paragraph (e), that were demolished or removed and if the authority elects to treat the parcel as occupied by a substandard building under section 469.174, subdivision 10, paragraph (b), or by improvements under section 469.174, subdivision 10, paragraph (e), the auditor shall certify the original net tax capacity of the parcel using the greater of (1) the current net tax capacity of the parcel, or (2) the estimated market value of the parcel for the year in which the building or other improvements were demolished or removed, but applying the classification rates for the current year.

(g) For a redevelopment district qualifying under section 469.174, subdivision 10, paragraph (a), clause (4), as a qualified disaster area, the auditor shall certify the value of the land as the original tax capacity for any parcel in the district that contains a building that suffered substantial damage as a result of the disaster or emergency.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 42. Minnesota Statutes 2018, section 473H.08, subdivision 1, is amended to read:

Subdivision 1. **Till expiration started.** Agricultural preserves shall continue until either the landowner or, the authority, or a state agency or governmental unit initiates expiration as provided in this section.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to any agricultural preserve where the previously required eight-year termination period under Minnesota Statutes, section 473H.08, has not yet expired.

Sec. 43. Minnesota Statutes 2018, section 473H.08, is amended by adding a subdivision to read:

Subd. 3a. Expiration for park and trail purposes. (a) An agricultural preserve expires immediately when a state agency or other governmental unit purchases the property or obtains an easement over the property for the purpose of creating or expanding a public trail or public park. This subdivision applies only to the portion of the agricultural preserve acquired for trail or park purposes, and any portion of the property not acquired for trail or

45.1 park purposes shall remain an agricultural preserve regardless if the remaining total acreage
45.2 is below 40 acres.

45.3 (b) The acquiring state agency or governmental unit shall give notice to the authority as
45.4 provided in subdivision 4. The notice must specify the portion of the property being removed
45.5 from the agricultural preserve and the date on which that portion expires.

45.6 **EFFECTIVE DATE.** This section is effective the day following final enactment and
45.7 applies to any agricultural preserve where the previously required eight-year termination
45.8 period under Minnesota Statutes, section 473H.08, has not yet expired.

45.9 Sec. 44. Minnesota Statutes 2018, section 473H.08, subdivision 4, is amended to read:

45.10 Subd. 4. **Notice to others.** Upon receipt of the notice provided in subdivision 2 or 3a,
45.11 or upon notice served by the authority as provided in subdivision 3, the authority shall
45.12 forward the original notice to the county recorder for recording, or to the registrar of titles
45.13 if the land is registered, and shall notify the county auditor, county assessor, the Metropolitan
45.14 Council, and the county soil and water conservation district of the date of expiration.
45.15 Designation as an agricultural preserve and all benefits and limitations accruing through
45.16 sections 473H.02 to 473H.17 for the preserve shall cease on the date of expiration. The
45.17 restrictive covenant contained in the application shall terminate on the date of expiration.

45.18 **EFFECTIVE DATE.** This section is effective the day following final enactment and
45.19 applies to any agricultural preserve where the previously required eight-year termination
45.20 period under Minnesota Statutes, section 473H.08, has not yet expired.

45.21 Sec. 45. Laws 2008, chapter 366, article 5, section 33, the effective date, as amended by
45.22 Laws 2013, chapter 143, article 4, section 35, is amended to read:

45.23 **EFFECTIVE DATE.** This section is effective for taxes levied in 2008, payable in 2009,
45.24 and is repealed effective for taxes levied in ~~2018~~ 2024, payable in ~~2019~~ 2025, and thereafter.

45.25 **EFFECTIVE DATE.** This section is effective beginning with taxes payable in 2020.

45.26 Sec. 46. Laws 2009, chapter 88, article 2, section 46, subdivision 1, as amended by Laws
45.27 2013, chapter 143, article 4, section 36, is amended to read:

45.28 Subdivision 1. **Agreement.** The city of Cloquet and Perch Lake Township, by resolution
45.29 of each of their governing bodies, may establish the Cloquet Area Fire and Ambulance
45.30 Special Taxing District for the purpose of providing fire or ambulance services, or both,
45.31 throughout the district. In this section, "municipality" means home rule charter and statutory

46.1 cities, towns, and Indian tribes. The district may exercise all the powers relating to fire and
46.2 ambulance services of the municipalities that receive fire or ambulance services, or both,
46.3 from the district. Upon application, any other municipality may join the district with the
46.4 agreement of the municipalities that comprise the district at the time of its application to
46.5 join.

46.6 **EFFECTIVE DATE.** This section is effective upon compliance by the Cloquet Area
46.7 Fire and Ambulance Special Taxing District Board with Minnesota Statutes, section 645.021,
46.8 subdivision 3.

46.9 Sec. 47. Laws 2009, chapter 88, article 2, section 46, subdivision 2, is amended to read:

46.10 Subd. 2. **Board.** The Cloquet Area Fire and Ambulance Special Taxing District Board
46.11 is governed by a board made up initially of one or more elected officials of the governing
46.12 body of each participating municipality in the proportions set out in the establishing
46.13 resolution, subject to change as provided in the district's charter, if any, or in the district's
46.14 bylaws. Each municipality's representatives serve at the pleasure of that municipality's
46.15 governing body.

46.16 **EFFECTIVE DATE.** This section is effective upon compliance by the Cloquet Area
46.17 Fire and Ambulance Special Taxing District Board with Minnesota Statutes, section 645.021,
46.18 subdivision 3.

46.19 Sec. 48. Laws 2009, chapter 88, article 2, section 46, subdivision 3, as amended by Laws
46.20 2013, chapter 143, article 4, section 37, is amended to read:

46.21 Subd. 3. **Tax.** The district board may impose a property tax on taxable property as
46.22 provided in this subdivision to pay the costs of providing fire or ambulance services, or
46.23 both, throughout the district. The board shall annually determine the total amount of the
46.24 levy that is attributable to the cost of providing fire services and the cost of providing
46.25 ambulance services within the primary service area. For those municipalities that only
46.26 receive ambulance services, the costs for the provision of ambulance services shall be levied
46.27 against taxable property within those municipalities at a rate necessary not to exceed 0.019
46.28 percent of the estimated market value. For those municipalities that receive both fire and
46.29 ambulance services, the tax shall be imposed at a rate that does not exceed 0.2835 percent
46.30 of estimated market value. A property tax levied by the district to make debt service payments
46.31 for obligations issued by the district pursuant to subdivision 4 shall not be included when
46.32 calculating the tax levy limits imposed in this subdivision.

47.1 When a member municipality opts to receive fire service from the district or an additional
47.2 municipality becomes a member of the district, the cost of providing fire services to that
47.3 community shall be determined by the board and added to the maximum levy amount.

47.4 Each county auditor of a county that contains a municipality subject to the tax under
47.5 this section must collect the tax and pay it to the Fire and Ambulance Special Taxing District.
47.6 The district may also impose other fees or charges as allowed by law for the provision of
47.7 fire and ambulance services.

47.8 **EFFECTIVE DATE.** This section is effective upon compliance by the Cloquet Area
47.9 Fire and Ambulance Special Taxing District Board with Minnesota Statutes, section 645.021,
47.10 subdivision 3.

47.11 Sec. 49. Laws 2009, chapter 88, article 2, section 46, subdivision 4, is amended to read:

47.12 Subd. 4. **Public indebtedness.** The district may incur debt in the manner provided for
47.13 in Minnesota Statutes, chapter 475, and the district shall be considered a municipality by
47.14 Minnesota Statutes, chapter 475, when necessary to accomplish its duties., as defined in
47.15 Minnesota Statutes, sections 475.51, subdivision 2, and 475.521, subdivision 1, paragraph
47.16 (c), and may issue certificates of indebtedness or capital notes in the manner provided for
47.17 a city under Minnesota Statutes, section 412.301, when necessary to accomplish its duties.
47.18 Any tax levied to pay debt of the district shall be levied in the amounts required and in
47.19 accordance with Minnesota Statutes, section 475.61. The debt service for debt, the proceeds
47.20 of which financed capital costs for ambulance service, shall be levied against taxable property
47.21 within those municipalities in the primary service area. The debt service for debt, the proceeds
47.22 of which financed capital costs for fire service, shall be levied against taxable property
47.23 within those municipalities receiving fire services.

47.24 **EFFECTIVE DATE.** This section is effective upon compliance by the Cloquet Area
47.25 Fire and Ambulance Special Taxing District Board with Minnesota Statutes, section 645.021,
47.26 subdivision 3.

47.27 Sec. 50. Laws 2009, chapter 88, article 2, section 46, subdivision 5, is amended to read:

47.28 Subd. 5. **Withdrawal.** Notice of intent to withdraw from participation in the district
47.29 may be given only in the month of January, with a minimum of twelve months notice of
47.30 intent to withdraw. Withdrawal becomes effective for taxes levied pursuant to subdivision
47.31 3 in the year when the notice is given. A property tax levied by the district on taxable
47.32 property located in a withdrawing municipality to make debt service payments for obligations
47.33 issued by the district pursuant to subdivision 4 shall remain in effect until the obligations

48.1 outstanding on the date of withdrawal are satisfied, including any property tax levied in
48.2 connection with a refunding of such obligations. The district and its members may develop
48.3 and agree upon other continuing obligations after withdrawal of a municipality.

48.4 **EFFECTIVE DATE.** This section is effective upon compliance by the Cloquet Area
48.5 Fire and Ambulance Special Taxing District Board with Minnesota Statutes, section 645.021,
48.6 subdivision 3.

48.7 Sec. 51. Laws 2017, First Special Session chapter 1, article 10, section 4, the effective
48.8 date, is amended to read:

48.9 **EFFECTIVE DATE; APPLICATION.** This section is effective for applications and
48.10 certifications made in 2018 and thereafter, except the repeal of the exclusion of land under
48.11 item (iii) is effective retroactively for payments due under Minnesota Statutes, section
48.12 290C.08, beginning for payments due to be made in 2014. In order to qualify for retroactive
48.13 payments, the following requirements must be met: (1) the owner of land exceeding 60,000
48.14 acres that is subject to a single conservation easement funded under Minnesota Statutes,
48.15 section 97A.056 or a comparable permanent easement conveyed to a governmental or
48.16 nonprofit entity, must submit an application to the commissioner of revenue, in a form and
48.17 manner and at a time acceptable to the commissioner, establishing that the affected property
48.18 and its use met the requirement of Minnesota Statutes, chapter 290C, as amended by this
48.19 section; (2) the owner and each county in which the land is located must certify to the
48.20 commissioner that no petitions challenging the market value of the property are pending
48.21 under Minnesota Statutes, chapter 278; and (3) the requirements of clauses (1) and (2) must
48.22 be satisfied by October 1, 2017. No interest accrues on payment under this section for
48.23 periods before November 1, 2017.

48.24 **EFFECTIVE DATE.** This section is effective retroactively for certifications made in
48.25 2018 and thereafter.

48.26 Sec. 52. **VALUATION METHOD OF STATE-ASSESSED PROPERTY; REPORT.**

48.27 **Subdivision 1. Report.** (a) The commissioner of revenue must prepare a report on the
48.28 valuation of certain state-assessed property as described in Minnesota Statutes, sections
48.29 273.33, 273.35, 273.36, 273.37, and 273.3711. The report must include the following
48.30 information:

48.31 (1) a detailed description of administrative appeals and tax court petitions filed since
48.32 2012, containing the following information:

- 49.1 (i) the basis for each appeal and petition;
- 49.2 (ii) the current stage in the process of each appeal and petition, and if it is resolved,
- 49.3 whether it was resolved by an agreement, dismissal, settlement, or judgment;
- 49.4 (iii) the final valuation and extent to which the market value was increased or reduced
- 49.5 under an agreement, settlement, or judgment from an appeal or petition, and if an appeal or
- 49.6 petition has not yet reached the final disposition, the report must state the commissioner's
- 49.7 or tax court's valuation amounts as of its current stage in the process, whichever is most
- 49.8 recent;
- 49.9 (iv) detail regarding the amount of the commissioner's most recent valuation compared
- 49.10 to the taxpayer's opinion of valuation for appeals and petitions that have not yet resulted in
- 49.11 a final disposition, if available at its current stage of litigation;
- 49.12 (v) detail regarding the amount of refund paid by each affected taxing local jurisdiction
- 49.13 if the final disposition resulted in the lowering of market value; and
- 49.14 (vi) detail regarding the potential refund to be paid by each affected local taxing
- 49.15 jurisdiction for appeals and petitions that have not yet resulted in a final disposition, as if
- 49.16 the final disposition were to result in a finding of market value equal to the taxpayer's opinion
- 49.17 of market value;
- 49.18 (2) an overview of the administrative appeal process, specifically explaining the criteria
- 49.19 used by the commissioner to determine an increase or reduction of the original valuation;
- 49.20 (3) a detailed description of the process by which the commissioner determines
- 49.21 preliminary and final valuation orders, including an examination of the form and contents
- 49.22 of each order, as well as a description of the time frame for issuing each order in relation
- 49.23 to affected local taxing jurisdictions' levy and budget process and options for issuing these
- 49.24 valuation orders earlier than current practice; and
- 49.25 (4) a detailed comparison of the methodology used by the commissioner to administer
- 49.26 Rule 8100 to methods used to value utility and pipeline property by other states, including
- 49.27 but not limited to two neighboring states and three non-neighboring states.
- 49.28 Subd. 2. **Report deadline.** The commissioner must provide a copy of the report to the
- 49.29 chairs and ranking minority members of the legislative committees with jurisdiction over
- 49.30 property taxation by February 1, 2020.
- 49.31 **EFFECTIVE DATE.** This section is effective the day following final enactment.

50.1 **Sec. 53. 4D AFFORDABLE HOUSING PROGRAMS REPORT.**

50.2 (a) No later than January 15, 2020, the commissioner of revenue, in consultation with
50.3 Minnesota Housing Finance Agency and the Department of Human Services, must produce
50.4 a report on class 4d property, as defined in section 273.13, subdivision 25, and local 4d
50.5 affordable housing programs. The commissioner must provide a copy of the report to the
50.6 chairs and ranking minority members of the legislative committees with jurisdiction over
50.7 property taxation. The report must include the following:

50.8 (1) for properties classified in part or in whole as 4d qualifying under Minnesota Statutes,
50.9 section 273.128, subdivision 1, clauses (1) to (4), with separate amounts given for properties
50.10 under each clause:

50.11 (i) the number of units classified as 4d in each property in the previous assessment year;

50.12 (ii) the number of units not classified as 4d in each property in the previous assessment
50.13 year;

50.14 (iii) the property tax paid in 2019;

50.15 (iv) the property tax reduction in 2019 resulting from 4d classification;

50.16 (v) the average household income, as a percent, of the area median income, for residents
50.17 of 4d units; and

50.18 (vi) the total number of units that qualified for 4d in each of the last ten assessment
50.19 years; and

50.20 (2) a profile of income limits and area median incomes used in Minnesota by the United
50.21 States Department of Housing and Urban Development to determine eligibility for assisted
50.22 housing programs.

50.23 **EFFECTIVE DATE.** This section is effective the day following final enactment.

50.24 **Sec. 54. SPECIAL REFUND PROVISION; DISABLED VETERANS HOMESTEAD**
50.25 **EXCLUSION.**

50.26 A veteran who received a disability rating of 70 percent or more in 2016 or 2017 but
50.27 did not receive the disabled veterans homestead exclusion for assessment year 2016 or 2017
50.28 may apply for a refund of taxes paid in 2017 or 2018 if the veteran would have qualified
50.29 for the benefit in Minnesota Statutes, section 273.13, subdivision 34, paragraph (b), in one
50.30 or both of those years. To qualify for a refund, a property owner must apply to the assessor
50.31 by December 15, 2019, and must have paid all tax due in 2017 and 2018. After verifying
50.32 that the applicant qualified for an exclusion for taxes payable in either or both of those years,

the county assessor must notify the county auditor, and the auditor must recalculate the taxes on the property for taxes payable in 2017 and 2018 based on the exclusion the applicant was qualified for. The county treasurer must then issue a refund of tax paid in 2017 and 2018 equal to the difference between the taxes as initially calculated for each taxes payable year and the taxes based on the value remaining after the exclusion.

EFFECTIVE DATE. This section is effective for refund applications received in 2019, for refunds of tax paid in 2017 and 2018.

Sec. 55. **REPEALER.**

Minnesota Statutes 2018, section 275.29, is repealed.

EFFECTIVE DATE. This section is effective the day following final enactment.

ARTICLE 2

AIDS AND CREDITS

Section 1. Minnesota Statutes 2018, section 273.1385, subdivision 4, is amended to read:

Subd. 4. **Aid termination.** The aid provided under this section ~~terminates on June 30, 2020.~~ continues until the earlier of:

(1) the last day of the fiscal year immediately following the fiscal year in which the actuarial value of assets of the general employees retirement plan of the Public Employees Retirement Association first equals or exceeds the actuarial accrued liabilities of the plan as reported in the annual actuarial valuation prepared under section 356.215; or

(2) June 30, 2048.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. Minnesota Statutes 2018, section 273.1387, subdivision 2, is amended to read:

Subd. 2. **Credit amount.** For each qualifying property, the school building bond agricultural credit is equal to ~~40~~ 70 percent of the property's eligible net tax capacity multiplied by the school debt tax rate determined under section 275.08, subdivision 1b.

EFFECTIVE DATE. This section is effective beginning with property taxes payable in 2020.

52.1 Sec. 3. Minnesota Statutes 2018, section 290A.04, subdivision 2, is amended to read:

52.2 Subd. 2. **Homeowners; homestead credit refund.** A claimant whose property taxes
52.3 payable are in excess of the percentage of the household income stated below shall pay an
52.4 amount equal to the percent of income shown for the appropriate household income level
52.5 along with the percent to be paid by the claimant of the remaining amount of property taxes
52.6 payable. The state refund equals the amount of property taxes payable that remain, up to
52.7 the state refund amount shown below.

52.8				Maximum
52.9			Percent Paid by	State
52.10	Household Income	Percent of Income	Claimant	Refund
52.11	\$0 to 1,619			2,580
52.12	<u>\$0 to 1,769</u>	1.0 percent	15 percent	\$ <u>3,020</u>
52.13	1,620 to 3,229			2,580
52.14	<u>1,770 to 3,529</u>	1.1 percent	15 percent	\$ <u>3,020</u>
52.15	3,230 to 4,889			2,580
52.16	<u>3,530 to 5,349</u>	1.2 percent	15 percent	\$ <u>3,020</u>
52.17	4,890 to 6,519			2,580
52.18	<u>5,350 to 7,129</u>	1.3 percent	20 percent	\$ <u>3,020</u>
52.19	6,520 to 8,129			2,580
52.20	<u>7,130 to 8,899</u>	1.4 percent	20 percent	\$ <u>3,020</u>
52.21	8,130 to 11,389			2,580
52.22	<u>8,900 to 12,459</u>	1.5 percent	20 percent	\$ <u>3,020</u>
52.23	11,390 to 13,009			2,580
52.24	<u>12,460 to 14,239</u>	1.6 percent	20 percent	\$ <u>3,020</u>
52.25	13,010 to 14,649			2,580
52.26	<u>14,240 to 16,029</u>	1.7 percent	20 percent	\$ <u>3,020</u>
52.27	14,650 to 16,269			2,580
52.28	<u>16,030 to 17,799</u>	1.8 percent	20 percent	\$ <u>3,020</u>
52.29	16,270 to 17,879			2,580
52.30	<u>17,800 to 19,569</u>	1.9 percent	25 percent	\$ <u>3,020</u>
52.31	17,880 to 22,779			2,580
52.32	<u>19,570 to 24,929</u>	2.0 percent	25 percent	\$ <u>3,020</u>
52.33	22,780 to 24,399			2,580
52.34	<u>24,930 to 26,699</u>	2.0 percent	30 percent	\$ <u>3,020</u>
52.35	24,400 to 27,659			2,580
52.36	<u>26,700 to 30,269</u>	2.0 percent	30 percent	\$ <u>3,020</u>
52.37	27,660 to 39,029			2,580
52.38	<u>30,270 to 42,709</u>	2.0 percent	35 percent	\$ <u>3,020</u>
52.39	39,030 to 56,919			2,090
52.40	<u>42,710 to 62,279</u>	2.0 percent	35 percent	\$ <u>2,490</u>
52.41	56,920 to 65,049			1,830
52.42	<u>62,280 to 71,179</u>	2.0 percent	40 percent	\$ <u>2,200</u>

53.1	65,050 to 73,189			1,510
53.2	<u>71,180 to 80,089</u>	2.1 percent	40 percent	\$ <u>1,850</u>
53.3	73,190 to 81,319			1,350
53.4	<u>80,090 to 88,979</u>	2.2 percent	40 percent	\$ <u>1,680</u>
53.5	81,320 to 89,449			1,180
53.6	<u>88,980 to 97,879</u>	2.3 percent	40 percent	\$ <u>1,490</u>
53.7	89,450 to 94,339			1,000
53.8	<u>97,880 to 103,229</u>	2.4 percent	45 percent	\$ <u>1,290</u>
53.9	94,340 to 97,609			830
53.10	<u>103,230 to 106,809</u>	2.5 percent	45 percent	\$ <u>1,090</u>
53.11	97,610 to 101,559			680
53.12	<u>106,810 to 111,129</u>	2.5 percent	50 percent	\$ <u>920</u>
53.13	101,560 to 105,499			500
53.14	<u>111,130 to 115,439</u>	2.5 percent	50 percent	\$ <u>730</u>
53.15	<u>115,440 to 119,439</u>	<u>2.6 percent</u>	<u>50 percent</u>	\$ <u>500</u>
53.16	<u>119,440 to 123,439</u>	<u>2.7 percent</u>	<u>50 percent</u>	\$ <u>450</u>
53.17	<u>123,440 to 127,439</u>	<u>2.8 percent</u>	<u>50 percent</u>	\$ <u>400</u>
53.18	<u>127,440 to 131,439</u>	<u>2.9 percent</u>	<u>55 percent</u>	\$ <u>350</u>
53.19	<u>131,440 to 135,439</u>	<u>3.0 percent</u>	<u>55 percent</u>	\$ <u>300</u>
53.20	<u>135,440 to 139,439</u>	<u>3.1 percent</u>	<u>55 percent</u>	\$ <u>250</u>
53.21	<u>139,440 to 143,439</u>	<u>3.2 percent</u>	<u>55 percent</u>	\$ <u>200</u>
53.22	<u>143,440 to 147,439</u>	<u>3.3 percent</u>	<u>55 percent</u>	\$ <u>150</u>
53.23	<u>147,440 to 151,439</u>	<u>3.4 percent</u>	<u>55 percent</u>	\$ <u>100</u>
53.24	<u>151,440 to 155,439</u>	<u>3.5 percent</u>	<u>55 percent</u>	\$ <u>100</u>

53.25 The payment made to a claimant shall be the amount of the state refund calculated under
53.26 this subdivision. No payment is allowed if the claimant's household income is ~~\$105,500~~
53.27 \$155,440 or more.

53.28 **EFFECTIVE DATE.** This section is effective for refunds based on property taxes
53.29 payable after December 31, 2019.

53.30 Sec. 4. Minnesota Statutes 2018, section 290A.04, subdivision 2a, is amended to read:

53.31 Subd. 2a. **Renters.** A claimant whose rent constituting property taxes exceeds the
53.32 percentage of the household income stated below must pay an amount equal to the percent
53.33 of income shown for the appropriate household income level along with the percent to be
53.34 paid by the claimant of the remaining amount of rent constituting property taxes. The state
53.35 refund equals the amount of rent constituting property taxes that remain, up to the maximum
53.36 state refund amount shown below.

				Maximum
			Percent Paid by	State
	Household Income	Percent of Income	Claimant	Refund
54.1				
54.2				
54.3				
54.4	\$0 to 4,909		5	2,000
54.5	<u>\$0 to 5,369</u>	1.0 percent	<u>2.5 percent</u>	\$ <u>2,190</u>
54.6	4,910 to 6,529		10	2,000
54.7	<u>5,370 to 7,149</u>	1.0 percent	<u>5 percent</u>	\$ <u>2,190</u>
54.8	6,530 to 8,159		10	1,950
54.9	<u>7,150 to 8,929</u>	1.1 percent	<u>5 percent</u>	\$ <u>2,130</u>
54.10	8,160 to 11,439		10	1,900
54.11	<u>8,930 to 12,519</u>	1.2 percent	<u>5 percent</u>	\$ <u>2,080</u>
54.12	11,440 to 14,709		15	1,850
54.13	<u>12,520 to 16,099</u>	1.3 percent	<u>10 percent</u>	\$ <u>2,020</u>
54.14	14,710 to 16,339		15	1,800
54.15	<u>16,100 to 17,879</u>	1.4 percent	<u>10 percent</u>	\$ <u>1,970</u>
54.16	16,340 to 17,959		20	1,750
54.17	<u>17,880 to 19,649</u>	1.4 percent	<u>15 percent</u>	\$ <u>1,910</u>
54.18	17,960 to 21,239		20	1,700
54.19	<u>19,650 to 23,239</u>	1.5 percent	<u>15 percent</u>	\$ <u>1,860</u>
54.20	21,240 to 22,869		20	1,650
54.21	<u>23,240 to 25,029</u>	1.6 percent	<u>15 percent</u>	\$ <u>1,810</u>
54.22	22,870 to 24,499		25	1,650
54.23	<u>25,030 to 26,809</u>	1.7 percent	<u>20 percent</u>	\$ <u>1,810</u>
54.24	24,500 to 27,779		25	1,650
54.25	<u>26,810 to 30,399</u>	1.8 percent	<u>20 percent</u>	\$ <u>1,810</u>
54.26	27,780 to 29,399		30	1,650
54.27	<u>30,400 to 32,169</u>	1.9 percent	<u>25 percent</u>	\$ <u>1,810</u>
54.28	29,400 to 34,299		30	1,650
54.29	<u>32,170 to 37,529</u>	2.0 percent	<u>27.5 percent</u>	\$ <u>1,810</u>
54.30	34,300 to 39,199		35	1,650
54.31	<u>37,530 to 42,889</u>	2.0 percent	<u>32.5 percent</u>	\$ <u>1,810</u>
54.32	39,200 to 45,739		40	1,650
54.33	<u>42,890 to 50,049</u>	2.0 percent	<u>37.5 percent</u>	\$ <u>1,810</u>
54.34	45,740 to 47,369		45	1,500
54.35	<u>50,050 to 51,829</u>	2.0 percent	<u>40 percent</u>	\$ <u>1,640</u>
54.36	47,370 to 49,009		45	1,350
54.37	<u>51,830 to 53,629</u>	2.0 percent	<u>42.5 percent</u>	\$ <u>1,480</u>
54.38	49,010 to 50,649		45	1,150
54.39	<u>53,630 to 55,419</u>	2.0 percent	<u>42.5 percent</u>	\$ <u>1,260</u>
54.40	50,650 to 52,269		50	1,000
54.41	<u>55,420 to 57,199</u>	2.0 percent	<u>47.5 percent</u>	\$ <u>1,090</u>
54.42	52,270 to 53,909		50	900
54.43	<u>57,200 to 58,989</u>	2.0 percent	<u>47.5 percent</u>	\$ <u>980</u>
54.44	53,910 to 55,539			500
54.45	<u>58,990 to 64,999</u>	2.0 percent	<u>50 percent</u>	\$ <u>750</u>
54.46	55,540 to 57,169	2.0 percent	<u>50 percent</u>	\$ <u>200</u>

55.1	<u>65,000 to 67,499</u>	<u>2.0 percent</u>	<u>55 percent</u>	<u>\$</u>	<u>550</u>
55.2	<u>67,500 to 69,999</u>	<u>2.1 percent</u>	<u>55 percent</u>	<u>\$</u>	<u>350</u>
55.3	<u>70,000 to 72,499</u>	<u>2.2 percent</u>	<u>55 percent</u>	<u>\$</u>	<u>250</u>
55.4	<u>72,500 to 74,999</u>	<u>2.3 percent</u>	<u>55 percent</u>	<u>\$</u>	<u>150</u>

55.5 The payment made to a claimant is the amount of the state refund calculated under this
55.6 subdivision. No payment is allowed if the claimant's household income is ~~\$57,170~~ \$75,000
55.7 or more.

55.8 **EFFECTIVE DATE.** This section is effective for refunds based on rent paid after
55.9 December 31, 2018.

55.10 Sec. 5. Minnesota Statutes 2018, section 290A.19, is amended to read:

55.11 **290A.19 OWNER OR MANAGING AGENT TO FURNISH RENT CERTIFICATE**
55.12 **CERTIFICATES.**

55.13 Subdivision 1. Owner or managing agent to furnish rent certificate. (a) The owner
55.14 or managing agent of any property for which rent is paid for occupancy as a homestead
55.15 must furnish a certificate of rent paid to a person who is a renter on December 31, in the
55.16 form prescribed by the commissioner. If the renter moves before December 31, the owner
55.17 or managing agent may give the certificate to the renter at the time of moving, or mail the
55.18 certificate to the forwarding address if an address has been provided by the renter. The
55.19 certificate must be made available to the renter before February 1 of the year following the
55.20 year in which the rent was paid. The owner or managing agent must retain a duplicate of
55.21 each certificate or an equivalent record showing the same information for a period of three
55.22 years. The duplicate or other record must be made available to the commissioner upon
55.23 request.

55.24 (b) The commissioner may require the owner or managing agent, through a simple
55.25 process, to furnish to the commissioner on or before March 1 a copy of each certificate of
55.26 rent paid furnished to a renter for rent paid in the prior year, ~~in.~~ The commissioner shall
55.27 prescribe the content, format, and manner prescribed by the commissioner of the form
55.28 pursuant to section 270C.30. Prior to implementation, the commissioner, after consulting
55.29 with representatives of owners or managing agents, shall develop an implementation and
55.30 administration plan for the requirements of this paragraph that attempts to minimize financial
55.31 burdens, administration and compliance costs, and takes into consideration existing systems
55.32 of owners and managing agents.

56.1 (c) For the purposes of this section, "owner" includes a park owner as defined under
56.2 section 327C.01, subdivision 6, and "property" includes a lot as defined under section
56.3 327C.01, subdivision 3.

56.4 (d) Beginning with certificates of rent paid for 2021 rents, an owner or managing agent
56.5 must furnish certificates of rent paid that were created using the system developed under
56.6 subdivision 3 or provide equivalent data to the commissioner in a form and manner approved
56.7 by the commissioner. The commissioner must retain data collected under this paragraph at
56.8 least as long as is necessary to ensure compliance with this chapter. Data gathered under
56.9 this paragraph are return information, as defined in section 270B.02.

56.10 Subd. 2. **Rental market information.** (a) Beginning with certificates of rent paid for
56.11 2021 rents, an owner or managing agent must submit the following data elements to the
56.12 commissioner about any property for which the owner or managing agent provides a
56.13 certificate of rent paid under subdivision 1:

56.14 (1) the number of bedrooms in the rental unit;

56.15 (2) whether utilities are included in the rent amount reported;

56.16 (3) whether the renter paid a different rent amount than the market rate due to a subsidy;
56.17 and

56.18 (4) the city, county, and five-digit zip code of the rental unit.

56.19 (b) An owner or managing agent may submit the data using the electronic system
56.20 developed under subdivision 3, or provide equivalent data in a form and manner approved
56.21 by the commissioner.

56.22 (c) The commissioner must retain data collected through the system at least as long as
56.23 is necessary to prepare the annual report required under section 290A.29. Data collected
56.24 under this subdivision are return information, as defined in section 270B.02.

56.25 (d) Notwithstanding paragraph (a), an owner or managing agent is not required to provide
56.26 the data elements in paragraph (a) if equivalent data is available from a publicly accessible
56.27 source, including a data source from the United States Census Bureau or the United States
56.28 Department of Housing and Urban Development.

56.29 Subd. 3. **Electronic system for certificates of rent paid.** (a) The commissioner must
56.30 develop and implement an electronic system for generating certificates of rent paid. The
56.31 system must allow an owner or managing agent to enter the information necessary to generate
56.32 a certificate of rent paid, and use the information provided to create a completed certificate
56.33 for distribution to renters. An owner or managing agent is responsible for furnishing the

57.1 certificate to a renter in accordance with subdivision 1. The system must be available by
57.2 January 1, 2021, for use for certificates of rent paid for 2020 rents.

57.3 (b) In addition to any information required by the commissioner to administer the renter's
57.4 credit program and ensure compliance with this chapter, the system developed under this
57.5 subdivision must be capable of capturing the rental market information required under
57.6 subdivision 2.

57.7 **EFFECTIVE DATE.** (a) The amendments to subdivisions 1 and 2 are effective for
57.8 refunds based on rents paid in 2021 and following years.

57.9 (b) Subdivision 3 is effective July 1, 2019.

57.10 **Sec. 6. [290A.29] ANNUAL REPORT ON RENTS PAID IN MINNESOTA.**

57.11 (a) Using data collected under section 290A.19, subdivision 2, the commissioner must
57.12 annually prepare and publish a report on rents in Minnesota. The report must provide
57.13 aggregated summary data on rents, broken out by number of bedrooms, county, and other
57.14 significant geographical regions. At a minimum, the report must describe:

57.15 (1) average and median rent amounts paid in the most recent year for which data is
57.16 available; and

57.17 (2) to the extent data is available, year-to-year changes in the amount of rent paid.

57.18 (b) By March 15, 2022, and March 15 of each following year, the commissioner must
57.19 submit the report to the chairs and ranking members of the house and senate committees
57.20 with jurisdiction over taxes, property taxes, and housing policy.

57.21 **EFFECTIVE DATE.** This section is effective the day following final enactment.

57.22 **Sec. 7. Minnesota Statutes 2018, section 298.225, subdivision 1, is amended to read:**

57.23 **Subdivision 1. Guaranteed distribution.** (a) Except as provided under paragraph (c),
57.24 the distribution of the taconite production tax as provided in section 298.28, subdivisions
57.25 3 to 5, 6, paragraph (b), 7, and 8, shall equal the lesser of the following amounts:

57.26 (1) the amount distributed pursuant to this section and section 298.28, with respect to
57.27 1983 production if the production for the year prior to the distribution year is no less than
57.28 42,000,000 taxable tons. If the production is less than 42,000,000 taxable tons, the amount
57.29 of the distributions shall be reduced proportionately at the rate of two percent for each
57.30 1,000,000 tons, or part of 1,000,000 tons by which the production is less than 42,000,000
57.31 tons; or

(2)(i) for the distributions made pursuant to section 298.28, subdivisions 4, paragraphs (b) and (c), and 6, paragraph (c), 31.2 percent of the amount distributed pursuant to this section and section 298.28, with respect to 1983 production;

(ii) for the distributions made pursuant to section 298.28, subdivision 5, paragraphs (b) and (d), 75 percent of the amount distributed pursuant to this section and section 298.28, with respect to 1983 production provided that the aid guarantee for distributions under section 298.28, subdivision 5, paragraph (b), shall be reduced by five cents per taxable ton for production years 2014 and thereafter.

(b) The distribution of the taconite production tax as provided in section 298.28, subdivision 2, shall equal the following amount:

(1) if the production for the year prior to the distribution year is at least 42,000,000 taxable tons, the amount distributed pursuant to this section and section 298.28 with respect to 1999 production; or

(2) if the production for the year prior to the distribution year is less than 42,000,000 taxable tons, the amount distributed pursuant to this section and section 298.28 with respect to 1999 production, reduced proportionately at the rate of two percent for each 1,000,000 tons or part of 1,000,000 tons by which the production is less than 42,000,000 tons.

(c) The distribution of the taconite production tax under section 298.28, subdivision 3, paragraph (a), must equal the amount distributed under 298.28, with respect to 1983 production.

EFFECTIVE DATE. This section is effective for distributions in 2020 and thereafter.

Sec. 8. Minnesota Statutes 2018, section 298.28, subdivision 3, is amended to read:

Subd. 3. **Cities; towns.** (a) 12.5 cents per taxable ton, less any amount distributed under subdivision 8, and paragraph (b), must be allocated to the taconite municipal aid account to be distributed as provided in section 298.282. The amount allocated to the taconite municipal aid account must be annually increased in the same proportion as the increase in the implicit price deflator as provided in section 298.24, subdivision 1.

(b) An amount must be allocated to towns or cities that is annually certified by the county auditor of a county containing a taconite tax relief area as defined in section 273.134, paragraph (b), within which there is (1) an organized township if, as of January 2, 1982, more than 75 percent of the assessed valuation of the township consists of iron ore or (2) a city if, as of January 2, 1980, more than 75 percent of the assessed valuation of the city consists of iron ore.

59.1 (c) The amount allocated under paragraph (b) will be the portion of a township's or city's
59.2 certified levy equal to the proportion of (1) the difference between 50 percent of January
59.3 2, 1982, assessed value in the case of a township and 50 percent of the January 2, 1980,
59.4 assessed value in the case of a city and its current assessed value to (2) the sum of its current
59.5 assessed value plus the difference determined in (1), provided that the amount distributed
59.6 shall not exceed \$55 per capita in the case of a township or \$75 per capita in the case of a
59.7 city. For purposes of this limitation, population will be determined according to the 1980
59.8 decennial census conducted by the United States Bureau of the Census. If the current assessed
59.9 value of the township exceeds 50 percent of the township's January 2, 1982, assessed value,
59.10 or if the current assessed value of the city exceeds 50 percent of the city's January 2, 1980,
59.11 assessed value, this paragraph shall not apply. For purposes of this paragraph, "assessed
59.12 value," when used in reference to years other than 1980 or 1982, means the appropriate net
59.13 tax capacities multiplied by 10.2.

59.14 (d) In addition to other distributions under this subdivision, three cents per taxable ton
59.15 for distributions in 2009 must be allocated for distribution to towns that are entirely located
59.16 within the taconite tax relief area defined in section 273.134, paragraph (b). For distribution
59.17 in 2010 through 2014 and for distribution in 2018 and subsequent years, the three-cent
59.18 amount must be annually increased in the same proportion as the increase in the implicit
59.19 price deflator as provided in section 298.24, subdivision 1. The amount available under this
59.20 paragraph will be distributed to eligible towns on a per capita basis, provided that no town
59.21 may receive more than \$50,000 in any year under this paragraph. Any amount of the
59.22 distribution that exceeds the \$50,000 limitation for a town under this paragraph must be
59.23 redistributed on a per capita basis among the other eligible towns, to whose distributions
59.24 do not exceed \$50,000.

59.25 **EFFECTIVE DATE.** This section is effective for distributions in 2020 and thereafter.

59.26 Sec. 9. Minnesota Statutes 2018, section 469.169, is amended by adding a subdivision to
59.27 read:

59.28 **Subd. 21. Additional border city allocations.** (a) In addition to the tax reductions
59.29 authorized in subdivisions 12 to 20, the commissioner shall annually allocate \$1,000,000
59.30 for tax reductions to border city enterprise zones in cities located on the western border of
59.31 the state. The commissioner shall allocate this amount among cities on a per capita basis.
59.32 Allocations made under this subdivision may be used for tax reductions under sections
59.33 469.171, 469.1732, and 469.1734, or for other offsets of taxes imposed on or remitted by
59.34 businesses located in the enterprise zone as provided by law, but only if the municipality

60.1 determines that the granting of the tax reduction or offset is necessary to retain a business
60.2 within or attract a business to the zone.

60.3 (b) The allocations under this subdivision do not cancel or expire, but remain available
60.4 until used by the city.

60.5 **EFFECTIVE DATE.** This section is effective July 1, 2020.

60.6 Sec. 10. Minnesota Statutes 2018, section 469.171, subdivision 4, is amended to read:

60.7 Subd. 4. **Restriction.** The tax reductions provided by this section shall not apply to (1)
60.8 a facility the primary purpose of which is one of the following: ~~retail food and beverage~~
60.9 ~~services, automobile sales or service, or the provision of recreation or entertainment, or a~~
60.10 private or commercial golf course, country club, massage parlor, tennis club, skating facility
60.11 including roller skating, skateboard, and ice skating, racquet sports facility, including any
60.12 handball or racquetball court, hot tub facility, suntan facility, or racetrack; (2) property of
60.13 a public utility; (3) property used in the operation of a financial institution; (4) property
60.14 owned by a fraternal or veterans' organization; or (5) ~~property of a business operating under~~
60.15 ~~a franchise agreement that requires the business to be located in the state; except that tax~~
60.16 ~~reductions may be provided to a retail food or beverage facility or an automobile sales or~~
60.17 ~~service facility, or a business~~ a retail food or beverage facility operating under a franchise
60.18 agreement that requires the business to be located in this state ~~except for such a franchised~~
60.19 ~~retail food or beverage facility.~~

60.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

60.21 Sec. 11. Minnesota Statutes 2018, section 477A.011, subdivision 45, is amended to read:

60.22 Subd. 45. **Sparsity adjustment.** ~~For~~ The sparsity adjustment is \$200 for either:

60.23 (1) a city with a population of 10,000 or more, the sparsity adjustment is 100 for any
60.24 ~~city with and~~ an average population density less than 150 per square mile, according to the
60.25 ~~most recent federal census. For; or~~

60.26 (2) a city with a population less than 10,000, the sparsity adjustment is 200 for any city
60.27 ~~with and~~ an average population density less than 30 per square mile, according to the most
60.28 recent federal census.

60.29 The sparsity adjustment is zero for all other cities.

60.30 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2020
60.31 and thereafter.

61.1 Sec. 12. Minnesota Statutes 2018, section 477A.013, subdivision 13, is amended to read:

61.2 Subd. 13. **Certified aid adjustments.** ~~(a) A city that received an aid base increase under~~
61.3 ~~Minnesota Statutes 2012, section 477A.011, subdivision 36, paragraph (e), shall have its~~
61.4 ~~total aid under subdivision 9 increased by an amount equal to \$150,000 for aids payable in~~
61.5 ~~2014 through 2018.~~

61.6 ~~(b)~~ (a) A city that received an aid base increase under Minnesota Statutes 2012, section
61.7 477A.011, subdivision 36, paragraph (r), shall have its total aid under subdivision 9 increased
61.8 by an amount equal to \$160,000 for aids payable in 2014 and thereafter.

61.9 ~~(c) A city that received a temporary aid increase under Minnesota Statutes 2012, section~~
61.10 ~~477A.011, subdivision 36, paragraph (e), shall have its total aid under subdivision 9 increased~~
61.11 ~~by an amount equal to \$1,000,000 for aids payable in 2014 only.~~

61.12 (b) The city of Floodwood shall have its total aid under subdivision 9 increased by
61.13 \$20,000 for aids payable in 2020 through 2024.

61.14 (c) The city of Hermantown shall have its total aid under subdivision 9 increased by
61.15 \$200,000 for aids payable in 2020 through 2024.

61.16 (d) The city of West St. Paul shall have its total aid under subdivision 9 increased by
61.17 \$920,000 for aids payable in 2020 through 2024.

61.18 (e) The city of Flensburg shall have its total aid under subdivision 9 increased by \$38,400
61.19 for aids payable in 2020 only.

61.20 (f) The city of Lilydale shall have its total aid under subdivision 9 increased by \$275,000
61.21 for aids payable in 2020 only.

61.22 (g) The city of Scanlon shall have its total aid under subdivision 9 increased by \$40,000
61.23 for aids payable in 2020 to 2029.

61.24 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2020
61.25 and thereafter.

61.26 Sec. 13. Minnesota Statutes 2018, section 477A.03, subdivision 2a, is amended to read:

61.27 Subd. 2a. **Cities.** For aids payable in 2016 and 2017, the total aid paid under section
61.28 477A.013, subdivision 9, is \$519,398,012. For aids payable in 2018 and ~~thereafter~~ 2019,
61.29 the total aid paid under section 477A.013, subdivision 9, is \$534,398,012. For aids payable
61.30 in 2020 and thereafter, the total aid paid under section 477A.013, subdivision 9, is
61.31 \$564,990,952.

62.1 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2020
62.2 and thereafter.

62.3 Sec. 14. Minnesota Statutes 2018, section 477A.03, subdivision 2b, is amended to read:

62.4 Subd. 2b. **Counties.** (a) For aids payable in 2018 ~~through 2024~~ and 2019, the total aid
62.5 payable under section 477A.0124, subdivision 3, is \$103,795,000, of which \$3,000,000
62.6 shall be allocated as required under Laws 2014, chapter 150, article 4, section 6. For aids
62.7 payable in 2020 through 2024, the total aid payable under section 477A.0124, subdivision
62.8 3, is \$119,091,470 and is subject to the allocations under paragraph (c). For aids payable
62.9 in 2025 and thereafter, the total aid payable under section 477A.0124, subdivision 3, is
62.10 ~~\$100,795,000~~ \$116,091,470. Each calendar year, \$500,000 of this appropriation shall be
62.11 retained by the commissioner of revenue to make reimbursements to the commissioner of
62.12 management and budget for payments made under section 611.27. The reimbursements
62.13 shall be to defray the additional costs associated with court-ordered counsel under section
62.14 611.27. Any retained amounts not used for reimbursement in a year shall be included in the
62.15 next distribution of county need aid that is certified to the county auditors for the purpose
62.16 of property tax reduction for the next taxes payable year.

62.17 (b) For aids payable in 2018 and ~~thereafter~~ 2019, the total aid under section 477A.0124,
62.18 subdivision 4, is \$130,873,444. For aids payable in 2020 and thereafter, the total aid under
62.19 section 477A.0124, subdivision 4, is \$146,169,914. The commissioner of revenue shall
62.20 transfer to the commissioner of management and budget \$207,000 annually for the cost of
62.21 preparation of local impact notes as required by section 3.987, and other local government
62.22 activities. The commissioner of revenue shall transfer to the commissioner of education
62.23 \$7,000 annually for the cost of preparation of local impact notes for school districts as
62.24 required by section 3.987. The commissioner of revenue shall deduct the amounts transferred
62.25 under this paragraph from the appropriation under this paragraph. The amounts transferred
62.26 are appropriated to the commissioner of management and budget and the commissioner of
62.27 education respectively.

62.28 (c) For aids payable under paragraph (a) in 2020 through 2024, \$3,000,000 shall be
62.29 allocated as required under Laws 2014, chapter 150, article 4, section 6. For aids payable
62.30 under paragraph (a) in 2020, an additional \$750,000 must be allocated to Mahnomen County
62.31 before the money appropriated to county need aid is apportioned among the counties. Of
62.32 this increased aid amount allocated to Mahnomen County, one-third must be used by the
62.33 county for the Mahnomen Health Center and one-third must be paid from the county to the

63.1 White Earth Band of Ojibwe to reimburse the band for the costs of delivering child welfare
63.2 services.

63.3 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2020
63.4 and thereafter.

63.5 **Sec. 15. STATE FIRE AID PENALTY FORGIVENESS; AUSTIN.**

63.6 Notwithstanding any contrary provision of law, the city of Austin shall receive both its
63.7 2016 state fire aid payment under Minnesota Statutes, section 69.021, subdivision 7, and
63.8 its 2016 supplemental state aid payment under Minnesota Statutes, section 423A.022,
63.9 provided that the sum of the fire state aid and the supplemental state aid that the city
63.10 transmitted to the Austin Parttime Firefighters Relief Association in calendar year 2015 to
63.11 fund the volunteers firefighters' service pensions met or exceeded the amount required under
63.12 the bylaws of that association. The commissioner of revenue shall make a payment of
63.13 \$103,891.48 for the state fire aid and \$25,201.92 for the supplemental aid to the city no
63.14 later than June 30, 2019. \$129,093.40 in fiscal year 2019 is appropriated from the general
63.15 fund to the commissioner of revenue to make the payments under this section.

63.16 **EFFECTIVE DATE.** This section is effective the day following final enactment.

63.17 **Sec. 16. APPROPRIATION OF LAPSED AMOUNTS; FIRE REMEDIATION**
63.18 **GRANTS.**

63.19 (a) \$643,729 in fiscal year 2019 is appropriated from the general fund to the commissioner
63.20 of public safety for grants to remediate the effects of fires in the city of Melrose on September
63.21 8, 2016. This appropriation represents the amounts that lapsed by the terms of the
63.22 appropriation in Laws 2017, First Special Session chapter 1, article 4, section 31.

63.23 (b) A grant recipient must use the money appropriated under this section for remediation
63.24 costs, including disaster recovery, infrastructure, reimbursement for emergency personnel
63.25 costs, reimbursement for equipment costs, and reimbursements for property tax abatements,
63.26 incurred by public or private entities as a result of the fires. This is a onetime appropriation
63.27 and is available until June 30, 2022.

63.28 **EFFECTIVE DATE.** This section is effective the day following final enactment.

63.29 **Sec. 17. APPROPRIATION.**

63.30 \$5,000 in fiscal year 2020 only is appropriated from the general fund to the commissioner
63.31 of revenue for a grant of \$2,600 to the city of Mazeppa and a grant of \$2,400 to Wabasha

County. The grants shall be paid by July 20, 2019, and may be used for property tax abatements and other costs incurred by public and private entities as a result of a fire in the city of Mazeppa on March 11, 2018. This is a onetime appropriation.

EFFECTIVE DATE. This section is effective July 1, 2019.

ARTICLE 3

LOCAL TAXES

Section 1. Minnesota Statutes 2018, section 297A.99, subdivision 1, is amended to read:

Subdivision 1. **Authorization; scope.** (a) A political subdivision of this state may impose a general sales tax (1) under section 297A.992, (2) under section 297A.993, (3) if permitted by special law, or (4) if the political subdivision enacted and imposed the tax before January 1, 1982, and its predecessor provision.

(b) This section governs the imposition of a general sales tax by the political subdivision. The provisions of this section preempt the provisions of any special law:

(1) enacted before June 2, 1997, or

(2) enacted on or after June 2, 1997, that does not explicitly exempt the special law provision from this section's rules by reference.

(c) This section does not apply to or preempt a sales tax on motor vehicles or a special excise tax on motor vehicles.

(d) A political subdivision may not advertise or expend funds for the promotion of a referendum to support imposing a local ~~option~~ sales tax; and may only spend funds related to imposing a local sales tax to:

~~(e) Notwithstanding paragraph (d), a political subdivision may expend funds to:~~

(1) conduct the referendum;

(2) disseminate information included in the resolution adopted under subdivision 2, but only if the disseminated information includes a list of specific projects and the cost of each individual project;

(3) provide notice of, and conduct public forums at which proponents and opponents on the merits of the referendum are given equal time to express their opinions on the merits of the referendum;

(4) provide facts and data on the impact of the proposed local sales tax on consumer purchases; and

65.1 (5) provide facts and data related to the individual programs and projects to be funded
65.2 with the local sales tax.

65.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

65.4 Sec. 2. Minnesota Statutes 2018, section 297A.99, is amended by adding a subdivision to
65.5 read:

65.6 **Subd. 1a. Purpose statement.** Local sales taxes are to be used instead of traditional
65.7 local revenues only for construction and rehabilitation of capital projects when a clear
65.8 regional benefit beyond the taxing jurisdiction can be demonstrated. Use of local sales tax
65.9 revenues for local projects decreases the benefits to taxpayers of the deductibility of local
65.10 property taxes and the state assistance provided through the property tax refund system and
65.11 increases the fiscal inequities between similar communities.

65.12 Sec. 3. Minnesota Statutes 2018, section 297A.99, subdivision 2, is amended to read:

65.13 **Subd. 2. Local resolution before application for authority.** (a) Before the governing
65.14 body of a political subdivision requests legislative approval ~~of to impose a local sales tax~~
65.15 authorized by a special law for a local sales tax that is administered under this section, it
65.16 shall adopt a resolution indicating its approval of the tax. The resolution must include, ~~at a~~
65.17 ~~minimum~~, the following information on:

65.18 (1) the proposed tax rate, ~~how the revenues will be used~~;

65.19 (2) a detailed description of no more than five capital projects that will be funded with
65.20 revenue from the tax;

65.21 (3) documentation of the share of the economic benefit to or use of each project by
65.22 persons residing, or businesses located, outside of the jurisdiction;

65.23 (4) the amount of local sales tax revenue that would be used for each project and the
65.24 estimated time needed to raise that amount of revenue; and

65.25 (5) the total revenue that will be raised for all projects before the tax expires, and the
65.26 estimated length of time that the tax will be in effect if all proposed projects are funded.

65.27 ~~This subdivision applies to local laws enacted after June 30, 1998.~~ (b) The jurisdiction
65.28 seeking authority to impose a local sales tax by special law must submit the resolution in
65.29 paragraph (a) along with underlying documentation indicating how the benefits under
65.30 paragraph (a), clause (3), were determined, to the chairs of both the senate and house

66.1 committees with jurisdiction over taxes no later than January 31 of the year in which the
66.2 jurisdiction is seeking a special law authorizing the tax.

66.3 (c) The special legislation granting local sales tax authority is not required to allow
66.4 funding for all projects listed in the resolution with the revenue from the local sales tax, but
66.5 must not include any projects not contained in the resolution.

66.6 **EFFECTIVE DATE.** This section is effective the day following final enactment and
66.7 applies to all local sales taxes not authorized by the legislature before July 1, 2019.

66.8 Sec. 4. Minnesota Statutes 2018, section 297A.99, subdivision 3, is amended to read:

66.9 Subd. 3. **Legislative authority required before voter approval; requirements for**
66.10 **adoption, use, termination.** (a) A political subdivision must receive legislative authority
66.11 to impose a local sales tax before submitting the tax for approval by voters of the political
66.12 subdivision. Imposition of a local sales tax is subject to approval by voters of the political
66.13 subdivision at a general election. The election must be conducted before at a general election
66.14 within the two-year period after the governing body of the political subdivision requests
66.15 legislative approval of has received authority to impose the tax. If the authorizing legislation
66.16 allows the tax to be imposed for more than one project, there must be a separate question
66.17 approving the use of the tax revenue for each project. Notwithstanding the authorizing
66.18 legislation, a project that is not approved by the voters may not be funded with the local
66.19 sales tax revenue and the termination date of the tax set in the authorizing legislation must
66.20 be reduced proportionately based on the share of that project's cost to the total costs of all
66.21 projects included in the authorizing legislation.

66.22 (b) The proceeds of the tax must be dedicated exclusively to payment of the cost of a
66.23 construction and rehabilitation costs and associated bonding costs related to the specific
66.24 capital improvement which is designated at least 90 days before the referendum on imposition
66.25 of the tax is conducted projects that were approved by the voters under paragraph (a).

66.26 (c) The tax must terminate after ~~the improvement designated under paragraph (b) has~~
66.27 been completed the revenues raised are sufficient to fund the projects approved by the voters
66.28 under paragraph (a).

66.29 (d) After a sales tax imposed by a political subdivision has expired or been terminated,
66.30 the political subdivision is prohibited from imposing a local sales tax for a period of one
66.31 year. ~~Notwithstanding subdivision 13, this paragraph applies to all local sales taxes in effect~~
66.32 at the time of or imposed after May 26, 1999.

67.1 (e) Notwithstanding paragraph (a), if a political subdivision received voter approval to
67.2 seek authority for a local sales tax at the November 6, 2018, general election and is granted
67.3 authority to impose a local sales tax before January 1, 2021, the tax may be imposed without
67.4 an additional referendum provided that it meets the requirements of subdivision 2 and the
67.5 list of specific projects contained in the resolution does not conflict with the projects listed
67.6 in the approving referendum.

67.7 **EFFECTIVE DATE.** This section is effective the day following final enactment and
67.8 applies to all local sales taxes not authorized by the legislature before July 1, 2019.

67.9 Sec. 5. Laws 1980, chapter 511, section 1, subdivision 1, is amended to read:

67.10 Subdivision 1. (a) Minnesota Statutes, section ~~477A.01~~, Subdivision 18 ~~477A.016~~, shall
67.11 not be deemed to prohibit the city of Duluth from amending its sales and use tax ordinances
67.12 so as to impose a sales ~~or~~ and use tax at the rate of one percent upon any or all sales or uses
67.13 which are taxed by the state of Minnesota pursuant to Minnesota Statutes, chapter 297A ~~or~~
67.14 297B.

67.15 (b) Notwithstanding Minnesota Statutes, section 477A.016, or any ordinance, city charter,
67.16 or other provision of law, pursuant to the approval of the voters at the election on November
67.17 7, 2017, the city of Duluth may impose by ordinance an additional sales and use tax of
67.18 one-half of one percent for the purposes specified in paragraph (c). The provisions of
67.19 Minnesota Statutes, section 297A.99, govern the imposition, administration, collection, and
67.20 enforcement of the taxes authorized under this paragraph. The tax may not be imposed until
67.21 the city complies with the provisions of section 31.

67.22 (c) Revenues received from the tax authorized by paragraph (b) must be used to pay all
67.23 or part of the capital and administrative costs of street, curb, gutter, sidewalk, and bridge
67.24 improvements including related lighting and signals in the city of Duluth as outlined in the
67.25 Duluth Street Improvement Program 2017, developed by the engineer of the city of Duluth
67.26 as designated August 8, 2017.

67.27 (d) The city of Duluth, pursuant to the approval of the voters at the November 7, 2017,
67.28 referendum authorizing the imposition of the taxes in this section, may issue bonds under
67.29 Minnesota Statutes, chapter 475, to pay capital and administrative expenses for the projects
67.30 described in paragraph (c), until the tax terminates as provided in paragraph (e). A separate
67.31 election to approve the bonds under Minnesota Statutes, section 475.58, is not required.

67.32 (e) The tax authorized under this subdivision terminates at the earlier of: (1) 25 years
67.33 after the date of initial imposition of the tax; or (2) when the city council determines that

68.1 sufficient funds have been raised from the tax to finance the capital and administrative costs
68.2 of the improvements described in paragraph (c), plus the additional amount needed to pay
68.3 the costs related to issuance of bonds under paragraph (d), including interest bonds. Any
68.4 funds remaining after completion of the projects specified in paragraph (c) and retirement
68.5 or redemption of bonds in paragraph (d) shall be placed in the general fund of the city. The
68.6 tax imposed under paragraph (b) may expire at an earlier time if the city so determines by
68.7 ordinance.

68.8 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
68.9 city of Duluth and its chief clerical officer comply with Minnesota Statutes, section 645.021,
68.10 subdivisions 2 and 3.

68.11 Sec. 6. Laws 1986, chapter 396, section 5, as amended by Laws 2001, First Special Session
68.12 chapter 5, article 12, section 87, and Laws 2012, chapter 299, article 3, section 3, is amended
68.13 to read:

68.14 **Sec. 5. LIQUOR, LODGING, AND RESTAURANT TAXES.**

68.15 The city may, by resolution, levy in addition to taxes authorized by other law:

68.16 (1) a sales tax of not more than three percent on the gross receipts on retail on-sales of
68.17 intoxicating liquor and fermented malt beverages when sold at licensed on-sale liquor
68.18 establishments located within the downtown taxing area, provided that this tax may not be
68.19 imposed if sales of intoxicating liquor and fermented malt beverages are exempt from
68.20 taxation under chapter 297A;

68.21 (2) a sales tax of not more than three percent on the gross receipts from the furnishing
68.22 for consideration of lodging for a period of less than 30 days at a hotel, motel, rooming
68.23 house, tourist court, or trailer camp located within the city by a hotel or motel which has
68.24 more than 50 rooms available for lodging; ~~the tax imposed under this clause shall be at a~~
68.25 ~~rate that, when added to the sum of the rate of the sales tax imposed under Minnesota~~
68.26 ~~Statutes, chapter 297A, the rate of the sales tax imposed under section 4, and the rate of any~~
68.27 ~~other taxes on lodging in the city of Minneapolis, equals 13 percent; and~~

68.28 (3) a sales tax of not more than three percent on the gross receipts on all sales of food
68.29 primarily for consumption on or off the premises by restaurants and places of refreshment
68.30 as defined by resolution of the city that occur within the downtown taxing area.

68.31 The taxes authorized by this section must not be terminated before January 1, 2047. The
68.32 taxes shall be imposed and may be adjusted periodically by the city council such that the

69.1 rates imposed produce revenue sufficient, together with the tax imposed under section 4,
69.2 to finance the purposes described in Minnesota Statutes, section 297A.994, and section 4,
69.3 subdivisions 3 and 4. These taxes shall be applied, first, as provided in Minnesota Statutes,
69.4 section 297A.994, subdivision 3, clauses (1) to (3), and then, solely to pay, secure, maintain,
69.5 and fund the payment of any principal of, premium on, and interest on any bonds or any
69.6 other purposes in section 4, subdivision 3 or 4. The commissioner of revenue may enter
69.7 into appropriate agreements with the city to provide for the collection of these taxes by the
69.8 state on behalf of the city. These taxes shall be subject to the same interest, penalties, and
69.9 enforcement provisions as the taxes imposed under Minnesota Statutes, chapter 297A.

69.10 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June
69.11 30, 2019.

69.12 Sec. 7. Laws 1986, chapter 462, section 31, as amended by Laws 1991, chapter 291, article
69.13 8, section 24, and Laws 2011, chapter 112, article 4, section 6, is amended to read:

69.14 **Sec. 31. AUTHORITY FOR TAXATION.**

69.15 Notwithstanding Minnesota Statutes, section 477A.016, or any other law, and
69.16 supplemental to the tax imposed by Laws 1982, chapter 523, article 25, section 1, the city
69.17 of St. Paul may impose, by ordinance, a tax, at a rate not greater than ~~three~~ four percent, on
69.18 the gross receipts from the furnishing for consideration of lodging and related services at a
69.19 hotel, rooming house, tourist court, motel, or resort, other than the renting or leasing of
69.20 space for a continuous period of 30 days or more. The tax does not apply to the furnishing
69.21 of lodging and related services by a business having less than 50 lodging rooms. The tax
69.22 shall be collected by and its proceeds paid to the city. Ninety-five percent of the revenues
69.23 generated by this tax shall be used to fund a convention bureau to market and promote the
69.24 city as a tourist or convention center.

69.25 **EFFECTIVE DATE.** This section is effective the first day of the calendar quarter
69.26 beginning at least 30 days after the governing body of the city of St. Paul and its chief
69.27 clerical officer comply with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

69.28 Sec. 8. Laws 1994, chapter 587, article 9, section 11, is amended to read:

69.29 **Sec. 11. TWO HARBORS LODGING TAX.**

69.30 Notwithstanding Minnesota Statutes, section 477A.016, or other law, in addition to a
69.31 tax authorized in Minnesota Statutes, section 469.190, the city of Two Harbors may impose,

70.1 by ordinance, a tax of up to one percent on the gross receipts subject to the lodging tax
70.2 under Minnesota Statutes, section 469.190. The proceeds of the tax shall be dedicated and
70.3 used to provide preservation, display, and interpretation of the tug boat Edna G. The total
70.4 tax imposed by the city under this section, by Lake County under section 23, and under
70.5 Minnesota Statutes, section 469.190, shall not exceed ~~three~~ five percent.

70.6 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
70.7 city of Two Harbors and its chief clerical officer comply with Minnesota Statutes, section
70.8 645.021, subdivisions 2 and 3.

70.9 Sec. 9. Laws 1998, chapter 389, article 8, section 45, subdivision 1, is amended to read:

70.10 Subdivision 1. **Sales and use taxes.** (a) Notwithstanding Minnesota Statutes, section
70.11 477A.016, or any other provision of law, ordinance, or city charter, if approved by the voters
70.12 of the city at the next general election held after the date of final enactment of this act, the
70.13 city of Two Harbors may impose by ordinance, a sales and use tax at a rate of up to one-half
70.14 of one percent for the purposes specified in subdivision 3, paragraph (a).

70.15 (b) In addition to the tax in paragraph (a) and notwithstanding Minnesota Statutes,
70.16 sections 297A.99 and 477A.016, or any other law, ordinance, or city charter, and as approved
70.17 by the voters at the November 6, 2018, general election, the city of Two Harbors may, by
70.18 ordinance, impose an additional sales and use tax at a rate of one-half of one percent for
70.19 the purposes specified in subdivision 3, paragraph (b). The tax may not be imposed until
70.20 the city complies with the provisions of section 31.

70.21 (c) The provisions of Minnesota Statutes, section ~~297A.48~~ 297A.99, govern the
70.22 imposition, administration, collection, and enforcement of the tax authorized under this
70.23 subdivision.

70.24 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
70.25 city of Two Harbors and its chief clerical officer comply with Minnesota Statutes, section
70.26 645.021, subdivisions 2 and 3.

70.27 Sec. 10. Laws 1998, chapter 389, article 8, section 45, subdivision 3, as amended by Laws
70.28 2008, chapter 366, article 7, section 11, is amended to read:

70.29 Subd. 3. **Use of revenues.** (a) Revenues received from the taxes authorized under
70.30 subdivision 1, paragraph (a), must be used for sanitary sewer separation, wastewater
70.31 treatment, water system improvements, and harbor refuge development projects.

71.1 (b) Revenues from the tax authorized under subdivision 1, paragraph (b), must be used
71.2 by the city of Two Harbors to pay the costs of collecting and administering the tax and to
71.3 finance the capital and administrative costs of water and sewer infrastructure projects
71.4 including gravity-fed sewer mains, water mains, drain tile, service lines, street patching,
71.5 acquiring property, related engineering, and construction expenses.

71.6 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
71.7 city of Two Harbors and its chief clerical officer comply with Minnesota Statutes, section
71.8 645.021, subdivisions 2 and 3.

71.9 Sec. 11. Laws 1998, chapter 389, article 8, section 45, subdivision 4, is amended to read:

71.10 Subd. 4. **Bonding authority.** (a) The city may issue bonds under Minnesota Statutes,
71.11 chapter 475, to finance the capital expenditure and improvement projects under subdivision
71.12 1, paragraph (a). An election to approve the bonds under Minnesota Statutes, section 475.58,
71.13 may be held in combination with the election to authorize imposition of the tax under
71.14 subdivision 1, paragraph (a). Whether to permit imposition of the tax and issuance of bonds
71.15 may be posed to the voters as a single question. The question must state that the sales tax
71.16 revenues are pledged to pay the bonds, but that the bonds are general obligations and will
71.17 be guaranteed by the city's property taxes.

71.18 (b) The city may issue bonds under Minnesota Statutes, chapter 475, to pay capital and
71.19 administrative expenses for the projects described in subdivision 3, paragraph (b), in an
71.20 amount that does not exceed \$30,000,000. An election to approve the bonds under Minnesota
71.21 Statutes, section 475.58, is not required.

71.22 (c) The issuance of bonds under this subdivision is not subject to Minnesota Statutes,
71.23 section 275.60.

71.24 (e) (d) The bonds are not included in computing any debt limitation applicable to the
71.25 city, and the levy of taxes under Minnesota Statutes, section 475.61, to pay principal of and
71.26 interest on the bonds is not subject to any levy limitation.

71.27 The aggregate principal amount of bonds, plus the aggregate of the taxes used directly to
71.28 pay eligible capital expenditures and improvements under subdivision 3, paragraph (a), may
71.29 not exceed \$20,000,000, plus an amount equal to the costs related to issuance of the bonds.

71.30 (d) (e) The taxes may be pledged to and used for the payment of the bonds and any bonds
71.31 issued to refund them, only if the bonds and any refunding bonds are general obligations
71.32 of the city.

72.1 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
72.2 city of Two Harbors and its chief clerical officer comply with Minnesota Statutes, section
72.3 645.021, subdivisions 2 and 3.

72.4 Sec. 12. Laws 1998, chapter 389, article 8, section 45, subdivision 5, is amended to read:

72.5 Subd. 5. **Termination of taxes.** (a) The authority granted under subdivision 1, paragraph
72.6 (a), to the city of Two Harbors to impose sales and use taxes expires when the costs of the
72.7 projects described in subdivision 3, paragraph (a), have been paid.

72.8 (b) The authority granted under subdivision 1, paragraph (b), expires at the earlier of:
72.9 (1) 25 years after the tax is first imposed; or (2) when the city council determines that the
72.10 amount of revenues received from the taxes first equals or exceeds \$30,000,000, plus the
72.11 additional amount needed to pay the costs related to issuance of bonds under subdivision
72.12 4, paragraph (b), including interest on the bonds. Any funds remaining after completion of
72.13 the project and retirement or redemption of the bonds may be placed in the general fund of
72.14 the city. The taxes imposed under subdivision 1, paragraph (b), may expire at an earlier
72.15 time if the city so determines by ordinance.

72.16 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
72.17 city of Two Harbors and its chief clerical officer comply with Minnesota Statutes, section
72.18 645.021, subdivisions 2 and 3.

72.19 Sec. 13. Laws 2011, First Special Session chapter 7, article 4, section 10, subdivision 3,
72.20 is amended to read:

72.21 Subd. 3. **Use of revenues.** Revenues received from taxes authorized by subdivisions 1
72.22 and 2 must be used by the city to pay the cost of collecting the taxes and to pay for the
72.23 following projects:

72.24 (1) \$4,500,000 for construction and completion of park improvement projects, including
72.25 St. Louis River riverfront improvements; Veteran's Park construction and improvements;
72.26 improvements to the Hilltop Park soccer complex and Braun Park baseball complex; capital
72.27 equipment and building and grounds improvements at the Pine Valley Park/Pine Valley
72.28 Hockey Arena/Cloquet Area Recreation Center; and development of pedestrian trails within
72.29 the city;

72.30 (2) \$5,800,00 for extension of utilities and the construction of all improvements associated
72.31 with the development of property adjacent to Highway 33 and Interstate Highway 35,
72.32 including payment of all debt service on bonds issued for these; and

(3) \$6,200,000 for engineering and construction of infrastructure improvements, including, but not limited to, storm sewer, sanitary sewer, and water in areas identified as part of the city's comprehensive land use plan.

Authorized expenses include, but are not limited to, acquiring property and paying construction expenses related to these improvements, and paying debt service on bonds or other obligations issued to finance acquisition and construction of these improvements. Notwithstanding the revenue allocations in clauses (1) and (3), if the amount spent for the improvements under clause (2) are less than the \$5,800,000 allowed under that clause, the total amount spent for the purposes listed in clauses (1) and (3) may be increased by the difference between \$5,800,000 and the amount actually spent under clause (2). However, the total expenditures for projects under this subdivision may not exceed \$16,500,000, excluding any costs related to issuance of bonds under subdivision 4.

EFFECTIVE DATE. This section is effective the day after the governing body of the city of Cloquet and its chief clerical officer comply with the provisions of section 645.021, subdivisions 2 and 3.

Sec. 14. **CITY OF AVON; TAXES AUTHORIZED.**

Subdivision 1. Sales and use tax; authorization. Notwithstanding Minnesota Statutes, section 297A.99, subdivisions 1 and 2, or 477A.016, or any other law, ordinance, or city charter, the city of Avon, pursuant to approval by the voters at the general election on November 6, 2018, may impose by ordinance a sales and use tax of up to one-half of one percent for the purposes specified in subdivision 2. Except as otherwise provided in this section, the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration, collection, and enforcement of the tax authorized under this subdivision. The tax may not be imposed until the city complies with the provisions of section 31.

Subd. 2. Use of revenues. Revenues received from taxes authorized by subdivision 1 must be used by the city to:

(1) pay the costs of collecting and administering the tax;

(2) pay the capital and administrative costs of transportation improvement projects as adopted in the city of Avon's street priority improvement plan; and

(3) pay debt service on bonds issued under subdivision 3 or other obligations issued to finance the improvements listed in this subdivision in the city.

Subd. 3. Bonding authority. (a) The city may issue bonds under Minnesota Statutes, chapter 475, to pay the costs of the projects authorized in subdivision 2. The aggregate

74.1 principal amount of bonds issued under this subdivision may not exceed \$1,500,000 plus
74.2 an amount to be applied to the payment of the costs of issuing the bonds. The bonds may
74.3 be paid from or secured by any funds available to the city, including the tax authorized
74.4 under subdivision 1. The issuance of bonds under this subdivision is not subject to Minnesota
74.5 Statutes, sections 275.60 and 275.61.

74.6 (b) The bonds are not included in computing any debt limitation applicable to the city,
74.7 and any levy of taxes under Minnesota Statutes, section 475.61, to pay principal and interest
74.8 on the bonds is not subject to any levy limitation. A separate election to approve the bonds
74.9 under Minnesota Statutes, section 475.58, is not required.

74.10 Subd. 4. **Termination of taxes.** (a) The tax imposed under subdivision 1 expires at the
74.11 earlier of: (1) December 31, 2045; or (2) when the city council determines that \$1,500,000
74.12 has been received from the tax to pay for the cost of the projects authorized under subdivision
74.13 2, plus an amount sufficient to pay the costs related to issuance of the bonds authorized
74.14 under subdivision 3, including interest on the bonds.

74.15 (b) Any funds remaining after payment of all such costs and retirement or redemption
74.16 of the bonds shall be placed in the general fund of the city. The tax imposed under subdivision
74.17 1 may expire at an earlier time if the city so determines by ordinance.

74.18 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
74.19 city and its chief clerical officer comply with Minnesota Statutes, section 645.021,
74.20 subdivisions 2 and 3.

74.21 Sec. 15. **CITY OF BLUE EARTH; LOCAL TAX AUTHORIZED.**

74.22 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,
74.23 section 477A.016, or any other law, ordinance, or city charter, and as approved by the voters
74.24 at the general election of November 6, 2018, the city of Blue Earth may impose by ordinance
74.25 a sales and use tax of one-half of one percent for the purposes specified in subdivision 2.
74.26 Except as otherwise provided in this section, the provisions of Minnesota Statutes, section
74.27 297A.99, govern the imposition, administration, collection, and enforcement of the tax
74.28 authorized under this subdivision. The tax may not be imposed until the city complies with
74.29 the provisions of section 31.

74.30 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized
74.31 under subdivision 1 must be used by the city of Blue Earth to pay the costs of collecting
74.32 and administering the tax and to finance the capital and administrative costs of constructing
74.33 and funding sewer plant improvements, street reconstruction projects, and recreational

75.1 amenities. The total that may be raised from the tax to pay for these projects is limited to
75.2 \$5,000,000, plus the costs related to the issuance and paying debt service on bonds for these
75.3 projects.

75.4 Subd. 3. **Bonding authority.** (a) The city of Blue Earth may issue bonds under Minnesota
75.5 Statutes, chapter 475, to finance all or a portion of the costs of the projects authorized in
75.6 subdivision 2. The aggregate principal amount of bonds issued under this subdivision may
75.7 not exceed \$5,000,000, plus an amount to be applied to the payment of the costs of issuing
75.8 the bonds. The bonds may be paid from or secured by any funds available to the city of
75.9 Blue Earth, including the tax authorized under subdivision 1. The issuance of bonds under
75.10 this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

75.11 (b) The bonds are not included in computing any debt limitation applicable to the city
75.12 of Blue Earth, and any levy of taxes under Minnesota Statutes, section 475.61, to pay
75.13 principal and interest on the bonds is not subject to any levy limitation. A separate election
75.14 to approve the bonds under Minnesota Statutes, section 475.58, is not required.

75.15 Subd. 4. **Termination of taxes.** The tax imposed under subdivision 1 expires at the
75.16 earlier of: (1) 25 years after the tax is first imposed; or (2) when the city council determines
75.17 that \$5,000,000, plus an amount sufficient to pay the costs related to issuing the bonds
75.18 authorized under subdivision 3, including interest on the bonds, has been received from the
75.19 tax to pay for the cost of the projects authorized under subdivision 2. Any funds remaining
75.20 after payment of all such costs and retirement or redemption of the bonds due to timing of
75.21 the termination under Minnesota Statutes, section 297A.99, shall be placed in the general
75.22 fund of the city. The tax imposed under subdivision 1 may expire at an earlier time if the
75.23 city so determines by ordinance.

75.24 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
75.25 city of Blue Earth and its chief clerical officer comply with Minnesota Statutes, section
75.26 645.021, subdivisions 2 and 3.

75.27 Sec. 16. **CITY OF CAMBRIDGE; TAX AUTHORIZED.**

75.28 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,
75.29 section 297A.99, subdivision 1, or 477A.016, or any other law, ordinance, or city charter,
75.30 and as approved by the voters at the November 6, 2018, general election, the city of
75.31 Cambridge may impose, by ordinance, a sales and use tax of one-half of one percent for
75.32 the purposes specified in subdivision 2. Except as otherwise provided in this section, the
75.33 provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration,
75.34 collection, and enforcement of the tax authorized under this subdivision. The tax may not

76.1 be imposed until the city complies with the provisions of section 31 as it relates to funding
76.2 of the street improvements in subdivision 2, clause (2).

76.3 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized
76.4 under subdivision 1 must be used by the city of Cambridge to pay the costs of collecting
76.5 and administering the tax and paying for the following infrastructure projects in the city,
76.6 including securing and paying debt service on bonds issued to finance all or part of the
76.7 following projects:

76.8 (1) \$8,000,000 plus associated bonding costs for construction of a new facility to house
76.9 the Cambridge Public Library and the East Central Regional Library Headquarters; and

76.10 (2) \$14,000,000 plus associated bonding costs for street improvements outlined in the
76.11 Street Capital Improvement Program approved by the city council as of January 22, 2019,
76.12 and outdoor park improvements described in the park master plan as of January 22, 2019.

76.13 Subd. 3. **Bonding authority.** (a) The city of Cambridge may issue bonds under Minnesota
76.14 Statutes, chapter 475, to finance all or a portion of the costs of the projects authorized in
76.15 subdivision 2. The aggregate principal amount of bonds issued under this subdivision may
76.16 not exceed: (1) \$8,000,000 for the project listed in subdivision 2, clause (1), plus an amount
76.17 applied to the payment of costs of issuing the bonds; and (2) \$14,000,000 for the projects
76.18 listed in subdivision 2, clause (2), plus an amount applied to the payment of costs of issuing
76.19 the bonds. The bonds may be paid from or secured by any funds available to the city of
76.20 Cambridge, including the tax authorized under subdivision 1. The issuance of bonds under
76.21 this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

76.22 (b) The bonds are not included in computing any debt limitation applicable to the city.
76.23 Any levy of taxes under Minnesota Statutes, section 475.61, to pay principal of and interest
76.24 on the bonds is not subject to any levy limitation. A separate election to approve the bonds
76.25 under Minnesota Statutes, section 475.58, is not required.

76.26 Subd. 4. **Termination of taxes.** The tax imposed under subdivision 1 expires at the
76.27 earlier of: (1) December 31, 2043; or (2) when the city council determines that the city has
76.28 received from this tax \$22,000,000 to fund the projects listed in subdivision 2 plus an amount
76.29 sufficient to pay costs, including interest costs, related to the issuance of the bonds authorized
76.30 in subdivision 3. Any funds remaining after payment of the allowed costs due to timing of
76.31 the termination under Minnesota Statutes, section 297A.99, shall be placed in the city's
76.32 general fund. The tax imposed under subdivision 1 may expire at an earlier time if the city
76.33 so determines by ordinance.

77.1 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
77.2 city of Cambridge and its chief clerical officer comply with Minnesota Statutes, section
77.3 645.021, subdivisions 2 and 3.

77.4 Sec. 17. **CITY OF DETROIT LAKES; LOCAL SALES AND USE TAX**
77.5 **AUTHORIZED.**

77.6 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,
77.7 section 297A.99, subdivision 1, or 477A.016, or any other law, ordinance, or city charter,
77.8 and as approved by the voters at the November 6, 2018, general election, the city of Detroit
77.9 Lakes may impose, by ordinance, a sales and use tax of one-half of one percent for the
77.10 purposes specified in subdivision 2. Except as otherwise provided in this section, the
77.11 provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration,
77.12 collection, and enforcement of the tax authorized under this subdivision.

77.13 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized
77.14 under subdivision 1 must be used by the city of Detroit Lakes to pay the costs of collecting
77.15 and administering the tax, and construction of a new police department facility in the city,
77.16 including securing and paying debt service on bonds issued to finance all or part of this
77.17 project. The total amount of the police department facility to be funded with the tax imposed
77.18 under subdivision 1 shall not exceed \$6,700,000, excluding associated debt service costs.

77.19 Subd. 3. **Bonding authority.** (a) The city of Detroit Lakes may issue bonds under
77.20 Minnesota Statutes, chapter 475, to finance all or a portion of the costs of the project
77.21 authorized in subdivision 2. The aggregate principal amount of bonds issued under this
77.22 subdivision may not exceed \$6,700,000, plus an amount applied to the payment of costs of
77.23 issuing the bonds. The bonds may be paid from or secured by any funds available to the
77.24 city of Detroit Lakes, including the tax authorized under subdivision 1. The issuance of
77.25 bonds under this subdivision is not subject to Minnesota Statutes, sections 275.60 and
77.26 275.61.

77.27 (b) The bonds are not subject to any provisions of the home rule charter of the city of
77.28 Detroit Lakes and are not included in computing any debt limitation applicable to the city.
77.29 Any levy of taxes under Minnesota Statutes, section 475.61, to pay principal of and interest
77.30 on the bonds is not subject to any levy limitation. A separate election to approve the bonds
77.31 under Minnesota Statutes, section 475.58, is not required.

77.32 Subd. 4. **Termination of taxes.** The tax imposed under subdivision 1 expires at the
77.33 earlier of: (1) ten years after the tax is first imposed; or (2) when the city council determines
77.34 that the city has received \$6,700,000 from this tax to fund the projects listed in subdivision

2 plus an amount sufficient to pay costs, including interest costs, related to the issuance of the bonds authorized in subdivision 3. Any funds remaining after payment of the allowed costs due to timing of the termination under Minnesota Statutes, section 297A.99, shall be placed in the city's general fund. The tax imposed under subdivision 1 may expire at an earlier time if the city so determines by ordinance.

EFFECTIVE DATE. This section is effective the day after the governing body of the city of Detroit Lakes and its chief clerical officer comply with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

Sec. 18. **CITY OF ELK RIVER; TAX AUTHORIZED.**

Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes, section 297A.99, subdivision 1, or 477A.016, or any other law or ordinance, and as approved by the voters at the November 6, 2018, general election, the city of Elk River may impose, by ordinance, a sales and use tax of one-half of one percent for the purposes specified in subdivision 2. Except as otherwise provided in this section, the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration, collection, and enforcement of the tax authorized under this subdivision.

Subd. 2. **Use of sales and use tax revenues.** (a) The revenues derived from the tax authorized under subdivision 1 must be used by the city of Elk River to:

(1) pay the costs of collecting and administering the tax;

(2) pay the capital and administrative costs of various recreational facility and park improvements including any or all of the following: a multipurpose recreational facility such as an ice arena, a community meeting and activity space, and a synthetic turf field house; senior center facility improvements; Lion John Weicht Park improvements, Lions Park Center space improvements, and a community picnic pavilion addition; youth athletic complex improvements; Orono Park improvements; dredging Lake Orono; and citywide trail connection improvements; and

(3) secure and pay debt service on bonds issued to finance all or part of the projects listed in clause (2).

(b) The total that may be raised from the tax to pay for these projects is limited to \$35,000,000, plus the costs related to the issuance and paying debt service on bonds for these projects.

Subd. 3. **Bonding authority.** (a) The city of Elk River may issue bonds under Minnesota Statutes, chapter 475, to finance all or a portion of the costs of the project authorized in

79.1 subdivision 2. The aggregate principal amount of bonds issued under this subdivision may
79.2 not exceed \$35,000,000, plus an amount applied to the payment of costs of issuing the
79.3 bonds. The bonds may be paid from or secured by any funds available to the city of Elk
79.4 River, including the tax authorized under subdivision 1. The issuance of bonds under this
79.5 subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

79.6 (b) The bonds are not subject to any provisions of the home rule charter of the city of
79.7 Elk River and are not included in computing any debt limitation applicable to the city. Any
79.8 levy of taxes under Minnesota Statutes, section 475.61, to pay principal of and interest on
79.9 the bonds is not subject to any levy limitation. A separate election to approve the bonds
79.10 under Minnesota Statutes, section 475.58, is not required.

79.11 Subd. 4. **Termination of taxes.** The tax imposed under subdivision 1 expires at the
79.12 earlier of: (1) 25 years after the tax is first imposed; or (2) when the city council determines
79.13 that the city has received \$35,000,000 from this tax to fund the projects listed in subdivision
79.14 2 plus an amount sufficient to pay costs, including interest costs, related to the issuance of
79.15 the bonds authorized in subdivision 3. Any funds remaining after payment of the allowed
79.16 costs due to timing of the termination under section 297A.99 shall be placed in the city's
79.17 general fund. The tax imposed under subdivision 1 may expire at an earlier time if the city
79.18 so determines by ordinance.

79.19 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
79.20 city of Elk River and its chief clerical officer comply with Minnesota Statutes, section
79.21 645.021, subdivisions 2 and 3.

79.22 Sec. 19. **CITY OF EXCELSIOR; LOCAL SALES AND USE TAX AUTHORIZED.**

79.23 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,
79.24 section 297A.99, subdivisions 1 and 2, or 477A.016, or any other law, ordinance, or city
79.25 charter, the city of Excelsior may impose, by ordinance, a sales and use tax of up to one-half
79.26 of one percent for the purposes specified in subdivision 2, if approved by the voters at a
79.27 general election held before December 31, 2020. Except as otherwise provided in this
79.28 section, the provisions of Minnesota Statutes, section 297A.99, govern the imposition,
79.29 administration, collection, and enforcement of the tax authorized under this subdivision.

79.30 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized
79.31 under subdivision 1 must be used by the city of Excelsior to pay the costs of collecting and
79.32 administering the tax and to finance the capital and administrative costs of improvements
79.33 to the commons as indicated in the Commons Master Plan as adopted by the city council
79.34 on November 20, 2017. Authorized expenses include, but are not limited to, improvements

80.1 for walkability and accessibility, enhancement of beach area and facilities, prevention and
80.2 management of shoreline erosion, redesign of the port and band shell, improvement of
80.3 playground equipment, and securing and paying debt service on bonds issued under
80.4 subdivision 3 or other obligations issued to the improvements listed in this subdivision in
80.5 the city of Excelsior.

80.6 Subd. 3. **Bonding authority.** (a) If the imposition of the tax is approved by the voters
80.7 under subdivision 1, the city of Excelsior may issue bonds under Minnesota Statutes, chapter
80.8 475, to finance all or a portion of the costs of the projects authorized in subdivision 2,
80.9 without a second vote. The aggregate principal amount of bonds issued under this subdivision
80.10 may not exceed \$7,000,000, plus an amount to be applied to the payment of the costs of
80.11 issuing the bonds. The bonds may be paid from or secured by any funds available to the
80.12 city of Excelsior, including the tax authorized under subdivision 1. The issuance of bonds
80.13 under this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

80.14 (b) The bonds are not included in computing any debt limitation applicable to the city
80.15 of Excelsior, and any levy of taxes under Minnesota Statutes, section 475.61, to pay principal
80.16 and interest on the bonds is not subject to any levy limitation. A separate election to approve
80.17 the bonds under Minnesota Statutes, section 475.58, is not required.

80.18 Subd. 4. **Termination of taxes.** The tax imposed under subdivision 1 expires at the later
80.19 of: (1) 25 years after the tax is first imposed; or (2) when the city council determines that
80.20 \$7,000,000 has been received from the tax to pay for the cost of the projects authorized
80.21 under subdivision 2, plus an amount sufficient to pay the costs related to issuance of the
80.22 bonds authorized under subdivision 3, including interest on the bonds. Any funds remaining
80.23 after payment of all such costs and retirement or redemption of the bonds shall be placed
80.24 in the general fund of the city. The tax imposed under subdivision 1 may expire at an earlier
80.25 time if the city so determines by ordinance.

80.26 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
80.27 city of Excelsior and its chief clerical officer comply with Minnesota Statutes, section
80.28 645.021, subdivisions 2 and 3.

80.29 Sec. 20. **CITY OF GLENWOOD; TAX AUTHORIZED.**

80.30 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,
80.31 section 477A.016, or any other law, ordinance, or city charter, and as approved by the voters
80.32 at the November 6, 2018, general election, the city of Glenwood may impose, by ordinance,
80.33 a sales and use tax of up to one-half of one percent for the purposes specified in subdivision
80.34 2. Except as otherwise provided in this section, the provisions of Minnesota Statutes, section

81.1 297A.99, govern the imposition, administration, collection, and enforcement of the tax
81.2 authorized under this subdivision. The tax may not be imposed until the city complies with
81.3 the provisions of section 31.

81.4 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized
81.5 under subdivision 1 must be used by the city of Glenwood to pay the costs of collecting and
81.6 administering the tax and to finance, including securing and paying debt service on, all or
81.7 part of the following projects:

81.8 (1) the capital costs of the Phases II and III improvements to 2nd Street SE as set forth
81.9 in the city's capital improvement plan;

81.10 (2) the development and expansion of, and improvements to, city parks, trails, and
81.11 recreational facilities; and

81.12 (3) improvements to Glenwood City Hall and police station.

81.13 Subd. 3. **Bonding authority.** (a) The city of Glenwood may issue bonds under Minnesota
81.14 Statutes, chapter 475, to finance all or a portion of the costs of the project authorized in
81.15 subdivision 2. The aggregate principal amount of bonds issued under this subdivision may
81.16 not exceed \$2,800,000, plus an amount applied to the payment of costs of issuing the bonds.
81.17 The bonds may be paid from or secured by any funds available to the city of Glenwood,
81.18 including the tax authorized under subdivision 1. The issuance of bonds under this
81.19 subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

81.20 (b) The bonds are not subject to any provisions of the home rule charter of the city of
81.21 Glenwood and are not included in computing any debt limitation applicable to the city. Any
81.22 levy of taxes under Minnesota Statutes, section 475.61, to pay principal of and interest on
81.23 the bonds is not subject to any levy limitation. A separate election to approve the bonds
81.24 under Minnesota Statutes, section 475.58, is not required.

81.25 Subd. 4. **Termination of taxes.** The tax imposed under subdivision 1 expires at the
81.26 earlier of: (1) 20 years after the tax is first imposed; or (2) when the city council determines
81.27 that the city has received \$2,800,000 from this tax to fund the projects listed in subdivision
81.28 2 plus an amount sufficient to pay costs, including interest costs, related to the issuance of
81.29 the bonds authorized in subdivision 3. Any funds remaining after payment of the allowed
81.30 costs due to timing of the termination under Minnesota Statutes, section 297A.99, shall be
81.31 placed in the city's general fund. The tax imposed under subdivision 1 may expire at an
81.32 earlier time if the city so determines by ordinance.

82.1 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
82.2 city of Glenwood and its chief clerical officer comply with Minnesota Statutes, section
82.3 645.021, subdivisions 2 and 3.

82.4 Sec. 21. **CITY OF INTERNATIONAL FALLS; TAX AUTHORIZED.**

82.5 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,
82.6 section 297A.99, subdivision 1, or 477A.016, or any other law, ordinance, or city charter,
82.7 and as approved by the voters at the November 6, 2018, general election, the city of
82.8 International Falls may impose, by ordinance, a sales and use tax of up to one percent for
82.9 the purposes specified in subdivision 2. Except as otherwise provided in this section, the
82.10 provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration,
82.11 collection, and enforcement of the tax authorized under this subdivision. The tax may not
82.12 be imposed until the city complies with the provisions of section 31.

82.13 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized
82.14 under subdivision 1 must be used by the city of International Falls to pay the costs of
82.15 collecting and administering the tax, and paying for transportation and other public
82.16 infrastructure projects in the city, including securing and paying debt service on bonds
82.17 issued to finance all or part of these projects. The total amount of transportation and other
82.18 public infrastructure projects to be funded with the tax imposed under subdivision 1 shall
82.19 not exceed \$30,000,000, excluding associated debt service costs.

82.20 Subd. 3. **Bonding authority.** (a) The city of International Falls may issue bonds under
82.21 Minnesota Statutes, chapter 475, to finance all or a portion of the costs of the project
82.22 authorized in subdivision 2. The aggregate principal amount of bonds issued under this
82.23 subdivision may not exceed \$30,000,000, plus an amount applied to the payment of costs
82.24 of issuing the bonds. The bonds may be paid from or secured by any funds available to the
82.25 city of International Falls, including the tax authorized under subdivision 1. The issuance
82.26 of bonds under this subdivision is not subject to Minnesota Statutes, sections 275.60 and
82.27 275.61.

82.28 (b) The bonds are not subject to any provisions of the home rule charter of the city of
82.29 International Falls and are not included in computing any debt limitation applicable to the
82.30 city. Any levy of taxes under Minnesota Statutes, section 475.61, to pay principal of and
82.31 interest on the bonds is not subject to any levy limitation. A separate election to approve
82.32 the bonds under Minnesota Statutes, section 475.58, is not required.

82.33 Subd. 4. **Termination of taxes.** The tax imposed under subdivision 1 expires at the
82.34 earlier of: (1) 30 years after the tax is first imposed; or (2) when the city council determines

83.1 that the city has received \$30,000,000 from this tax to fund the projects listed in subdivision
83.2 2 plus an amount sufficient to pay costs, including interest costs, related to the issuance of
83.3 the bonds authorized in subdivision 3. Any funds remaining after payment of the allowed
83.4 costs due to timing of the termination under section 297A.99 shall be placed in the general
83.5 fund of the city. The tax imposed under subdivision 1 may expire at an earlier time if the
83.6 city so determines by ordinance.

83.7 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
83.8 city of International Falls and its chief clerical officer comply with Minnesota Statutes,
83.9 section 645.021, subdivisions 2 and 3.

83.10 Sec. 22. **CITY OF LA CRESCENT; LOCAL LODGING TAX AUTHORIZED.**

83.11 Notwithstanding Minnesota Statutes, section 477A.016, or other law, in addition to a
83.12 tax authorized in Minnesota Statutes, section 469.190, the city of La Crescent may impose
83.13 by ordinance a tax of up to two percent on the gross receipts subject to the lodging tax under
83.14 Minnesota Statutes, section 469.190. The proceeds of the tax shall be split evenly between
83.15 (1) the city chamber of commerce to promote tourism in southeastern Minnesota, and (2)
83.16 the La Crescent Area Event Center to promote local tourism.

83.17 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
83.18 city of La Crescent and its chief clerical officer comply with Minnesota Statutes, section
83.19 645.021, subdivisions 2 and 3.

83.20 Sec. 23. **LAKE COUNTY; LOCAL LODGING TAX AUTHORIZED.**

83.21 Subdivision 1. **Lodging tax.** (a) Notwithstanding Minnesota Statutes, section 477A.016,
83.22 or any other provision of law, ordinance, or city charter, the Board of Commissioners of
83.23 Lake County may impose, by ordinance, a tax of up to four percent on the gross receipts
83.24 subject to the lodging tax under Minnesota Statutes, section 469.190. This tax is in addition
83.25 to any tax imposed under Minnesota Statutes, section 469.190. The total tax imposed by
83.26 the county under this section, by the city of Two Harbors under Laws 1994, chapter 587,
83.27 article 9, section 11, and under Minnesota Statutes, section 469.190, must not exceed seven
83.28 percent.

83.29 (b) No other city or town located in Lake County that did not impose a local sales tax
83.30 under Minnesota Statutes, section 469.190, prior to May 1, 2019, may impose a tax under
83.31 Minnesota Statutes, section 469.190, while a tax is in effect under this section.

84.1 Subd. 2. **Allowed use of revenues.** The revenues derived from the taxes imposed in
84.2 subdivision 1 must be used to fund a new Lake County Event and Visitors Bureau as
84.3 established by or contracted with the Board of Commissioners of Lake County. The Board
84.4 of Commissioners must use 75 percent of revenues for marketing the county and 25 percent
84.5 of revenues to fund and promote community events and festivals in the county. The Board
84.6 of Commissioners of Lake County must annually review the budget of the Lake County
84.7 Event and Visitors Bureau. The event and visitors bureau may not receive revenues raised
84.8 from the taxes imposed in subdivision 1 until the Board of Commissioners approves the
84.9 annual budget.

84.10 **EFFECTIVE DATE.** This section is effective the day after the governing body of Lake
84.11 County and its chief clerical officer comply with Minnesota Statutes, section 645.021,
84.12 subdivisions 2 and 3.

84.13 Sec. 24. **CITY OF NORTH MANKATO; LOCAL FOOD AND BEVERAGE TAX**
84.14 **AUTHORIZED.**

84.15 Subdivision 1. **Food and beverage tax authorized.** Notwithstanding Minnesota Statutes,
84.16 section 477A.016, or any ordinance, city charter, or other provision of law, the city of North
84.17 Mankato may, by ordinance, impose a sales tax of up to one percent on the gross receipts
84.18 on all sales of food and beverages by a restaurant or place of refreshment, as defined by
84.19 resolution of the city, that are located within the city. For purposes of this section, "food
84.20 and beverages" includes retail on-sale of intoxicating liquor and fermented malt beverages.

84.21 Subd. 2. **Use of proceeds from tax.** (a) The proceeds of any tax imposed under
84.22 subdivision 1 shall be used by the city to pay all or a portion of the expenses of:

84.23 (1) operation, maintenance, and capital expenses for the Caswell Park Regional Sporting
84.24 Complex; and

84.25 (2) for costs related to regional tourism events.

84.26 (b) Authorized capital expenses include securing or paying debt service on bonds or
84.27 other obligations issued to finance the construction of the Caswell Park Regional Sporting
84.28 Complex facilities.

84.29 Subd. 3. **Collection, administration, and enforcement.** If the city desires, it may enter
84.30 into an agreement with the commissioner of revenue to administer, collect, and enforce the
84.31 taxes authorized under subdivisions 1 and 2. If the commissioner agrees to collect the tax,
84.32 the provisions of Minnesota Statutes, section 297A.99, related to collection, administration,
84.33 and enforcement apply.

85.1 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
85.2 city of North Mankato and its chief clerical officer comply with Minnesota Statutes, section
85.3 645.021, subdivisions 2 and 3.

85.4 **Sec. 25. CITY OF PERHAM; LOCAL SALES AND USE TAX AUTHORIZED.**

85.5 Subdivision 1. Sales and use tax authorization. Notwithstanding Minnesota Statutes,
85.6 section 297A.99, subdivisions 1 and 2, or 477A.016, or any other law or ordinance, and
85.7 based on the approval by the voters at the November 6, 2018, election, the city of Perham
85.8 may impose by ordinance a sales and use tax of up to one-half of one percent for the purposes
85.9 specified in subdivision 2. Except as otherwise provided in this section, the provisions of
85.10 Minnesota Statutes, section 297A.99, govern the imposition, administration, collection, and
85.11 enforcement of the tax authorized under this subdivision.

85.12 Subd. 2. Use of revenues. The revenues derived from the tax authorized under subdivision
85.13 1 must be used by the city of Perham to:

85.14 (1) pay the costs of collecting and administering the tax;

85.15 (2) finance the capital costs of site preparation, redevelopment, renovation, and
85.16 construction of buildings, land, and infrastructure at the site of the Perham Area Community
85.17 Center; and

85.18 (3) pay debt service on bonds issued under subdivision 3 or other obligations issued to
85.19 the improvements listed in this subdivision in the city of Perham.

85.20 Subd. 3. Bonding authority. (a) The city of Perham may issue bonds under Minnesota
85.21 Statutes, chapter 475, to finance all or a portion of the costs of the projects authorized in
85.22 subdivision 2. The aggregate principal amount of bonds issued under this subdivision may
85.23 not exceed \$5,200,000, plus an amount to be applied to the payment of the costs of issuing
85.24 the bonds. The bonds may be paid from or secured by any funds available to the city of
85.25 Perham, including the tax authorized under subdivision 1. The issuance of bonds under this
85.26 subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

85.27 (b) The bonds are not included in computing any debt limitation applicable to the city
85.28 of Perham, and any levy of taxes under Minnesota Statutes, section 475.61, to pay principal
85.29 and interest on the bonds is not subject to any levy limitation. A separate election to approve
85.30 the bonds under Minnesota Statutes, section 475.58, is not required.

85.31 Subd. 4. Termination of taxes. The tax imposed under subdivision 1 expires at the
85.32 earlier of: (1) 20 years after the tax is first imposed; or (2) when the city council determines
85.33 that \$5,200,000 has been received from the tax to pay for the cost of the projects authorized

86.1 under subdivision 2, plus an amount sufficient to pay the costs related to issuance of the
86.2 bonds authorized under subdivision 3, including interest on the bonds. Any funds remaining
86.3 after payment of all such costs and retirement or redemption of the bonds shall be placed
86.4 in the general fund of the city. The tax imposed under subdivision 1 may expire at an earlier
86.5 time if the city so determines by ordinance.

86.6 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
86.7 city of Perham and its chief clerical officer comply with Minnesota Statutes, section 645.021,
86.8 subdivisions 2 and 3.

86.9 **Sec. 26. CITY OF PLYMOUTH; LOCAL LODGING TAX AUTHORIZED.**

86.10 (a) Notwithstanding Minnesota Statutes, section 477A.016, or any other provision of
86.11 law, ordinance, or city charter, the city council for the city of Plymouth may impose by
86.12 ordinance a tax of up to three percent on the gross receipts subject to the lodging tax under
86.13 Minnesota Statutes, section 469.190. This tax is in addition to any tax imposed under
86.14 Minnesota Statutes, section 469.190, and the total tax imposed under that section and this
86.15 provision must not exceed six percent.

86.16 (b) Two-thirds of the revenue from the tax imposed under this section must be dedicated
86.17 and used for capital improvements to public recreational facilities and marketing and
86.18 promotion of the community, and the remaining one-third of the revenue must be used for
86.19 the same purposes as a tax imposed under Minnesota Statutes, section 469.190.

86.20 (c) The tax imposed under this authority terminates at the earlier of: (1) five years after
86.21 the tax is first imposed; or (2) December 31, 2025.

86.22 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
86.23 city of Plymouth and its chief clerical officer comply with Minnesota Statutes, section
86.24 645.021, subdivisions 2 and 3.

86.25 **Sec. 27. CITY OF SAUK CENTRE; TAXES AUTHORIZED.**

86.26 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,
86.27 section 297A.99, subdivisions 1 and 2, or 477A.016, or any other law, ordinance, or city
86.28 charter, the city of Sauk Centre, pursuant to approval by the voters at the general election
86.29 on November 6, 2018, may impose by ordinance a sales and use tax of up to one-half of
86.30 one percent and a \$20 motor vehicle excise tax for the purposes specified in subdivision 2.
86.31 Except as otherwise provided in this section, the provisions of Minnesota Statutes, section

87.1 297A.99, govern the imposition, administration, collection, and enforcement of the tax
87.2 authorized under this subdivision.

87.3 Subd. 2. **Use of revenues.** Revenues received from taxes authorized by subdivision 1
87.4 must be used by the city to:

87.5 (1) pay the costs of collecting and administering the tax;

87.6 (2) pay the capital costs of city infrastructure improvement projects directly related to
87.7 the reconstruction of Trunk Highway 71; and

87.8 (3) pay debt service on bonds issued under subdivision 3 or other obligations issued to
87.9 finance the improvements listed in this subdivision in the city.

87.10 Subd. 3. **Bonding authority.** (a) The city may issue bonds under Minnesota Statutes,
87.11 chapter 475, to pay the costs of the projects authorized in subdivision 2. The aggregate
87.12 principal amount of bonds issued under this subdivision may not exceed \$10,000,000 plus
87.13 an amount to be applied to the payment of the costs of issuing the bonds. The bonds may
87.14 be paid from or secured by any funds available to the city, including the tax authorized
87.15 under subdivision 1. The issuance of bonds under this subdivision is not subject to Minnesota
87.16 Statutes, sections 275.60 and 275.61.

87.17 (b) The bonds are not included in computing any debt limitation applicable to the city,
87.18 and any levy of taxes under Minnesota Statutes, section 475.61, to pay principal and interest
87.19 on the bonds is not subject to any levy limitation. A separate election to approve the bonds
87.20 under Minnesota Statutes, section 475.58, is not required.

87.21 Subd. 4. **Termination of taxes.** The tax imposed under subdivision 1 expires at the
87.22 earlier of: (1) December 31, 2045; or (2) when the city council determines that \$10,000,000
87.23 has been received from the tax to pay for the cost of the projects authorized under subdivision
87.24 2, plus an amount sufficient to pay the costs related to issuance of the bonds authorized
87.25 under subdivision 3, including interest on the bonds. Any funds remaining after payment
87.26 of all such costs and retirement or redemption of the bonds shall be placed in the general
87.27 fund of the city. The tax imposed under subdivision 1 may expire at an earlier time if the
87.28 city so determines by ordinance.

87.29 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
87.30 city of Sauk Centre and its chief clerical officer comply with Minnesota Statutes, section
87.31 645.021, subdivisions 2 and 3.

88.1 **Sec. 28. CITY OF VIRGINIA; LOCAL SALES AND USE TAX AUTHORIZED.**

88.2 **Subdivision 1. Sales and use tax authorization.** Notwithstanding Minnesota Statutes,
88.3 section 297A.99, subdivision 1, or 477A.016, or any other law, ordinance, or city charter,
88.4 and as approved by the voters at the November 6, 2018, general election, the city of Virginia
88.5 may impose, by ordinance, a sales and use tax of up to one percent for the purposes specified
88.6 in subdivision 2. Except as otherwise provided in this section, the provisions of Minnesota
88.7 Statutes, section 297A.99, govern the imposition, administration, collection, and enforcement
88.8 of the tax authorized under this subdivision.

88.9 **Subd. 2. Use of sales and use tax revenues.** The revenues derived from the tax authorized
88.10 under subdivision 1 must be used by the city of Virginia to pay the costs of collecting and
88.11 administering the tax, and to finance the costs of renovation, reconstruction, expansion, and
88.12 improvements of the Miner's Memorial recreation complex and convention center. Authorized
88.13 costs include engineering and construction costs and associated bond issuance costs.

88.14 **Subd. 3. Bonding authority.** (a) The city of Virginia may issue bonds under Minnesota
88.15 Statutes, chapter 475, to finance all or a portion of the costs of the project authorized in
88.16 subdivision 2. The aggregate principal amount of bonds issued under this subdivision may
88.17 not exceed \$30,000,000, plus an amount applied to the payment of costs of issuing the
88.18 bonds. The bonds may be paid from or secured by any funds available to the city of Virginia,
88.19 including the tax authorized under subdivision 1. The issuance of bonds under this
88.20 subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

88.21 (b) The bonds are not subject to any provisions of the home rule charter of the city of
88.22 Virginia and are not included in computing any debt limitation applicable to the city. Any
88.23 levy of taxes under Minnesota Statutes, section 475.61, to pay principal of and interest on
88.24 the bonds is not subject to any levy limitation. A separate election to approve the bonds
88.25 under Minnesota Statutes, section 475.58, is not required.

88.26 **Subd. 4. Termination of taxes.** The tax imposed under subdivision 1 expires at the
88.27 earlier of: (1) 20 years after the tax is first imposed; or (2) when the city council determines
88.28 that the city has received \$30,000,000 from this tax to fund the projects listed in subdivision
88.29 2 plus an amount sufficient to pay costs, including interest costs, related to the issuance of
88.30 the bonds authorized in subdivision 3. Any funds remaining after payment of the allowed
88.31 costs due to timing of the termination under section 297A.99 shall be placed in the city's
88.32 general fund. The tax imposed under subdivision 1 may expire at an earlier time if the city
88.33 so determines by ordinance.

89.1 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
89.2 city of Virginia and its chief clerical officer comply with Minnesota Statutes, section 645.021,
89.3 subdivisions 2 and 3.

89.4 Sec. 29. **CITY OF WILLMAR; TAX AUTHORIZED.**

89.5 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,
89.6 section 297A.99, subdivision 1, or 477A.016, or any other law, ordinance, or city charter,
89.7 and as approved by the voters at the November 6, 2018, general election, the city of Willmar
89.8 may impose, by ordinance, a sales and use tax of up to one-half of one percent for the
89.9 purposes specified in subdivision 3. Except as otherwise provided in this section, the
89.10 provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration,
89.11 collection, and enforcement of the tax authorized under this subdivision.

89.12 Subd. 2. **Excise tax authorized.** Notwithstanding Minnesota Statutes, section 477A.016,
89.13 or any other contrary provision of law, ordinance, or city charter, the city of Willmar may
89.14 impose by ordinance, for the purposes specified in subdivision 3, an excise tax of up to \$20
89.15 per motor vehicle, as defined by ordinance, purchased or acquired from any person engaged
89.16 within the city of Willmar in the business of selling motor vehicles at retail.

89.17 Subd. 3. **Use of revenues.** (a) The revenues derived from the taxes authorized under
89.18 subdivisions 1 and 2 must be used by the city of Willmar to pay the costs of collecting and
89.19 administering the taxes, and to pay for the projects listed in this subdivision, including
89.20 securing and paying debt service on bonds issued to finance all or part of these projects.
89.21 The total amount of projects to be funded with the taxes imposed under subdivisions 1 and
89.22 2 shall not exceed \$30,000,000 plus the costs related to the issuance and paying debt service
89.23 on bonds for these projects. The amount that may be spent on each project is limited to:

89.24 (1) \$2,000,000 for a community center replacement;

89.25 (2) \$6,000,000 for new athletic fields;

89.26 (3) \$3,000,000 for infrastructure improvements at Robins Island Regional Park;

89.27 (4) \$2,000,000 for a new playground and spectator amenities at Swansson Field Regional
89.28 Park;

89.29 (5) \$7,000,000 for storm water management infrastructure improvements; and

89.30 (6) \$10,000,000 for a new recreation and event center.

90.1 (b) Notwithstanding the limits listed in paragraph (a) the city may by ordinance reallocate
90.2 up to ten percent of the funds designated for one or more projects listed in that paragraph
90.3 to other projects listed in that paragraph.

90.4 Subd. 4. **Bonding authority.** (a) The city of Willmar may issue bonds under Minnesota
90.5 Statutes, chapter 475, to finance all or a portion of the costs of the projects authorized in
90.6 subdivision 3. The aggregate principal amount of bonds issued under this subdivision may
90.7 not exceed \$30,000,000, plus an amount applied to the payment of costs of issuing the
90.8 bonds. The bonds may be paid from or secured by any funds available to the city of Willmar,
90.9 including the taxes authorized under subdivisions 1 and 2. The issuance of bonds under this
90.10 subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

90.11 (b) The bonds are not subject to any provisions of the home rule charter of the city of
90.12 Willmar and are not included in computing any debt limitation applicable to the city. Any
90.13 levy of taxes under Minnesota Statutes, section 475.61, to pay principal of and interest on
90.14 the bonds is not subject to any levy limitation. A separate election to approve the bonds
90.15 under Minnesota Statutes, section 475.58, is not required.

90.16 Subd. 5. **Termination of taxes.** The taxes imposed under subdivisions 1 and 2 expire
90.17 at the earlier of: (1) 13 years after the taxes are first imposed; or (2) when the city council
90.18 determines that the city has received \$30,000,000 from this tax to fund the projects listed
90.19 in subdivision 3 plus an amount sufficient to pay interest on and the costs of the issuance
90.20 of the bonds authorized in subdivision 4. Any funds remaining after payment of the allowed
90.21 costs due to timing of the termination under Minnesota Statutes, section 297A.99, shall be
90.22 placed in the city's general fund. The taxes imposed under subdivisions 1 and 2 may expire
90.23 at an earlier time if the city so determines by ordinance.

90.24 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
90.25 city of Willmar and its chief clerical officer comply with Minnesota Statutes, section 645.021,
90.26 subdivisions 2 and 3.

90.27 Sec. 30. **CITY OF WORTHINGTON; TAX AUTHORIZED.**

90.28 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,
90.29 section 297A.99, subdivision 1, or 477A.016, or any other law, ordinance, or city charter,
90.30 and as approved by the voters at the November 6, 2018, general election, the city of
90.31 Worthington may impose, by ordinance, a sales and use tax of one-half of one percent for
90.32 the purposes specified in subdivision 3. Except as otherwise provided in this section, the
90.33 provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration,
90.34 collection, and enforcement of the tax authorized under this subdivision. The taxes under

91.1 this subdivision and subdivision 2 may not be imposed until the city complies with the
91.2 provisions of section 31.

91.3 Subd. 2. **Excise tax authorized.** Notwithstanding Minnesota Statutes, section 477A.016,
91.4 or any other contrary provision of law, ordinance, or city charter, the city of Worthington
91.5 may impose by ordinance, for the purposes specified in subdivision 3, an excise tax of up
91.6 to \$20 per motor vehicle, as defined by ordinance, purchased or acquired from any person
91.7 engaged within the city of Worthington in the business of selling motor vehicles at retail.

91.8 Subd. 3. **Use of tax revenues.** (a) The revenues derived from the taxes authorized under
91.9 subdivisions 1 and 2 must be used by the city of Worthington to pay the costs of collecting
91.10 and administering the tax and paying for the projects listed in this subdivision, including
91.11 securing and paying debt service on bonds issued to finance all or part of the following
91.12 projects:

91.13 (1) improvements to the aquatic center;

91.14 (2) improvements to the field house;

91.15 (3) improvements to the ice arena;

91.16 (4) other park and recreation capital projects and improvements;

91.17 (5) lake quality improvement; and

91.18 (6) improvements to the 10th Street plaza.

91.19 (b) The total amount of projects to be funded with the taxes imposed under subdivisions
91.20 1 and 2 shall not exceed \$25,000,000 plus the costs related to the issuance of and paying
91.21 debt service on bonds for these projects.

91.22 Subd. 4. **Bonding authority.** (a) The city of Worthington may issue bonds under
91.23 Minnesota Statutes, chapter 475, to finance all or a portion of the costs of the projects
91.24 authorized in subdivision 3. The aggregate principal amount of bonds issued under this
91.25 subdivision may not exceed \$25,000,000 plus an amount applied to the payment of costs
91.26 of issuing the bonds. The bonds may be paid from or secured by any funds available to the
91.27 city of Worthington, including the taxes authorized under subdivisions 1 and 2. The issuance
91.28 of bonds under this subdivision is not subject to Minnesota Statutes, sections 275.60 and
91.29 275.61.

91.30 (b) The bonds are not subject to any provisions of the home rule charter of the city of
91.31 Worthington and are not included in computing any debt limitation applicable to the city.
91.32 Any levy of taxes under Minnesota Statutes, section 475.61, to pay principal of and interest

92.1 on the bonds is not subject to any levy limitation. A separate election to approve the bonds
92.2 under Minnesota Statutes, section 475.58, is not required.

92.3 Subd. 5. **Termination of taxes.** The taxes imposed under subdivisions 1 and 2 expire
92.4 at the earlier of: (1) 15 years after the taxes are first imposed; or (2) when the city council
92.5 determines that the city has received \$25,000,000 from this tax to fund the projects listed
92.6 in subdivision 3 plus an amount sufficient to pay interest on and the costs of the issuance
92.7 of the bonds authorized in subdivision 4. Any funds remaining after payment of the allowed
92.8 costs due to timing of the termination under Minnesota Statutes, section 297A.99, shall be
92.9 placed in the city's general fund. The taxes imposed under subdivisions 1 and 2 may expire
92.10 at an earlier time if the city so determines by ordinance.

92.11 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
92.12 city of Worthington and its chief clerical officer comply with Minnesota Statutes, section
92.13 645.021, subdivisions 2 and 3.

92.14 Sec. 31. **RESOLUTION AND PUBLIC NOTICE OF SPECIFIC PROJECTS TO**
92.15 **BE FUNDED WITH A LOCAL SALES TAX.**

92.16 (a) A city authorized to impose a local sales tax based on voter approval at the November
92.17 2018 general election that is subject to this provision must meet the requirements in this
92.18 section before imposing the tax. The city must pass a resolution at a regularly scheduled
92.19 city council meeting outlining each of the specific capital projects that will be funded by
92.20 the tax and the anticipated amount of the revenues to be raised from the tax that will be used
92.21 for each project. Within allowed funding areas listed in the authorized uses of the tax revenue,
92.22 the city must give priority to funding projects of regional significance. For purposes of this
92.23 section a "specific capital project" means:

92.24 (1) a single building or structure including associated infrastructure needed to safely
92.25 access or use the building or structure;

92.26 (2) improvements within a single park or named recreation area;

92.27 (3) a contiguous trail;

92.28 (4) a contiguous segment of roadway, or two or more contiguous segments of roadway
92.29 provided that all segments of the roadway are listed, and including city infrastructure beneath
92.30 the roadway provided the infrastructure is explicitly listed; and

92.31 (5) a sanitary sewer, storm sewer, or water project in a contiguous geographic area served
92.32 by the project that is specifically described in the resolution.

93.1 (b) The resolution must be sent to the commissioner of revenue and the tax may not be
93.2 imposed until the commissioner certifies that the resolution meets the requirements of this
93.3 section. The resolution must also be published on the city's website in a manner easily
93.4 accessible to the public either through a link displayed on the city's home page or by
93.5 publishing it directly on the city's home page. The resolution must remain on the website
93.6 until the tax terminates. Only projects listed in the resolution may be funded by the local
93.7 sales tax.

93.8 (c) The authority to impose a local sales tax that is subject to this section expires on
93.9 January 1, 2021, if the commissioner has not certified that the city has passed a resolution
93.10 that meets the requirements of this section by the last business day before December 31,
93.11 2020.

93.12 **EFFECTIVE DATE.** This section is effective the day following final enactment.

93.13 **ARTICLE 4**

93.14 **TAX INCREMENT FINANCING**

93.15 Section 1. Laws 2008, chapter 366, article 5, section 26, as amended by Laws 2013, chapter
93.16 143, article 9, section 11, is amended to read:

93.17 **Sec. 26. BLOOMINGTON TAX INCREMENT FINANCING; FIVE-YEAR RULE.**

93.18 (a) The requirements of Minnesota Statutes, section 469.1763, subdivision 3, that
93.19 activities must be undertaken within a five-year period from the date of certification of a
93.20 tax increment financing district, are increased to a ~~15-year~~ 25-year period for the Port
93.21 Authority of the City of Bloomington's Tax Increment Financing District No. 1-I,
93.22 Bloomington Central Station.

93.23 (b) Notwithstanding the provisions of Minnesota Statutes, section 469.176, or any other
93.24 law to the contrary, the city of Bloomington and its port authority may extend the duration
93.25 limits of the district for a period through December 31, 2039.

93.26 (c) Effective for taxes payable in 2014, tax increment for the district must be computed
93.27 using the current local tax rate, notwithstanding the provisions of Minnesota Statutes, section
93.28 469.177, subdivision 1a.

93.29 **EFFECTIVE DATE.** This section is effective upon compliance by the city of
93.30 Bloomington with the requirements of Minnesota Statutes, section 645.021, subdivision 3.

94.1 Sec. 2. Laws 2014, chapter 308, article 6, section 8, subdivision 1, as amended by Laws
94.2 2017, First Special Session chapter 1, article 6, section 11, is amended to read:

94.3 Subdivision 1. **Authority to create districts.** (a) The governing body of the city of
94.4 Edina or its development authority may establish one or more tax increment financing
94.5 housing districts in the Southeast Edina Redevelopment Project Area, as the boundaries
94.6 exist on March 31, 2014.

94.7 (b) The authority to request certification of districts under this section expires on
94.8 December 31, ~~2019~~ 2021.

94.9 **EFFECTIVE DATE.** This section is effective without local approval under Minnesota
94.10 Statutes, section 645.023, subdivision 1, paragraph (b).

94.11 Sec. 3. Laws 2014, chapter 308, article 6, section 8, subdivision 3, is amended to read:

94.12 Subd. 3. **Pooling authority.** The city may elect to treat expenditures of increment from
94.13 the Southdale 2 district for a housing project of a district established under this section as
94.14 expenditures qualifying under Minnesota Statutes, section 469.1763, subdivision 2, paragraph
94.15 ~~(d): (1) without regard to whether the housing meets the requirement of a qualified building~~
94.16 ~~under section 42 of the Internal Revenue Code; and (2) may increase by an additional 25~~
94.17 ~~percentage points the permitted amount of expenditures for activities located outside the~~
94.18 ~~geographic area of the district permitted under that section (b).~~

94.19 **EFFECTIVE DATE.** This section is effective upon local approval by the governing
94.20 body of the city of Edina and its compliance with the requirements of Minnesota Statutes,
94.21 section 645.021, subdivision 3.

94.22 Sec. 4. **CITY OF CHAMPLIN; TAX INCREMENT FINANCING DISTRICT;**
94.23 **PROJECT REQUIREMENTS.**

94.24 Subdivision 1. **Five-year rule.** The five-year rule under Minnesota Statutes, section
94.25 469.1763, subdivision 3, is extended to a ten-year period for the Mississippi Crossings tax
94.26 increment financing district.

94.27 Subd. 2. **Term of district.** The term of the Mississippi Crossings tax increment district
94.28 is extended an additional five years.

94.29 Subd. 3. **Revenues for decertification.** Minnesota Statutes, section 469.1763, subdivision
94.30 4, does not apply to the Mississippi Crossings tax increment financing district.

95.1 **EFFECTIVE DATE.** This section is effective upon compliance with Minnesota Statutes,
95.2 section 645.021, subdivisions 2 and 3.

95.3 **Sec. 5. CITY OF MINNEAPOLIS; UPPER HARBOR TERMINAL**
95.4 **REDEVELOPMENT PROJECT.**

95.5 Subdivision 1. **Qualifying rules.** Notwithstanding the criteria in Minnesota Statutes,
95.6 section 469.174, subdivision 10, the governing body of the city of Minneapolis may establish
95.7 by resolution one or more redevelopment tax increment financing districts within that portion
95.8 of the North Washington Industrial Park Redevelopment Project Area as its boundaries
95.9 existed on January 1, 2019, located north of Lowry Avenue. In each resolution, the city
95.10 must find that each parcel in the district was part of property that was formerly used as a
95.11 municipally owned intermodal barge shipping facility that can no longer be used for such
95.12 purpose due to the closure of the Upper St. Anthony Falls Lock under the federal Water
95.13 Resources Reform and Development Act of 2014. Except as provided in this section, the
95.14 provisions of Minnesota Statutes, sections 469.174 to 469.1794, apply to each district created
95.15 under this section.

95.16 Subd. 2. **Use of increments.** Minnesota Statutes, section 469.176, subdivision 4j, does
95.17 not apply to any district established under this section.

95.18 Subd. 3. **Five-year rule.** The five-year period under Minnesota Statutes, section 469.1763,
95.19 subdivision 3, is extended to ten years for any district established under this section.

95.20 Subd. 4. **Pooling authority.** Notwithstanding Minnesota Statutes, section 469.1763,
95.21 subdivision 2, tax increments from any district established under this section may be
95.22 expended anywhere within the portion of the project area as described in subdivision 1, on
95.23 eligible costs permitted under Minnesota Statutes, sections 469.174 to 469.1794.

95.24 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
95.25 city of Minneapolis and its chief clerical officer comply with Minnesota Statutes, section
95.26 645.021, subdivisions 2 and 3.

95.27 **Sec. 6. EXPENDITURE OF HAZARDOUS SUBSTANCE SUBDISTRICT TAX**
95.28 **INCREMENT.**

95.29 Notwithstanding the provisions of Minnesota Statutes, section 469.1763, or any other
95.30 law to the contrary, the city of Roseville and the Roseville Economic Development Authority
95.31 may use any or all increment generated from Hazardous Substance Subdistrict No. 17A for
95.32 the purpose of financing environmental remediation pursuant to one or more response action

96.1 plans on the parcels within or adjacent to the parcels in the subdistrict as originally certified,
96.2 regardless of the date of approval of the response action plan by the Pollution Control
96.3 Agency.

96.4 **EFFECTIVE DATE.** This section is effective upon compliance by the governing body
96.5 of the city of Roseville with the requirements of Minnesota Statutes, section 645.021,
96.6 subdivision 3.

96.7 **Sec. 7. CITY OF DULUTH; TAX INCREMENT FINANCING DISTRICT;**
96.8 **PROJECT REQUIREMENTS.**

96.9 **Subdivision 1. Establishment.** The city of Duluth or the Duluth Economic Development
96.10 Authority may establish one or more redevelopment tax increment financing districts located
96.11 in the city of Duluth, St. Louis County, Minnesota, within the area bordered on the northeast
96.12 by Slip 3 and the Pier B Resort property line extended northwest to Interstate 35, on the
96.13 southeast by the Duluth Harbor, on the southwest by the Compass Minerals property line
96.14 extended northwest to Interstate 35, and on the northwest by Interstate 35, together with
96.15 adjacent roads and rights-of-way; and such property is deemed to meet the requirements of
96.16 Minnesota Statutes, section 469.174, subdivision 10.

96.17 **Subd. 2. Eligible expenditures.** Expenditures incurred in connection with the
96.18 development of the property described in subdivision 1 are deemed to meet the requirements
96.19 of Minnesota Statutes, section 469.176, subdivision 4j. Minnesota Statutes, section 469.176,
96.20 subdivision 4l, does not apply to any tax increment financing district established in the area
96.21 described in subdivision 1. Eligible expenditures for any tax increment financing district
96.22 established in the area described in subdivision 1 include, without limitation, seawalls and
96.23 pier facings adjacent to the boundaries of such district.

96.24 **EFFECTIVE DATE.** This section is effective upon compliance with Minnesota Statutes,
96.25 section 645.021, subdivisions 2 and 3.

96.26 **Sec. 8. CITY OF BURNSVILLE; TIF AUTHORITY.**

96.27 **Subdivision 1. Establishment.** Under the special rules established in subdivision 2, the
96.28 economic development authority of the city of Burnsville or the city of Burnsville may
96.29 establish one or more redevelopment districts located wholly within the area of the city of
96.30 Burnsville, Dakota County, Minnesota, limited to the parcels comprising the Burnsville
96.31 Center mall together with adjacent rights-of-way.

97.1 Subd. 2. **Special rules.** If the city of authority establishes a tax increment financing
97.2 district under this section, the following special rules apply:

97.3 (1) the districts are deemed to meet all the requirements of Minnesota Statutes, section
97.4 469.174, subdivision 10; and

97.5 (2) expenditures incurred in connection with the development of the property described
97.6 in subdivision 1 are deemed to meet the requirements of Minnesota Statutes, section 469.176,
97.7 subdivision 4j.

97.8 **EFFECTIVE DATE.** This section is effective upon approval by the governing body
97.9 of the city of Burnsville and compliance with the requirements of Minnesota Statutes, section
97.10 645.021.

97.11 **ARTICLE 5**

97.12 **PUBLIC FINANCE**

97.13 Section 1. Minnesota Statutes 2018, section 37.31, subdivision 1, is amended to read:

97.14 Subdivision 1. **Bonding authority.** The society may issue negotiable bonds in a principal
97.15 amount that the society determines necessary to provide sufficient money for achieving its
97.16 purposes, including the payment of interest on bonds of the society, the establishment of
97.17 reserves to secure its bonds, the payment of fees to a third party providing credit
97.18 enhancement, and the payment of all other expenditures of the society incident to and
97.19 necessary or convenient to carry out its corporate purposes and powers. Bonds of the society
97.20 may be issued as bonds or notes or in any other form authorized by law. The principal
97.21 amount of bonds issued and outstanding under this section at any time may not exceed
97.22 ~~\$20,000,000~~ \$30,000,000, excluding bonds for which refunding bonds or crossover refunding
97.23 bonds have been issued.

97.24 Sec. 2. Minnesota Statutes 2018, section 103E.611, subdivision 2, is amended to read:

97.25 Subd. 2. **Interest.** (a) Interest is an additional drainage lien on all property until paid.
97.26 The interest rate on the drainage lien principal from the date the drainage lien statement is
97.27 recorded must be set by the board but may not exceed the rate determined by the state court
97.28 administrator for judgments under section 549.09, or six percent, whichever is greater.

97.29 (b) Before the tax lists for the year are given to the county treasurer, the auditor shall
97.30 compute the interest on the unpaid balance of the drainage lien at the rate set by the board.
97.31 The amount of interest must be computed on the entire unpaid principal from the date the

98.1 drainage lien was recorded to August 15 of the next calendar year, and afterwards from
98.2 August 15 to August 15 of each year.

98.3 (c) Interest is due and payable after November 1 of each year the drainage lien principal
98.4 or interest is due and unpaid.

98.5 Sec. 3. Minnesota Statutes 2018, section 123B.595, subdivision 5, is amended to read:

98.6 Subd. 5. **Bond authorization.** (a) A school district may issue general obligation bonds
98.7 under this section to finance facilities plans approved by its board and the commissioner.
98.8 Chapter 475, except sections 475.58 and 475.59, must be complied with. The authority to
98.9 issue bonds under this section is in addition to any bonding authority authorized by this
98.10 chapter or other law. The amount of bonding authority authorized under this section must
98.11 be disregarded in calculating the bonding or net debt limits of this chapter, or any other law
98.12 other than section 475.53, subdivision 4.

98.13 (b) At least 20 days before the earliest of ~~solicitation of bids~~, the issuance of bonds; or
98.14 the final certification of levies under subdivision 6, the district must publish notice of the
98.15 intended projects, the amount of the bond issue, and the total amount of district indebtedness.

98.16 (c) The portion of revenue under this section for bonded debt must be recognized in the
98.17 debt service fund.

98.18 Sec. 4. Minnesota Statutes 2018, section 297A.993, subdivision 1, is amended to read:

98.19 Subdivision 1. **Authorization; rates.** Notwithstanding section 297A.99, subdivisions
98.20 1, 2, 3, 5, and 13, or 477A.016, or any other law, the board of a county ~~outside the~~
98.21 ~~metropolitan transportation area, as defined under section 297A.992, subdivision 1, or more~~
98.22 ~~than one county outside the metropolitan transportation area~~ acting under a joint powers
98.23 agreement, may by resolution of the county board, or each of the county boards, following
98.24 a public hearing impose (1) a transportation sales tax at a rate of up to one-half of one percent
98.25 on retail sales and uses taxable under this chapter, and (2) an excise tax of \$20 per motor
98.26 vehicle, as defined in section 297B.01, subdivision 11, purchased or acquired from any
98.27 person engaged in the business of selling motor vehicles at retail, occurring within the
98.28 jurisdiction of the taxing authority.

99.1 Sec. 5. Minnesota Statutes 2018, section 471.831, is amended to read:

99.2 **471.831 MUNICIPALITY MAY FILE BANKRUPTCY PETITION.**

99.3 Subdivision 1. **Any relief under bankruptcy code.** A municipality, as defined in
99.4 subdivision 2, may file a petition and seek any relief available to it under United States
99.5 Code, title 11, as amended ~~through December 31, 1996.~~

99.6 Subd. 2. **Municipality defined.** In this section, "municipality" means a municipality as
99.7 defined in United States Code, title 11, section 101, as amended ~~through December 31,~~
99.8 ~~1996,~~ but limited to a county, statutory or home rule charter city, or town; or a housing and
99.9 redevelopment authority, economic development authority, or rural development financing
99.10 authority established under chapter 469, a home rule charter, or special law.

99.11 Sec. 6. Minnesota Statutes 2018, section 473.39, subdivision 6, is amended to read:

99.12 Subd. 6. **Limitation; light rail transit.** The council is prohibited from expending any
99.13 proceeds from certificates of indebtedness, bonds, or other obligations under ~~this section~~
99.14 subdivision 1u for project development, land acquisition, or construction to (1) establish a
99.15 light rail transit line; or (2) expand a light rail transit line, including by extending a line or
99.16 adding additional stops.

99.17 Sec. 7. Minnesota Statutes 2018, section 475.521, subdivision 1, is amended to read:

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

99.20 (a) "Bonds" mean an obligation defined under section 475.51.

99.21 (b) "Capital improvement" means acquisition or betterment of public lands, buildings
99.22 or other improvements for the purpose of a city hall, town hall, library, public safety facility,
99.23 and public works facility. An improvement must have an expected useful life of five years
99.24 or more to qualify. Capital improvement does not include light rail transit or any activity
99.25 related to it, or a park, road, bridge, administrative building other than a city or town hall,
99.26 or land for any of those facilities. For purposes of this section, "capital improvement"
99.27 includes expenditures for purposes described in this paragraph that have been incurred by
99.28 a municipality before approval of a capital improvement plan, if such expenditures are
99.29 included in a capital improvement plan approved on or before the date of the public hearing
99.30 under subdivision 2 regarding issuance of bonds for such expenditures.

99.31 (c) "Municipality" means a home rule charter or statutory city or a town ~~described in~~
99.32 ~~section 368.01, subdivision 1 or 1a.~~

100.1 Sec. 8. **REPEALER.**100.2 Minnesota Statutes 2018, section 37.31, subdivision 8, is repealed."

100.3 Delete the title and insert:

100.4 "A bill for an act

100.5 relating to taxation; property; modifying provisions governing property taxes, aids
 100.6 and credits, local taxes, tax increment financing, and public finance; requiring
 100.7 reports; appropriating money; amending Minnesota Statutes 2018, sections 37.31,
 100.8 subdivision 1; 103E.611, subdivision 2; 123B.595, subdivision 5; 138.053; 162.145,
 100.9 subdivision 3; 197.603, subdivision 2; 270C.85, subdivision 2; 270C.89,
 100.10 subdivisions 1, 2; 270C.91; 272.02, subdivision 49, by adding subdivisions;
 100.11 272.115, subdivision 1; 272.12; 273.061, subdivision 9; 273.0755; 273.113,
 100.12 subdivision 3; 273.119, subdivision 2; 273.1231, subdivision 3; 273.124,
 100.13 subdivisions 3a, 14, 21, by adding a subdivision; 273.1245, subdivision 2; 273.13,
 100.14 subdivisions 23, 34, 35; 273.136, subdivision 2; 273.1384, subdivisions 2, 3;
 100.15 273.1385, subdivision 4; 273.1387, subdivisions 2, 3; 273.18; 274.14; 274.16;
 100.16 275.025, subdivision 1; 282.01, subdivision 6; 287.21, subdivision 1; 290A.03,
 100.17 subdivision 13; 290A.04, subdivisions 2, 2a; 290A.19; 290B.04, subdivision 1;
 100.18 290B.09, subdivision 1; 297A.99, subdivisions 1, 2, 3, by adding a subdivision;
 100.19 297A.993, subdivision 1; 298.225, subdivision 1; 298.28, subdivision 3; 469.169,
 100.20 by adding a subdivision; 469.171, subdivision 4; 469.177, subdivision 1; 471.831;
 100.21 473.39, subdivision 6; 473H.08, subdivisions 1, 4, by adding a subdivision; 475.521,
 100.22 subdivision 1; 477A.011, subdivision 45; 477A.013, subdivision 13; 477A.03,
 100.23 subdivisions 2a, 2b; Laws 1980, chapter 511, section 1, subdivision 1; Laws 1986,
 100.24 chapter 396, section 5, as amended; Laws 1986, chapter 462, section 31, as
 100.25 amended; Laws 1994, chapter 587, article 9, section 11; Laws 1998, chapter 389,
 100.26 article 8, section 45, subdivisions 1, 3, as amended, 4, 5; Laws 2008, chapter 366,
 100.27 article 5, sections 26, as amended; 33, as amended; Laws 2009, chapter 88, article
 100.28 2, section 46, subdivisions 1, as amended, 2, 3, as amended, 4, 5; Laws 2011, First
 100.29 Special Session chapter 7, article 4, section 10, subdivision 3; Laws 2014, chapter
 100.30 308, article 6, section 8, subdivisions 1, as amended, 3; Laws 2017, First Special
 100.31 Session chapter 1, article 10, section 4; proposing coding for new law in Minnesota
 100.32 Statutes, chapters 272; 273; 290A; repealing Minnesota Statutes 2018, sections
 100.33 37.31, subdivision 8; 275.29."

100.34 With the recommendation that when so amended the bill be returned to the Committee
 100.35 on Taxes.

100.36 This Division action taken April 1, 2019

100.37....., Chair