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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 4709

03/25/2026 Authored by Mueller
The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to taxation; property; establishing exemption for an electric generation
1.3 facility; amending Minnesota Statutes 2024, section 272.02, by adding a
1.4 subdivision.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2024, section 272.02, is amended by adding a subdivision
1.7 to read:

1.8 Subd. 109. Electric generation facility; personal property. (a) Notwithstanding
1.9 subdivision 9, paragraph (a), attached machinery and other personal property that is part of
1.10 an electric generation facility with more than 40 megawatts and less than 50 megawatts of
1.11 nominal installed capacity and that meets the requirements of this subdivision is exempt
1.12 from taxation and payments in lieu of taxation. The facility must:

1.13 (1) be designed to utilize natural gas as a primary fuel;

1.14 (2) be owned and operated by a municipal power agency as defined in section 453.52,
1.15 subdivision 8;

1.16 (3) be located within 1,000 feet of an existing natural gas pipeline;

1.17 (4) satisfy a resource deficiency identified in an integrated resource plan filed under
1.18 section 216B.2422;

1.19 (5) be located outside the metropolitan area as defined under section 473.121, subdivision
1.20 2; and

2.1 (6) have received, by resolution, the approval of the governing bodies of the city and  
2.2 county in which the facility is located for the exemption of personal property provided by  
2.3 this subdivision.

2.4 (b) Construction of the facility must have been commenced after January 1, 2027, and  
2.5 before January 1, 2030. Property eligible for this exemption does not include electric  
2.6 transmission lines and interconnections or gas pipelines and interconnections appurtenant  
2.7 to the property or the facility.

2.8 **EFFECTIVE DATE.** This section is effective beginning with property taxes payable  
2.9 in 2030.