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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. **633**

02/13/2025 Authored by Nadeau, Myers and Zeleznikar  
The bill was read for the first time and referred to the Committee on Children and Families Finance and Policy  
02/24/2025 Adoption of Report: Amended and re-referred to the Committee on Taxes

1.1 A bill for an act  
1.2 relating to taxation; property; establishing a market value exclusion for licensed  
1.3 in-home child care providers; amending Minnesota Statutes 2024, sections 273.13,  
1.4 by adding a subdivision; 276.04, subdivision 2.

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

1.6 Section 1. Minnesota Statutes 2024, section 273.13, is amended by adding a subdivision  
1.7 to read:

1.8 Subd. 36. Licensed in-home child care provider exclusion. (a) Prior to determining a  
1.9 property's net tax capacity under this section, property that is (1) classified as 1a under  
1.10 subdivision 22, or is of the portion of property classified as 2a under subdivision 23 consisting  
1.11 of the house, garage, and surrounding one acre of land, and (2) used to operate a family day  
1.12 care or group family day care program as defined under Minnesota Rules, chapter 9502, is  
1.13 eligible for a market value exclusion as determined under paragraph (b).

1.14 (b) For a property eligible for the exclusion under this subdivision, the exclusion amount  
1.15 is 50 percent of the property's market value. The valuation exclusion must be rounded to  
1.16 the nearest whole dollar, and may not be less than zero.

1.17 (c) By July 1, 2025, and each June 1 thereafter, the commissioner of human services  
1.18 must provide a list to each county of all licensed family day care and group family day care  
1.19 providers located within the county.

1.20 (d) A property qualifying for a valuation exclusion under this subdivision is not eligible  
1.21 for the market value exclusion under subdivision 34 or 35.

2.1 **EFFECTIVE DATE.** This section is effective beginning with property taxes payable  
2.2 in 2026.

2.3 Sec. 2. Minnesota Statutes 2024, section 276.04, subdivision 2, is amended to read:

2.4 Subd. 2. **Contents of tax statements.** (a) The treasurer shall provide for the printing of  
2.5 the tax statements. The commissioner of revenue shall prescribe the form of the property  
2.6 tax statement and its contents. The tax statement must not state or imply that property tax  
2.7 credits are paid by the state of Minnesota. The statement must contain a tabulated statement  
2.8 of the dollar amount due to each taxing authority and the amount of the state tax from the  
2.9 parcel of real property for which a particular tax statement is prepared. The dollar amounts  
2.10 attributable to the county, the state tax, the voter approved school tax, the other local school  
2.11 tax, the township or municipality, and the total of the metropolitan special taxing districts  
2.12 as defined in section 275.065, subdivision 3, paragraph (i), must be separately stated. The  
2.13 amounts due all other special taxing districts, if any, may be aggregated except that any  
2.14 levies made by the regional rail authorities in the county of Anoka, Carver, Dakota, Hennepin,  
2.15 Ramsey, Scott, or Washington under chapter 398A shall be listed on a separate line directly  
2.16 under the appropriate county's levy. If the county levy under this paragraph includes an  
2.17 amount for a lake improvement district as defined under sections 103B.501 to 103B.581,  
2.18 the amount attributable for that purpose must be separately stated from the remaining county  
2.19 levy amount. In the case of Ramsey County, if the county levy under this paragraph includes  
2.20 an amount for public library service under section 134.07, the amount attributable for that  
2.21 purpose may be separated from the remaining county levy amount. The amount of the tax  
2.22 on homesteads qualifying under the senior citizens' property tax deferral program under  
2.23 chapter 290B is the total amount of property tax before subtraction of the deferred property  
2.24 tax amount. The amount of the tax on contamination value imposed under sections 270.91  
2.25 to 270.98, if any, must also be separately stated. The dollar amounts, including the dollar  
2.26 amount of any special assessments, may be rounded to the nearest even whole dollar. For  
2.27 purposes of this section whole odd-numbered dollars may be adjusted to the next higher  
2.28 even-numbered dollar.

2.29 (b) The property tax statements for manufactured homes and sectional structures taxed  
2.30 as personal property shall contain the same information that is required on the tax statements  
2.31 for real property.

2.32 (c) Real and personal property tax statements must contain the following information  
2.33 in the order given in this paragraph. The information must contain the current year tax

3.1 information in the right column with the corresponding information for the previous year  
3.2 in a column on the left:

3.3 (1) the property's estimated market value under section 273.11, subdivision 1;

3.4 (2) the property's homestead market value exclusion under section 273.13, subdivision  
3.5 35;

3.6 (3) the property's licensed in-home child care provider exclusion under section 273.13,  
3.7 subdivision 36;

3.8 (4) the property's taxable market value under section 272.03, subdivision 15;

3.9 ~~(4)~~ (5) the property's gross tax, before credits;

3.10 ~~(5)~~ (6) for agricultural properties, the credits under sections 273.1384 and 273.1387;

3.11 ~~(6)~~ (7) any credits received under sections 273.119; 273.1234 or 273.1235; 273.135;  
3.12 273.1391; 273.1398, subdivision 4; 469.171; and 473H.10, except that the amount of credit  
3.13 received under section 273.135 must be separately stated and identified as "taconite tax  
3.14 relief"; and

3.15 ~~(7)~~ (8) the net tax payable in the manner required in paragraph (a).

3.16 (d) If the county uses envelopes for mailing property tax statements and if the county  
3.17 agrees, a taxing district may include a notice with the property tax statement notifying  
3.18 taxpayers when the taxing district will begin its budget deliberations for the current year,  
3.19 and encouraging taxpayers to attend the hearings. If the county allows notices to be included  
3.20 in the envelope containing the property tax statement, and if more than one taxing district  
3.21 relative to a given property decides to include a notice with the tax statement, the county  
3.22 treasurer or auditor must coordinate the process and may combine the information on a  
3.23 single announcement.

3.24 **EFFECTIVE DATE.** This section is effective beginning with property taxes payable  
3.25 in 2026.