

**Subject** Red Lake Nation College property tax exemption

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## Summary

Provides a property tax exemption for taxes paid in 2022 and a portion of taxes paid in 2021 for property in Minneapolis purchased by Red Lake Nation for the Red Lake Nation College. The bill provides a state paid refund to the property owner for the tax amount attributable to this exemption.

Background: Under current law, if a property is taxable and purchased on or after July 1, the property will remain taxable in the following year, even if it is used for certain exempt purposes. The Red Lake Nation College property was taxable in assessment year 2021, purchased in 2021 after July 1, and thus was subject to taxes payable in 2022. The property was granted an exemption in assessment year 2022 and was not subject to property taxes beginning with taxes payable in 2023.