

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 3737

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Version: As introduced

Authors: Poppe and others

Subject: Extends the class 4c property classification to certain rental property

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Overview

H.F. 3737 extends the 4c property classification (commercial-seasonal-recreational) to property that contains 20 or fewer rental units, is devoted to temporary occupancy, is located in a township or city that has a population of 2,500 or less, is located outside the seven-county metropolitan area, and contains a portion of a state trail administered by DNR. Effective for the 2010 assessment, taxes payable in 2011, and thereafter.

Section

- 1** **Class 4c.** Extends the 4c property classification to property that contains 20 or fewer rental units, is devoted to temporary residential occupancy, is located in a township or city that has a population of 2,500 or less, is located outside the seven-county metropolitan area, and contains a portion of a state trail administered by DNR. This property would have a class rate of 1 percent on the first \$500,000 of market value and 1.25 percent on the value in excess of \$500,000. The property would be subject to the seasonal-recreational state general tax rate. For payable 2010 the rate is 17.755 percent.

Under current law, this property is classified as class 3a which has a class rate of 1.5 percent on the first \$150,000 and 2.0 percent on the value in excess of \$150,000. The property is subject to the commercial-industrial state general tax rate. For payable 2010 the rate is 45.881 percent.