

Subject 2018 Property Tax Provisions
Authors Loeffler, Draskowski, and Hertaus
Analyst Alex Haigler
Date February 1, 2019

Overview

This bill contains property tax provisions making various policy and technical changes. These provisions were part of the 2018 tax omnibus bill, and include provisions from the Department of Revenue's technical and policy bill.

Article 1: Property Taxes

Section	Description
1	<p>County historical society levy.</p> <p>Allows a city or town to fund its own historical society from its property tax levy. Current law only allows them to fund the county's historical society.</p> <p>Effective date: Effective the day following final enactment.</p>
2	<p>Records; data privacy.</p> <p>Authorizes the county veterans' service officer to share certain data on veterans with the county assessor, for the purposes of making eligibility determinations under the disabled veterans homestead exclusion, in conjunction with section 3.</p> <p>Effective date: Effective the day following final enactment.</p>
3	<p>Disclosure.</p> <p>Authorizes the county assessor to share certain data on veterans with the county veterans' service officer, for the purpose of making eligibility determinations under the disabled veterans homestead exclusion, in conjunction with section 2.</p> <p>Effective date: Effective the day following final enactment.</p>
4	<p>Duties of the commissioner after sale.</p> <p>Requires the commissioner of revenue to issue a deed for land sold at a tax-forfeiture sale if the county auditor has written confirmation from a closing agent that the purchase money for the deed is held in escrow.</p> <p>Effective date: Effective the day following final enactment.</p>

Section	Description
5	<p>Restriction (Border Cities Enterprise Zone).</p> <p>Technical clean-up language restricting types of property that can qualify for border cities enterprise zone tax reductions.</p> <p>Effective date: Effective the day following final enactment.</p>
6	<p>Till expiration started.</p> <p>Authorizes a state agency or governmental unit to initiate expiration of an agricultural preserve.</p> <p>Effective date: Effective the day following final enactment.</p>
7	<p>Expiration for park and trail purposes.</p> <p>Provides that an agricultural preserve expires immediately when the public entity purchases the property or acquires an easement for purposes of a trail or park. The expiration would apply only to the portion of the preserve use for trail or park purposes. Requires the public entity to notify the preserve authority accordingly.</p> <p>Effective date: Effective the day following final enactment.</p>
8	<p>Notice to others.</p> <p>Conforming change to section 7.</p> <p>Effective date: Effective the day following final enactment.</p>
9	<p>Effective date (Northwest Minnesota Multicounty Housing and Redevelopment Authority).</p> <p>Extends the levy authority of the Northwest Minnesota Multicounty Housing and Redevelopment Authority by five years, to taxes payable 2025.</p> <p>Effective date: taxes payable in 2020.</p>
10	Deleted by A1 amendment.
11	Deleted by A1 amendment.
12	Deleted by A1 amendment.
13	Deleted by A1 amendment.
14	Deleted by A1 amendment.

Section	Description
15	Deleted by A1 amendment.
16	<p>Effective date; application (SFIA).</p> <p>Amends the effective date to an SFIA provision enacted in 2017 that amended the definition of forest land to include land improved with a paved trail under an easement, lease, or license to the state or political subdivision. The change to the effective date clarifies that land improved with a paved trail at the same time an SFIA enrollee submits their annual certification meets the new definition of forest land.</p> <p>Effective date: Effective retroactively for certifications made in 2018 and thereafter.</p>

Article 2: Department of Revenue; Property Tax; Policy Changes

Section	Description
1	<p>Administration.</p> <p>Provides that the commissioner of transportation will certify aid amounts for the small cities assistance program to the commissioner of revenue by June 1.</p> <p>Effective date: Effective for aids payable in 2019 and thereafter.</p>
2	<p>Assessor sanctions; refusal to license.</p> <p>Requires the commissioner of revenue to make recommendations to the Board of Assessors for sanctions and clarifies the notice and hearing procedures for an applicant or licensee who disputes the commissioner's recommendation.</p> <p>Effective date: Effective for sanctions or refusals to grant or renew a license recommended by the commissioner of revenue after June 30, 2019.</p>
3	<p>Requirement (Certificates of Real Estate Value).</p> <p>Changes the threshold for filing a Certificate of Real Estate Value at consideration in excess of \$1,000 to an excess of \$3,000.</p> <p>Effective date: Effective for certificates of value filed after December 31, 2019.</p>
4	<p>Determination of tax (deed tax).</p> <p>Changes the minimum consideration for real property, used in calculating the deed tax, from \$500 or less to \$3,000 or less.</p> <p>Effective date: Effective for deeds recorded after December 31, 2019.</p>

Article 3: Department of Revenue; Property Taxes; Technical Changes

Section	Description
1	<p>Powers and duties.</p> <p>Amends the commissioner of revenue's powers to administer the state's property tax laws by clarifying that the commissioner may collect property tax data at the parcel level or higher in the time, form, and manner as the commissioner may prescribe. This method of collection is consistent with property tax data collection under the Property Record Information System of Minnesota (PRISM).</p> <p>Effective date: Effective the day following final enactment.</p>
2	<p>Initial report.</p> <p>Confirming changes and cross-references added to the changes made by section 1.</p>
3	<p>Final report.</p> <p>Confirming changes and cross-references added to the changes made by section 1.</p>
4	<p>Record of proceedings changing net tax capacity; duties of the county auditor.</p> <p>Confirming changes and cross-references added to the changes made by section 1.</p>
5	<p>Additional general duties.</p> <p>Confirming changes and cross-references added to the changes made by section 1.</p>
6	<p>Training and education of property tax personnel.</p> <p>Confirming changes and cross-references added to the changes made by section 1.</p>
7	<p>Reimbursement for lost revenue.</p> <p>Confirming changes and cross-references added to the changes made by section 1.</p>
8	<p>Reimbursement for lost revenue.</p> <p>Confirming changes and cross-references added to the changes made by section 1.</p>
9	<p>Disaster or emergency area.</p> <p>Confirming changes and cross-references added to the changes made by section 1.</p>
10	<p>Reduction amounts submitted to county.</p> <p>Confirming changes and cross-references added to the changes made by section 1.</p>
11	<p>Deleted by A1 amendment.</p>

Section	Description
12	Credit reimbursements. Confirming changes and cross-references added to the changes made by section 1.
13	Credit reimbursements. Confirming changes and cross-references added to the changes made by section 1.
14	Listing, valuation, and assessment of exempt property by county auditors. Confirming changes and cross-references added to the changes made by section 1.
15	Length of session; record. Confirming changes and cross-references added to the changes made by section 1.
16	Corrected lists. Confirming changes and cross-references added to the changes made by section 1.
17	Levy amount. Confirming changes and cross-references added to the changes made by section 1.
18	Determination; payment. Confirming changes and cross-references added to the changes made by section 1.
19	Original net tax capacity. Confirming changes and cross-references added to the changes made by section 1.
20	Repealer. Repeals the statute describing the abstract of tax lists. Effective date: Effective the day following final enactment.



**MN HOUSE
RESEARCH**

Minnesota House Research Department provides nonpartisan legislative, legal, and information services to the Minnesota House of Representatives. This document can be made available in alternative formats.

www.house.mn/hrd | 651-296-6753 | 600 State Office Building | St. Paul, MN 55155