

Subject Property Taxes
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Overview

This bill would create a \$5/acre state-paid agricultural water quality property tax credit for agricultural land that is certified under the Minnesota Agricultural Water Quality Certification Program and located in Dodge, Fillmore, Goodhue, Houston, Mower, Olmstead, Wabasha, or Winona County, or one or more specified townships in Dakota and Rice Counties.

The Minnesota Agricultural Water Quality Certification Program is a voluntary program administered by the Minnesota Department of Agriculture (MDA). Participating farmers demonstrate compliance with existing laws and rules, implement and maintain approved conservation practices that protect water quality, and are certified for 10-year periods.

Summary

Section	Description
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1	Agricultural water quality credit.
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	Specifies eligibility for a \$5/acre property tax credit. Eligible acres must be certified under MDA's Minnesota Agricultural Water Quality Certification Program and located in eight specified counties in the karst region of southeastern Minnesota. Requires MDA to annually notify county assessors of the location of all certified acres in the assessor's county. Appropriates general fund dollars to the Department of Revenue (DOR) and the Department of Education to reimburse local governments (counties, school districts, etc.) for lost property tax revenue in two equal installments each year. Requires DOR to report specified program metrics and any corresponding recommendations to the legislature annually.
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Effective date: Specifies that this section is effective for property taxes payable in 2025 and beyond.

Section	Description
2-5	Conforming changes. These sections make conforming changes to various property tax statutes.



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