

# 2010 PROPERTY TAX LEGISLATIVE BULLETIN

## (2010 Second Special Session)

MINNESOTA • REVENUE

Appeals and Legal Services Division  
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Saint Paul, Minnesota 55146-2220

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The provisions discussed in this bulletin can be found in 2010 Minn. Laws, Second Special Session, Chapter 1.

### Flood Disaster Relief

**Flood tax-base loss.** An uncodified provision requires the commissioner of revenue to make payments in 2012 to cities that lost at least 5% of their property tax base due to flooding that resulted from the storms of September 22-24, 2010. The aid will equal the city's average local tax rate for taxes payable in 2010 times the taxable value of flood-based damages to real property within the city. A total of \$50,000 is expected to be paid to the three cities that are expected to qualify. The commissioner shall notify each eligible city of its flood loss aid amount by August 15, 2011, and make payments to each city after July 1, 2012 and before July 20, 2012. Effective October 19, 2010.

**Waivers of property tax late-payment penalties.** An uncodified provision waives the penalties related to the late-payment of property taxes that were due on October 15 (November 15 for agricultural properties) until December 31, 2010 for businesses and individuals unable to make timely payment due to circumstances related to flooding that resulted from the storms of September 22-24, 2010. Penalties calculated from the normal due date are imposed if the payment is not made by December 30, 2010. Two categories of property are eligible: (1) commercial and industrial property in a county that contains a local unit of government that sustained the amount of damage to properties described in Minn. Stat. § 273.1231, subd. 3(b)(2), if the person eventually making the payment attests to the inability of paying on the normal due date; and (2) any property suffering damage of 50% or more. In either case, the first-half installment, due in May, must have been paid on time. Effective October 19, 2010.

**Agricultural homesteads.** An uncodified provision allows farmers to receive the homestead classification on properties they no longer occupy, provided that the residence was abandoned as a result of damage due to flooding that resulted from the storms of September 22-24, 2010. The homestead classification remains on the property for the 2011 and 2012 assessments as long as the property is not sold and the owner relocates to another dwelling in this state that is within 50 miles of their farm. Effective October 19, 2010.

**Abatement and credit applications waived.** An uncodified provision waives the requirement for an application for purposes of the property tax abatement and credit provisions in Minn. Stat. §§ 273.1231-.1235 for property damages due to flooding that resulted from the storms of September 22-24, 2010. Each county assessor will survey the damaged properties, and notify the taxpayers or owners of affected parcels by December 30, 2010. The amount of the abatement (of taxes due in the year of damage) or credit (for taxes due the following year) for a property under §§ 273.1231-.1235 will vary depending on the type of property, whether it is within a qualifying area, and the amount of damage; as will the amount of any optional local abatement under Minn. Stat. § 375.192. If the 2010 abatement amount for a property exceeds the remaining unpaid tax for the year on that property, a refund will be issued. Effective October 19, 2010.