



Date: July 9, 2024

To: County and City Assessors, Auditors, and Treasurers

From: Property Tax Division

Processing Homestead Applications and Reporting Homestead Data

To ensure uniformity in administration, reporting of homestead data, and proper administration of the Property Tax Refund, this memo will inform you of changes to the Homestead Data File submissions beginning in 2025 and will clarify the definition and use of “mid-year” homestead status.

The 2025 Homestead Data File

Eligibility for a property tax refund requires ownership and occupancy on January 2 of the tax payable year. To ensure that eligibility for a refund is accurately reported in the 2025 Homestead Data File:

- **Report the name and SSN (or ITIN) of the person(s) homesteading as of January 2, 2025.**
- Include parcel data only for those homesteads that were occupied on January 2, 2025.
- The Homestead Data File should include all homesteads as of January 2, 2025, regardless of eligibility for a refund (i.e., include relative homesteads).
- Mid-year homesteads for assessment 2025 should not be included in the 2025 Homestead Data File.

Since January 2, 2025, is also the date that would be used for the 2025 Duplicate Homestead Data File, **Duplicate Homestead data submissions will no longer be required.** Duplicate Homestead reports will still be produced by the Department of Revenue for each county using the homestead data in the Homestead Data File, formerly referred to as the PTR Homestead Data File.

Please work with your vendors to update programming and make necessary changes.

What is Not Changing?

The Real-Personal Homestead Data File will still be due by April 30, 2025, and the Manufactured Home Homestead Data File will still be due by July 31, 2025.

There are no changes in the actual data composition as compared to the current PTR Homestead Data File. The data structure, data elements, and schema remain the same.

When to Change a Social Security Number (SSN) or Individual Tax Identification Number (ITIN)

To ensure accurate data is being reported on the file, counties should not change the SSN or ITIN associated with a homestead during a given assessment year, regardless of any change in ownership.

Example: A home is owned and occupied by Bob on January 2, 2025, and receives homestead. In June, Sue buys the home, occupies the property, and applies for homestead. Bob's SSN or ITIN should stay associated with the homestead for all of assessment year 2025. Sue's SSN would then be associated with the homestead starting in the 2026 assessment.

What is a Mid-Year Homestead?

A **mid-year** homestead is when:

1. a property is not classified as homestead on January 2 of the assessment year, and
2. an application for homestead is filed by the property owner and approved by the county assessor.

This can occur in one of the following situations:

- a new home is built on a vacant site after January 2, occupied by the new owner, a homestead application is filed by December 31 and homestead has been approved.
- a non-homestead property is purchased and occupied by a new owner (or relative) who meets the qualifications for homestead by December 31.
- a home that receives a fractional homestead on January 2 is purchased by an owner who qualifies for a full homestead by December 31.

Mid-year homesteads do **not** include properties that are classified as homestead on January 2 of an assessment year and transfer ownership to a new owner who applies for homestead in the same assessment year. This is because the property was already receiving homestead on January 2, by the original owner.

Examples:

1. Property is homestead on January 2, 2025, by Phil. Phil sells the property to Bob on January 3, 2025. Bob applies and is approved for homestead by December 31, 2025. This is not a mid-year homestead and should be treated as a full year homestead. Phil's information should remain in the system for Homestead Data File reporting purposes as the qualifier for property tax refund in 2025.
2. A home is rented out to a non-relative and is not receiving homestead on January 2, 2025. Fred purchases and occupies the property in March 2025 and is approved for homestead by December 31, 2025. Fred would receive a mid-year homestead for assessment year 2025 and the homestead should not be included in the 2025 Homestead Data File.
3. A home is owned and occupied by Bob on January 2, 2025, and receives homestead. In June 2025, Sue buys the home, occupies the property, and applies for homestead. This is not considered a mid-year homestead because the property was already homesteaded on January 2, even if it was by another owner. Bob's information should remain in the system for Homestead Data File reporting purposes as the qualifier for property tax refund in 2025.

Who Can I Contact with Questions?

For questions about homestead applications and “mid-year” homesteads, contact proptax.questions@state.mn.us.

For questions about the Homestead Data File and Duplicate Homestead reports, contact homestead.match@state.mn.us.