

**PROPERTY TAX REFUND  
PTR Filing Date Extension**

January 28, 2025

Department of Revenue  
Analysis of S.F. 309 (Drazkowski) as introduced

	Yes	No
DOR Administrative Costs/Savings		X

**Fund Impact**

	<u>F.Y. 2026</u>	<u>F.Y. 2027</u>	<u>F.Y. 2028</u>	<u>F.Y. 2029</u>
	(000's)			
General Fund	\$0	(\$2,500)	(\$2,500)	(\$2,600)

Effective beginning for refunds based on property taxes payable in 2025.

**EXPLANATION OF THE BILL**

Under current law, a property tax refund (PTR) claim should be filed by August 15 of the property taxes payable year. The final deadline to claim a refund is August 15 of the year following the property taxes payable year.

Example: a PTR based on property taxes payable in 2025 should be filed by August 15, 2025. The final deadline to claim a PTR based on property taxes payable in 2025 is August 15, 2026.

The proposal would extend the final deadline for claiming a PTR by an additional year.

Example: for a PTR based on property taxes payable in 2025, the proposal would change the final deadline to claim a refund to be August 15, 2027.

**REVENUE ANALYSIS DETAIL**

- The estimate is based on the November 2024 forecast.
- Under the proposal, it is estimated that approximately 2,200 additional homeowner property tax refunds would be paid due to an extension of the final deadline for claiming a PTR.
- The average property tax refund to be paid is estimated at \$1,100 per return. It is assumed the average refund will increase three percent annually.
- Under the proposal, state general fund costs are estimated to increase by approximately \$2.5 million beginning in fiscal year 2027.

## PROPERTY TAX BENCHMARKS (Minn. Stat. § 270C.991)

<i>Transparency, Understandability, Simplicity &amp; Accountability</i>	Neutral	
<i>Efficiency &amp; Compliance</i>	Neutral	Additional homeowners receiving a refund.
<i>Equity (Vertical &amp; Horizontal)</i>	Neutral	
<i>Stability &amp; Predictability</i>	Neutral	
<i>Competitiveness for Businesses</i>	Neutral	
<i>Responsiveness to Economic Conditions</i>	Neutral	

*The bill is scored on a three-point scale (decrease, neutral, increase) for each principle in comparison to current law.*

Source: Minnesota Department of Revenue  
Property Tax Division – Research Unit  
<https://www.revenue.state.mn.us/revenue-analyses>

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