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# Property Tax Law Summary

## 2025

A summary of laws enacted during the 2025 regular and special sessions that impact property tax administration statewide

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**Date:** July 21, 2025  
**To:** All Property Tax Administrators  
**From:** Jon Klockziem, Director, Property Tax Division

## 2025 Property Tax Law Summary

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We are pleased to provide this summary of property tax-related law changes enacted during the 2025 regular and special sessions of the Minnesota Legislature. The tax omnibus bill (1st Special Session, Chapter 13) was signed into law on June 14, 2025. Additional property tax-related provisions were included in the Minnesota Partition Act (Chapter 2), Contracts for Deed (Chapter 9), miscellaneous technical corrections bill (Chapter 20), housing omnibus bill (Chapter 32), judiciary and public safety omnibus bill (Chapter 35), and the pensions omnibus bill (Chapter 37), which were all passed during the regular session.

The Property Tax Law Summary is an organized and condensed overview of this year's legislative changes that affect property tax laws. Property tax professionals can use it to plan for implementation.

### What other information will I receive about 2025 property tax legislative changes?

We will share additional information about some of the legislative changes at a later date. The additional information will focus on administration and address questions we receive from counties, vendors, and other customers.

### What if I have questions?

Please contact us. We will answer your questions as soon as possible and may also include them in administration materials.

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## Acknowledgements

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If you have any suggestions for improving future editions of the Property Tax Law Summary, please contact Susan Raverty at [susan.raverty@state.mn.us](mailto:susan.raverty@state.mn.us).

# Assessment

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## Classifications

### **Class 4d(1) Low-Income Housing Eligibility Clarification**

#### **Minnesota Laws 2025, 1st Special Session, Chapter 13, article 2, section 7**

Amends Minnesota Statutes 2024, section 273.128, subdivision 1.

This section clarifies that the rent and income restrictions specified in this subdivision only apply to properties eligible for class 4d(1) under the last criterion in paragraph (a), clause (4)—specifically, properties with rent and income restrictions placed on units by state, federal, or local unit of government as evidenced by a document recorded against the property.

**History:** Prior to this change, it was unclear whether the rent and income restrictions specified in Minnesota Statutes section 273.128, subdivision 1, applied to all properties qualifying for class 4d(1) classification or only to properties qualifying under the fourth criterion (rent and income restrictions placed by government entities).

**Effective Date:** Beginning with assessment year 2026 and thereafter.

### **Class 2a; Agricultural Land Definition to include Market Farming and Floriculture**

#### **Minnesota Laws 2025, 1st Special Session, Chapter 13, article 2, section 8**

Amends Minnesota Statutes 2024, section 273.13, subdivision 23.

This section creates a new qualification for the agricultural classification. Parcels with a residence that are less than 15 acres and generated at least \$20,000 gross income from market farming may now qualify for the agricultural classification. Property owners must provide the assessor with a filed Schedule F for the most recent completed tax year to qualify.

This section adds floriculture to the list of qualifying agricultural products and includes floriculture in the definitions for buildings that have both agricultural and retail uses. Floriculture is defined as the production of bedding and garden plants, foliage plants, potted flowering plants, and cut flowers.

**History:** Prior to this change, parcels containing a residence larger than 11 acres could only qualify for the agricultural classification by having at least 10 acres used for agricultural purposes. Properties under 11 acres with a residence could only qualify via “intensive market farming”, which was dependent on the local market and other factors.

Additionally, floriculture was not a listed agricultural product and could not qualify a property for the agricultural classification.

**Effective Date:** Beginning with assessment year 2026.

## **Class 1b- Blind or Disabled Homestead/Community Land Trust**

### **Minnesota Laws 2025, 1st Special Session, Chapter 13, article 11, section 3**

Amends Minnesota Statutes 2024, section 273.13, subdivision 22.

This section allows class 1b homesteads of persons who are blind or disabled that also qualify for class 4d(2) homestead community land trusts to receive the reduced classification rate of 0.75% for value over \$50,000.

**History:** Prior to this change, homestead properties in community land trusts could not receive split 1b/4d(2) classification because the statutory language prevented this arrangement for the remaining market value classification.

**Effective Date:** Beginning with assessment year 2025 and thereafter.

## **Exemptions**

### **Purely Public Charity Housing Exemption**

#### **Minnesota Laws 2025, 1st Special Session, Chapter 13, article 2, section 1**

Amends Minnesota Statutes 2024, section 272.02, subdivision 7.

This section restricts what rental housing can qualify for a property tax exemption as an institution of purely public charity (IPPC). The exemption is limited to properties owned by IPPCs providing rental housing that furthers the charitable purpose, but where income-based rental housing is not the sole charitable purpose of the property.

**History:** After a supreme court finding in 2022 and prior to this statutory amendment, IPPC's that solely provide rental housing to low-income tenants qualified the property for exemption. However, tenants of low-income residential rental property may have been subject to personal property tax on the rental units located in an exempt property per Minnesota Statutes, section 273.19.

**Effective Date:** Beginning with property taxes payable in 2026 and thereafter.

### **Electric Distribution Systems Serving Farmers**

#### **Minnesota Laws 2025, 1st Special Session, Chapter 13, article 2, section 2**

Amends Minnesota Statutes 2024, section 272.02, subdivision 19.

This section modifies the definition of electric power distribution system property serving farmers that is exempt from property tax. This amendment provides clarification on specific types of property that is not exempt.

**Effective Date:** Beginning with assessment year 2025 and thereafter.

### **Certain Property Owned by an Indian Tribe (Leech Lake Band)**

#### **Minnesota Laws 2025, 1st Special Session, Chapter 13, article 2, section 3**

Amends Minnesota Statutes 2024, section 272.02, adding subdivision 106.

This section adds an exemption for a certain property in the city of Minneapolis currently owned by the Leech Lake Band of Ojibwe and classified as 3a-Commercial/Industrial for taxes payable in 2025. This exemption is limited to a singular parcel not to exceed 40,000 square feet that is used exclusively for Tribal purposes, or as an institution of purely public charity as described in Minnesota Statutes, section 272.02, subdivision 7. The parcel

must have been owned on January 1, 2024, by a federally recognized Indian Tribe or its instrumentality located in Minnesota. The property must continue to be owned by a tribe or its instrumentality to receive exemption. The statute prohibits property used for single-family housing, market-rate apartments, agriculture, or forestry from receiving this exemption.

**Effective Date:** Beginning with assessment year 2026.

### **Certain Property Owned by an Indian Tribe (Grand Portage Band)** **Minnesota Laws 2025, 1st Special Session, Chapter 13, article 2, section 4**

Amends Minnesota Statutes 2024, section 272.02, adding subdivision 107.

This section adds an exemption for certain property in Cook County currently owned by the Grand Portage Band. This exemption is limited to five parcels, classified as 2b-Rural Vacant Land for taxes payable in 2025, located in an unorganized territory with a population less than 800 as of the 2020 census, and was owned by a federally recognized Indian Tribe or its instrumentality located in Minnesota as of January 2, 2023. The property must continue to be owned by a tribe or its instrumentality to receive this exemption.

**Effective Date:** Beginning with assessment year 2026.

### **Certain Property Owned by an Indian Tribe (Mille Lacs Band)** **Minnesota Laws 2025, 1st Special Session, Chapter 13, article 2, section 5**

Amends Minnesota Statutes 2024, section 272.02, adding subdivision 108.

This section adds an exemption for a certain property in the city of Minneapolis currently owned by the Mille Lacs Band. This exemption is limited to property containing a mixed-use development constructed after January 1, 2024, that includes space used exclusively for noncommercial Tribal government activities, and was on January 1, 2025, owned by a federally recognized Indian Tribe or its instrumentality located in Minnesota. The property must continue to be owned by a tribe or its instrumentality to receive this exemption. Any portion of the property used for housing, parking facilities, agriculture, or forestry does not qualify for exemption.

**Effective Date:** Beginning with assessment year 2026.

### **Electric Distribution Systems of Electric Cooperatives** **Minnesota Laws 2025, 1st Special Session, Chapter 13, article 2, sections 9 and 10**

Amends Minnesota Statutes 2024, sections 273.38 and 273.41.

This section modifies the definition of electric distribution property of certain electric cooperatives that is subject to an annual tax. This amendment provides clarification on specific types of property this is not exempt.

**Effective Date:** Beginning with assessment year 2025 and thereafter.

## **Bloomington Port Authority Exemption**

**Minnesota Laws 2025, 1st Special Session, Chapter 13, article 2, section 17**

Uncodified Provision.

This section extends a property tax exemption for property acquired by the Bloomington Port Authority in May 2016, for taxes payable 2026 through 2031. The Port Authority must file an initial application with the county assessor by June 30, 2025.

**History:** This exemption was effective beginning with taxes payable in 2017 and previously set to expire in taxes payable year 2025.

**Effective Date:** The day after the governing body of the city of Bloomington and its chief clerical officer comply with the requirements of Minnesota Statutes, section 645.021, subdivisions 2 and 3.

## **Red Lake Nation College Exemption and Monies Appropriated**

**Minnesota Laws 2025, 1st Special Session, Chapter 13, article 2, section 18**

Uncodified provision.

This section grants a property tax exemption for property acquired in August or September 2021 by Red Lake Nation College Without Borders, LLC for taxes payable in 2022, and any 2021 tax obligation after the property was acquired. This section appropriates the necessary funds from the general fund to pay the amount of tax owed by the property for those years to the county. This amount must be certified by the county auditor by August 1, 2025, and requires the commissioner of Revenue to make the payment by August 15, 2025. All prior year penalties, interest, and costs are canceled.

**Effective Date:** The day following final enactment.

## **Valuations**

### **Valuation Reduction for Certain Conservation Easements**

**Minnesota Laws 2025, 1st Special Session, Chapter 13, article 2, section 6**

Amends Minnesota Statutes 2024, section 273.117.

This section creates an additional exception to the rule that prevents assessors from reducing the assessed value of land because it is subject to a conservation easement. This new exception allows a property's value to be reduced if all of these are true:

- The property has a conservation easement.
- The property is located in a metropolitan county.
- The county has adopted a program to protect farmland or natural areas.
- The program was passed by resolution of the county board.

**History:** Prior to this change the value of a property with a conservation easement could only be reduced if it covered certain water quality or control areas, was in a county that had a protection program for farmland or natural areas established before 1999, or where easements were entered into prior to May 23, 2013.

**Effective Date:** Assessment year 2026 and thereafter.



# Property Tax Aids and Credits

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## **Police and Fire Retirement Supplemental State Aid; Allocation**

### **Minnesota Laws 2025, Chapter 37, article 21, section 1**

Amends Minnesota Statutes 2024, section 423A.022, subdivision 2.

This section amends Police and Firefighter Supplemental State Aid requirements clarifying that no plan under chapter 353 qualifies for the volunteer firefighter portion of aid described in paragraph (a).

**Effective Date:** Beginning with aids payable in 2026.

## **Police and Fire Retirement Supplemental State Aid; Reporting**

### **Minnesota Laws 2025, Chapter 37, article 21, section 2**

Amends Minnesota Statutes 2024, section 423A.022, subdivision 3.

This section amends conditions in which the executive director for the Public Employees Retirement Association (PERA) must report data to the commissioner of Revenue. This amendment adds municipalities that provide firefighters with the general employees' retirement plan as those included in the reporting data.

**Effective Date:** Beginning with aids payable in 2026.

## **Police and Fire Retirement Supplemental State Aid; Allocation**

### **Minnesota Laws 2025, Chapter 37, article 16, section 4**

Amends Minnesota Statutes 2024, section 423A.022, subdivision 5.

This section amends Police and Firefighter Supplemental State Aid termination. This amendment removes the July 1, 2048 aid termination date for the Public Employee Retirement Association and for the Minnesota State Retirement System.

**Effective Date:** The day following final enactment.

## **Volunteer Firefighters Retirement; Reporting**

### **Minnesota Laws 2025, Chapter 37, article 21, section 3**

Amends Minnesota Statutes 2024, section 424A.014, subdivision 5.

This section adds the general employees' retirement plan to the list of possible retirement coverage options needed by a municipality in order to be exempt from filing a financial report with the state auditor.

**Effective Date:** Beginning with aids payable in 2026.

## **Volunteer Firefighters Retirement; Authorized Disbursements**

### **Minnesota Laws 2025, Chapter 37, article 21, section 4**

Amends Minnesota Statutes 2024, section 424A.08.

This section amends the purposes certain types of municipalities may use Fire State Aid.

**Effective Date:** Beginning with aids payable in 2026.

### **Fire State Aid; Benefits Requirements**

#### **Minnesota Laws 2025, Chapter 37, article 21, section 5**

Amends Minnesota Statutes 2024, section 477B.02, subdivision 3.

This section amends requirements to qualify for Fire State Aid by adding an option for some departments to have retirement coverage under the PERA general employees' retirement plan.

**Effective Date:** Beginning with aids payable in 2026.

### **Fire State Aid; PERA Certification**

#### **Minnesota Laws 2025, Chapter 37, article 21, section 6**

Amends Minnesota Statutes 2024, section 477B.02, subdivision 8.

This section amends reporting requirements by the PERA executive director to the commissioner of Revenue.

**Effective Date:** Beginning with aids payable in 2026.

### **Fire State Aid; Terminology Update**

#### **Minnesota Laws 2025, Chapter 37, article 21, sections 7, 8, and 10**

Amends Minnesota Statutes 2024, section 477B.03, subdivisions 5 and 7 and section 477B.04, subdivision 4.

These sections amend Fire State Aid to modernize and clarify language with no impact to administration.

**Effective Date:** Beginning with aids payable in 2026.

### **Fire State Aid; Deposit of Aid**

#### **Minnesota Laws 2025, Chapter 37, article 21, section 9**

Amends Minnesota Statutes 2024, section 477B.04, subdivision 3.

This section amends Fire State Aid deposit requirements. These amendments provide more clarity regarding how aid must be deposited in certain situations.

**Effective Date:** Beginning with aids payable in 2026.

### **Electric Generation Transition Aid – Required Notification Technical Correction**

#### **Minnesota Laws 2025, Chapter 20, section 278**

Amends Minnesota Statutes 2024, section 477A.24, subdivision 2.

This section specifies that the “commissioner” referenced in section 477A.24, subdivision 2 is the commissioner of Revenue. A public utility must notify the commissioner of Revenue when a public utility expects to retire an electric generating unit from the property tax base.

**Effective Date:** August 1, 2025.

## **Statewide Affordable Housing Aid; Use of Proceeds**

### **Minnesota Laws 2025, Chapter 32, article 4, section 2**

Amends Minnesota Statutes 2024, section 477A.35, subdivision 5.

This section adds a paragraph requiring any program income to be used on a qualifying project.

**Effective Date:** July 1, 2025.

## **Local Affordable Housing Aid; Use of Proceeds**

### **Minnesota Laws 2025, Chapter 32, article 4, section 3**

Amends Minnesota Statutes 2024, section 477A.36, subdivision 5.

This section adds a paragraph requiring any program income to be used on a qualifying project.

**Effective Date:** July 1, 2025.

## **Town Aid**

### **Minnesota Laws 2025, 1st Special Session, Chapter 13, article 4, section 3**

Amends Minnesota Statutes 2024, section 477A.013, subdivision 1.

This section adjusts the Town Aid calculation allowing for the entire appropriation to be used in all years moving forward.

**History:** Previously, Town Aid amounts could be reduced proportionately if the calculated amount exceeded the appropriation. The law did not include a provision to make an adjustment to match the appropriation if the calculated amounts totaled less than the appropriation.

**Effective Date:** Aids payable in 2026 and thereafter.

## **Aquatic Invasive Species Prevention Aid; Appropriation**

### **Minnesota Laws 2025, 1st Special Session, Chapter 13, article 4, section 4**

Amends Minnesota Statutes 2024, section 477A.19, subdivision 5.

This section reduces the appropriation for Aquatic Invasive Species Prevention Aid from \$10,000,000 to \$5,000,000 annually starting for aids payable in 2027 and thereafter.

**Effective Date:** For aids payable in 2026 and thereafter.

## **Aid Penalty Forgiveness; Local Government Aid for Cities and Small Cities Assistance**

### **Minnesota Laws 2025, 1st Special Session, Chapter 13, article 4, section 5**

Uncodified provision.

This section grants local government aid penalty forgiveness to the cities of Stewart, Alpha, Odin, and Trosky, provided the city submits the necessary financial reporting to the state auditor by June 1, 2025. This includes a onetime appropriation from the general fund and the commissioner must make the payment to the city by June 30, 2025.

**Effective Date:** The day following final enactment.

### **Base Year Formula Aid for the City of Baldwin**

#### **Minnesota Laws 2025, 1st Special Session, Chapter 13, article 4, section 6**

Uncodified provision.

This section onboards the newly incorporated city of Baldwin (Sherburne County) to the Local Government Aid (LGA) for cities formula by providing it with a \$2.85 per capita value based on the 2023 population to calculate aids payable in 2026.

**Effective Date:** For aids payable in 2026 only.

### **Deposit of Cannabis Revenues; Account Established**

#### **Minnesota Laws 2025, 1st Special Session, Chapter 13, article 8, section 18**

Amends Minnesota Statutes 2024, section 295.81, subdivision 10.

This section transfers all revenue from the cannabis gross receipts tax, including penalties and interest, to the general fund for revenues received after June 30, 2025. The local government cannabis aid account is removed from the special revenue fund on January 2, 2026, after any balance is cancelled to the general fund.

**History:** Before this amendment, 80% was deposited in the general fund and 20% to the local government cannabis aid account. The local government cannabis aid account was established in the special revenue fund.

**Effective Date:** For revenues received after June 30, 2025. The local government cannabis aid account removal is effective January 2, 2026.

### **Cancellation of Amounts in Local Government Cannabis Aid Account**

#### **Minnesota Laws 2025, 1st Special Session, Chapter 13, article 8, section 20**

Uncodified provision.

The section cancels any balance in the local government cannabis aid account in the special revenue fund to the general fund on January 2, 2026.

**Effective Date:** The day following final enactment.

### **Repealer; Local Government Cannabis Aid**

#### **Minnesota Laws 2025, 1st Special Session, Chapter 13, article 8, section 22, paragraph (b)**

Repeals Minnesota Statutes 2024, section 477A.32.

This paragraph repeals the local government cannabis aid.

**Effective Date:** For aids payable in 2026 and thereafter.

# Taxing Authority and Levies

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## Taxing Authority

### **Repealer; Notice of Proposed Taxes and Property Tax Statements** **Minnesota Laws 2025, 1st Special Session, Chapter 13, article 2, section 19**

Repeals Minnesota Statutes 2024, sections 275.065, subdivision 3c, and 276.04, subdivision 2a, which required that a fiscal disparities adjustment be included on certain property tax notices.

**History:** These subdivisions were added in 2024 and affected proposed taxes notices and property tax statements for properties in the Iron Range fiscal disparities area.

**Effective Date:** Beginning with property taxes payable in 2026.

## Levies

### **Tax Levy for Free Music in Third Class Cities** **Minnesota Laws 2025, 1st Special Session, Chapter 13, article 2, section 12**

Amends Minnesota Statutes 2024, section 449.08.

This section increases the allowable annual expenditure for providing free musical entertainment to the general public. The annual expenditure is increased from \$3,000 to \$10,000.

**Effective Date:** The day following final enactment.

# Delinquency and Forfeiture

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### **Conveyances, Taxes Paid Before Recording** **Minnesota Laws 2025, Chapter 9, section 1**

Amends Minnesota Statutes 2024, section 272.12.

This section removes the following unnecessary language added in error in 2024: “within four months of the execution of the contract for deed.”

**Effective Date:** The day following final enactment.

### **Confession of Judgment Homestead Interest Rate** **Minnesota Laws 2025, 1st Special Session, Chapter 13, article 2, section 11**

Amends Minnesota Statutes 2024, section 279.37, subdivision 2.

This section changes the interest rate for confessions of judgment for homestead property from “the greater of five percent or two percent above the prime rate” to “the greater of five percent or the prime rate.”

**History:** The 2023 Legislature amended the interest rate used for delinquent property taxes and confessions of judgment for non-homestead property, but did not amend the corresponding interest rate for confessions of judgment for homestead property.

**Effective date:** January 1, 2026.

# Sustainable Forest Incentive Act

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## Sustainable Forest Incentive Act Modification of Payment Amounts

### Minnesota Laws 2025, 1st Special Session, Chapter 13, article 4, section 1

Amends Minnesota Statutes 2024, section 290C.07.

This section changes the incentive payment calculation formula for land enrolled in the Sustainable Forest Incentive Act (SFIA). Payments are reduced for all covenant durations by 10% for payments made beginning in 2027.

This section removes the language preventing payments from decreasing by more than 10% relative to the prior year's payment and adjusts the minimum payment amount to 90% of the amount paid in 2017. It also removes an obsolete election that expired on May 16, 2019, to change the length of the covenant.

**History:** Prior to this change, statute prevented a payment amount from decreasing by more than 10% year over year and set a minimum payment amount as the incentive payment made in 2017 for land that was enrolled prior to the 2017 law changes.

The language referring to the changes to covenant durations allowed landowners to change the covenant length on their enrolled land due to law changes in 2017. However, the allowance was limited and is no longer relevant.

**Effective Date:** Beginning for payments in calendar year 2027.

## Sustainable Forest Incentive Act Modification of Withdrawal Procedures

### Minnesota Laws 2025, 1st Special Session, Chapter 13, article 4, section 2

Amends Minnesota Statutes 2024, section 290C.10.

This section reiterates existing law (Minnesota Statute 290C.055, paragraph (c)) allowing SFIA-enrolled property owners to withdraw land without penalty if payments are reduced due to formula changes or executive action.

**History:** Land enrolled in SFIA is bound by covenants with strict withdrawal requirements that may only begin after the property has been enrolled for half of the covenant duration- 8, 20, or 50 years. The language added and found in Minnesota Statutes, section 290C.10 provides an alternative withdrawal option without penalty when payments decrease.

**Effective Date:** The day following final enactment.

# Economic Development and Tax Increment Financing

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## Economic Development

### Land Bank Organization - Definition

**Minnesota Laws 2025, 1st Special Session, Chapter 13, article 2, section 13**

Amends Minnesota Statutes 2024, section 469.1812, by adding subdivision 2a.

- This section defines a land bank organization as an organization that holds or manages a blighted property for future development. It must be either A nonprofit whose governing members are appointed or elected by a political subdivision of the state of Minnesota.
- An agency of the state of Minnesota or its political subdivisions or are elected or appointment officials of the state of Minnesota or any of its political subdivisions.
- A limited liability company with the non-profit described previously as the sole member.

**Effective Date:** The day following final enactment.

### Land Bank Organization - Abatement Authority

**Minnesota Laws 2025, 1st Special Session, Chapter 13, article 2, section 14**

Amends Minnesota Statutes 2024, section 469.1813, subdivision 1.

This section expands the conditions under which an authority may grant an abatement to include low-income neighborhoods and properties that are held by a land bank organization.

**Effective Date:** The day following final enactment.

### Land Bank Organization - Abatement Authority; Duration Limit

**Minnesota Laws 2025, 1st Special Session, Chapter 13, article 2, section 15**

Amends Minnesota Statutes 2024, section 469.1813, subdivision 6.

This section limits the abatement power of the taxing authority over the newly identified properties in Minnesota Statutes, section 469.1813, subdivision 1 to no longer than five years.

**Effective Date:** The day following final enactment.

### Land Bank Organization - Abatement Authority; Repayment

**Minnesota Laws 2025, 1st Special Session, Chapter 13, article 2, section 16**

Amends Minnesota Statutes 2024, section 469.1813. by adding subdivision 11.

This section provides a mechanism for repayment of the abatement should the land be used for any other purpose other than the one specified in granting the abatement.

**Effective Date:** The day following final enactment.

## TIF – General Provisions

### Tax Increment Financing (TIF); Temporary Use of Increment

Minnesota Laws 2025, 1st Special Session, Chapter 13, article 5, section 1

Amends Minnesota Statute 2024, Section 469.176, subdivision 4n.

This section amends the required construction commencement date to December 31, 2026 from 2025 and will now include the use of interest earned on transferred increment.

Municipalities may extend the use of transferred increment and its interest by amending their spending plans after a public hearing prior to December 31, 2025. Any remaining proceeds, interest, or repayments from transferred increment must be returned to the district, including loan repayments and investment earnings, whether held at the deadline or received afterward

**Effective date:** The day following enactment

## TIF – Specific Districts

### Amendments to Existing TIF Districts

Minnesota Laws 2025, 1st Special Session, Chapter 13, Article 5, sections 2 to 20

- **Section 2: Ramsey** - Extends the deadline to adopt interfund loan resolutions to December 31, 2025
- **Section 3: Maplewood** – Increases the expenditure area to include a portion between State Highway 61, Interstate Highway 694, White Bear Avenue and Beam Avenue
- **Section 4: Maple Grove** – Extends the 5-year rule to 13 years and increments may be collected through 25 years after receipt of the first increment
- **Section 5: St. Paul (Ford Site Redevelopment District)** – Extends the 5-year spending period to 10 years and the related use period is extended to 11 years
- **Section 6: Bloomington** – Extends the use of funds deadline to December 31, 2027
- **Section 7: Brooklyn Center** – Authorizes the creation of not more than two redevelopment districts as identified and provides special rules
- **Section 8: Brooklyn Park (610/Zane)** – Authorizes the creation of not more than two redevelopment districts, limited to certain listed parcels, and provides special rules
- **Section 9: Brooklyn Park (Biotech)** – Authorizes the creation of not more than two redevelopment districts, limited to certain listed parcels, and provides special rules
- **Section 10: Brooklyn Park (Boulevard/West Broadway)** - Authorizes the creation of not more than two redevelopment districts, limited to certain listed parcels, and provides special rules
- **Section 11: Eden Prairie (Eden Prairie Center)** - Authorizes the creation of not more than two redevelopment districts, limited to parcels within the area surrounded by Flying Cloud Drive, West 78<sup>th</sup> Street, Prairie Center Drive, and adjacent roads and rights-of-way, and provides special rules
- **Section 12: Edina (70<sup>th</sup> and France)** – Extends the 5-year rule to 10 years and related use period extends from 5 years to 11 years
- **Section 13: Edina (72<sup>nd</sup> and France)** – Extends the 5-year rule to 10 years and related use period extends from five years to 11 years
- **Section 14: Marshall** – Extends the date to December 31, 2027, to use, loan, or invest funds from specified districts
- **Section 15: Minnetonka (Opus)** – Extends the 5-year rule to 10 and related use period extends from 5 years to 11 years
- **Section 16: Moorhead** – Extends the 5-year rule to 10 years and related use period extends from 5 years to 11 years



- **Section 17: Oakdale** – Extends the date to December 31, 2027, to use, loan, or invest funds from specified districts
- **Section 18: Plymouth** – Authorizes the creation of not more than two redevelopment districts and provides special rules
- **Section 19: St. Cloud** – Authorizes the creation of not more than two redevelopment districts, limited to certain listed parcels, and provides special rules
- **Section 20: St. Cloud (Cooper Ave)** – Extends the 5-year rule for additional 5 years

**Effective date:** The day after the governing body and its chief clerical officer comply with the requirements of Minnesota Statutes, section 645.021, subdivisions 2 and 3.

## Miscellaneous

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### **Passenger Rail Account; Transfers; Appropriation**

#### **Minnesota Laws 2025, 1st Special Session, Chapter 8, article 2, section 63**

Amends Minnesota Statutes 2024, section 174.634, subdivision 2.

This section moves back when transfers from the general fund to the passenger rail account begin from calendar year 2027 to calendar year 2029. The transfers will equal 50% of the portion of the state general property tax levied on railroad operating property

**History:** For additional information, please see page 14 of the 2024 Property Tax Law Summary.

**Effective Date:** July 1, 2025.

### **Judicial Official Data; Personal Information**

#### **Minnesota Laws 2025, Chapter 35, article 9, section 6**

Amends Minnesota Statutes 2024, section 13.991.

This section inserts a cross-reference to the new section 480.50 that allows the personal information of a judicial official in real property records to be kept private.

**Effective Date:** January 1, 2026.

### **Personal Information; Dissemination - Definitions**

#### **Minnesota Laws 2025, Chapter 35, article 9, section 10**

Amends Minnesota Statutes 2024, section 480.41, subdivision 1.

This section adds additional groups to the definition of judicial officials and inserts a cross-reference to the new definition of “real property records” in section 480.41, subdivision 1.

**Effective Date:** January 1, 2026.

## **Personal Information; Dissemination - Exceptions**

### **Minnesota Laws 2025, Chapter 35, article 9, section 11**

Amends Minnesota Statutes 2024, section 480.41, subdivision 3.

This section adds a cross-reference to the new section 480.50 when exceptions apply to the dissemination of personal information of a judicial official. Also, an exception is added for the display of a property address on a real estate or mapping platform when the address is not displayed or disclosed with either ownership, occupancy, or other personal information of a judicial official.

**Effective Date:** January 1, 2026.

## **Removal of Personal Information; Exception**

### **Minnesota Laws 2025, Chapter 35, article 9, section 12**

Amends Minnesota Statutes 2024, section 480.45, subdivision 2.

This section adds an exception to the rule that entities must remove personal information of a judicial official within 30 days upon receiving an affidavit or face potential court action. This requirement does not apply to real property records, as defined by the newly created section 480.50, when the personal information is either disseminated directly by a government entity or publicly posted in a manner required by statute.

**Effective Date:** January 1, 2026.

## **Personal Information in Real Property Records**

### **Minnesota Laws 2025, Chapter 35, article 9, section 13**

Creates Minnesota Statutes 2025, section 480.50.

This section creates new protections for the personal information of a judicial official in real property records maintained by counties and other government entities. The law allows judicial officials and their spouses, domestic partners, and adult children who do not reside with the judicial official to submit written real property notices on judicial branch forms to request protection of their personal information in property records. These forms require personal information and notarized certification and with one property per notice. Procedures are established for submitting the property notice to the county recorder, Office of Secretary of State, or other government entity's responsible authority and processing is required within 60 days of receipt. The real property notice shall apply retroactively to all online and digital real property records but only if the individual provides a document number of certificate of title number for county recorder records or the parcel identification number of the record for which protection is sought.

Government entities must not disclose the individual's personal information that is classified as private after a property notice is processed unless an exception applies. There must be public notice of the existence of recorded documents and provisions for viewing for a title exam or when reasonably necessary for providing legal services. A county recorder or other government entity may charge up to \$75 per notice, consent to release or termination of the real property notice, or access request with fees deposited in their general fund.

Protection automatically ends when the individual consents in writing to termination, by court order, the individual no longer owns the property or the individual's death certificate is filed or is no longer a judicial official or family member. Upon termination, the county recorder will make all real property documents and certificate of title publicly viewable.

**Effective Date:** January 1, 2026

## Classification Rates for Assessment Year 2026

Class	Description	Tiers	Class Rate	State General Rate
1a	Residential Homestead	First \$500,000	1.00%	N/A
		Over \$500,000	1.25%	N/A
1b	Homestead of Persons who are Blind/Disabled [classified as 1a or 2a]	First \$50,000	0.45%	N/A
	[classified as 1a or 2a]	\$50,000 - \$500,000	1.00%	N/A
	[classified as 4d(2)]	Over \$500,000	1.25%	N/A
		Over \$50,000	0.75%	N/A
1c	Homestead Resort	First \$600,000	0.50%	N/A
		\$600,000 - \$2,300,000	1.00%	N/A
		Over \$2,300,000	1.25%	1.25%
1d	Housing for Seasonal Workers	First \$500,000	1.00%	N/A
		Over \$500,000	1.25%	N/A
2a	Agricultural Homestead - House, Garage, 1 Acre (HGA)	First \$500,000	1.00%	N/A
		Over \$500,000	1.25%	N/A
2a/2b	Agricultural Homestead - First Tier	TBD December 2025	0.50%	N/A
2a/2b	Farm Entities Remaining First Tier	Unused First Tier	0.50%	N/A
2a	Agricultural - Non-Homestead or Excess First Tier		1.00%	N/A
2b	Rural Vacant Land		1.00%	N/A
2c	Managed Forest Land		0.65%	N/A
2d	Private Airport		1.00%	N/A
2e	Commercial Aggregate Deposit		1.00%	N/A
3a	Commercial/Industrial/Utility ( <i>not including utility machinery</i> )	First \$150,000	1.50%	N/A
		Over \$150,000	2.00%	2.00%
	Electric Generation Public Utility Machinery		2.00%	N/A
	All Other Public Utility Machinery		2.00%	2.00%
	Transmission Line Right-of-Way		2.00%	2.00%
4a	Residential Non-Homestead 4+ Units		1.25%	N/A
4b(1)	Residential Non-Homestead 1-3 Units		1.25%	N/A
4b(2)	Unclassified Manufactured Home		1.25%	N/A
4b(3)	Agricultural Non-Homestead Residence (2-3 units)		1.25%	N/A
4b(4)	Unimproved Residential Land		1.25%	N/A
4bb(1)	Residential Non-Homestead Single Unit	First \$500,000	1.00%	N/A
		Over \$500,000	1.25%	N/A
4bb(2)	Agricultural Non-Homestead Single Unit - (HGA)	First \$500,000	1.00%	N/A
		Over \$500,000	1.25%	N/A
4bb(3)	Condominium Storage Unit	First \$500,000	1.00%	N/A
		Over \$500,000	1.25%	N/A
4c(1)	Seasonal Residential Recreational Commercial (resort)	First \$500,000	1.00%	1.00%
		Over \$500,000	1.25%	1.25%
4c(2)	Qualifying Golf Course		1.25%	N/A
4c(3)(i)	Non-Profit Community Service Org. (non-revenue)		1.50%	N/A
	Congressionally Chartered Veterans Organization (non-revenue)		1.00%	N/A
4c(3)(ii)	Non-Profit Community Service Org. (donations)		1.50%	1.50%
	Congressionally Chartered Veterans Organization (donations)		1.00%	1.00%
4c(4)	Post-Secondary Student Housing		1.00%	N/A
4c(5)(i)	Manufactured Home Park		1.25%	N/A
4c(5)(ii)	Manufactured Home Park (>50% owner-occupied)		0.75%	N/A
4c(5)(ii)	Manufactured Home Park (50% or less owner-occupied)		1.00%	N/A
4c(5)(iii)	Class I Manufactured Home Park		1.00%	N/A
4c(6)	Metro Non-Profit Recreational Property		1.25%	N/A
4c(7)	Certain Non-Comm. Aircraft Hangars and Land (leased land)		1.50%	N/A
4c(8)	Certain Non-Comm. Aircraft Hangars and Land (private land)		1.50%	N/A
4c(9)	Bed & Breakfast		1.25%	N/A
4c(10)	Seasonal Restaurant on a Lake		1.25%	N/A
4c(11)	Marina	First \$500,000	1.00%	N/A
		Over \$500,000	1.25%	N/A
4c(12)	Seasonal Residential Recreational Non-Commercial	First \$76,000	1.00%	0.40%
		\$76,000 - \$500,000	1.00%	1.00%
		Over \$500,000	1.25%	1.25%
4d(1)	Low Income Rental Housing (Per Unit)		0.25%	N/A
4d(2)	Homestead Community Land Trust (Per Unit)		0.75%	N/A
5(1)	Unmined Iron Ore and Low-Grade Iron-Bearing Formations		2.00%	2.00%
5(2)	All Other Property		2.00%	N/A