DEPARTMENT OF REVENUE

Minutes: Engaging Minnesota to Help Property Taxpayers Meeting 2 – Making the System Easier to Understand

Date: 08/18/2026
Minutes prepared by: Minnesota Department of Revenue
Location: Hybrid – Stassen Building Room #2000/Microsoft Teams

Agenda

- Welcome
- August 13th meeting recap
- Review various Revenue property tax reports and resources
- Making our property tax system easier to understand
  - Question 1: What information would help you better understand how your property taxes are calculated?
  - Question 2: Can you share any examples where a local, county, or state government made the property tax process easier to understand?
  - Question 3: What one change would make the property tax system clearer for you?
- Next meeting

Welcome

Commissioner of Revenue Paul Marquart welcomed the over 175 registered in-person and virtual guests for attending and providing comments for this second meeting in the series. He reiterated the purpose of the meeting is to focus on the property taxpayer and how to make it easier to understand; more accessible, more efficient, and more accessible. This venue is to provide a voice at the table for taxpayers and stakeholders to come up with ideas to improve the property tax system by focusing on the perspective of the taxpayer.

August 13th Meeting Recap

Commissioner Marquart reviewed the previous meeting the need to take action now as no legislative action was taken in the previous legislative session and property taxes continue to frustrate taxpayers. The main focus of the series is to make recommendations using a chart (as seen on slide 13 of the slide deck) to determine how the state governments, local governments, and the property tax process can make the system easier to understand, more accessible, more accountable, and simpler and less costly. The objective is that these recommendations be low to no-cost, don't shift burden of property taxes from one group to another, and prioritizes beneficial impacts to the property taxpayer.

Revenue has already received hundreds of comments, and all are being recorded and considered. All comments will be grouped into themes. Using these themes, the group will try to fit them into the chart mentioned above.

Review Various Property Tax Reports and Resources

Commissioner Marquart noted that this series is not looking to reinvent the wheel or repeat the work of previous workgroups or taskforces. For this reason, the group reviewed several existing reports. Commissioner Marquart reviewed the 2012 Property Tax Working Group, the Director of the Property Tax division Jon Klockziem reviewed the Property Taxpayer process, and Nick Greene, the Property Tax Research Director, covered the other reports and resources.

2012 Property Tax Working Group

Of the 19 recommendations that came out of this working group, Revenue has determined that 4 were completely fulfilled, and 5 were partially fulfilled. The guiding principles of this report are still relevant today.

Property Taxpayer Process

Commissioner Marquart asked participants to think about the taxpayers‘ impact points in the process and whether there were any missing or if more information would be helpful. All the dates in this process are interrelated and sequential so any changes could impact dates around it. It's a two-year process with year one for assessment and year two for payable year. They are two sides of the same coin. Director Klockziem walked through the timeline.

Other Property Tax Reports and Resources

Property Tax Research Director Greene reviewed how much is estimated to be paid out in various aids, credits and refunds for fiscal year 2027 including $965 million in Homestead Credit Refund, $387 million in Renter’s Credit, and $12 million in Special Property Tax Refund. These are some of the over 40 aids and credits available. The amount spent on property tax aids, credits, and refunds has been between $2 - $3.1 billion since 2022, representing about 3.9 - 5.2% of the total state budget.

Property Tax Levies has increases in the last 5 years: for counties, 29.5%; for cities, 43.3%; for towns, 25.2%; and for schools, 30.0%.

The Voss report looks at tax burden. The 2024 report is being worked on now. Median Homestead Property Tax Burden has remained between 2.32% - 2.82% in the last 20 years. The Property Tax Refund helps reduce the burden on the lower income brackets as well as across the state. The refund also reduces the regressivity of the property taxes.

Tax Incident Study examines the key question of who pays the taxes.

Making the Property Tax System Easier to Understand

Ideas that Revenue has already received include:

- Use plain language in materials
- Mulit-lingual materials
- ”Show the math”
- Decision-tree for benefits you may qualify for
- Knowledgeable people answering questions on the phone

Question 1: What information would help you better understand how your property taxes are calculated?

Comments included:

- What costs are increasing that cause a corresponding increase in taxes?
- Using the tax rate as opposed to levy rate when publishing and talking about it in meetings

Question 2: Can you share any examples where a local, county, or state government made the property tax process easier to understand?

Comments included:

- A presentation where they took the tax statement and broke it down showing how each section was calculated
- Property taxes overview | Hennepin County
- Assessment Process
- Region 7 has some great inserts included with the valuation notices that break down value to taxes: https://wilkincountymn.govoffice2.com/vertical/Sites/%7B6E7AB7CB-4769-4357-B6C8-90E546FFE488%7D/uploads/Property_Valuation_Notice_Mailing(1).pdf
- Many counties hold open budget meetings throughout the year and invite public comment at the beginning of meetings. Many also provide information on what is driving increases in the levy this year. The OSA also publishes annual data on what each county is spending on what area to show historical increases.

Question 3: What one change would make the property tax system clearer for you?

Comments included:

- What growth is occurring in our growing community that causes taxes to grow? If there are more properties does that automatically increase taxpayers/revenue?
- Simplify how many categories there are or combine classifications
- There are currently over 40 classifications
- Only thing worse than too many classification rates is not enough classification rates
- Education and explanations. Its important people understand who actually makes levy decisions, local city councils, county boards, school boards, and special taxing districts, not the state.
- Hennepin County had a good video on 14 reasons why your property tax can change.

Other Materials Referenced

- Property Tax Working Group - Final Report

- Property Tax History Data - Portal on Department of Revenue’s site to review historical property tax data

Next Meeting

Date: 09/01/2026
Time: 1:00 pm – 2:30 pm
Location: Hybrid – Stassen Building Room/Microsoft Teams
Agenda items: Making the System More Accessible