Minutes: Engaging Minnesota to Help Property Taxpayers Meeting 5 – Making the System Simpler and Less Costly

Date: 10/15/2026
Minutes prepared by: Minnesota Department of Revenue
Location: Hybrid – Stassen Building Room #2000/Microsoft Teams

Agenda

- Welcome
- Last day to submit poll answers was 10/15
- Previous meetings recap
- Review of existing proposals to improve service delivery
- Information session - MDOR overview of levy limits
- Guest speakers reflect on simpler and less costly
- Making our property tax system simpler and less costly
    - Question 1: What "hidden costs" do property owners need to navigate when going through the property tax process?
    - Question 2: What parts of the property tax system feel unnecessarily complicated or hard to follow?
    - Question 3: If you imagine a simpler property tax process, what features or changes would make it easier for people to navigate on their own?
- Next meeting

Welcome

Commissioner of Revenue Paul Marquart welcomed the in-person and virtual guests of the fifth meeting in the Department of Revenue's "Engaging Minnesota to Help Property Taxpayers" series. He reiterated the purpose of the meeting is to focus on property taxpayers and how to make the system easier to understand, more accessible, more efficient, and more accountable.

Commissioner Marquart also reminded attendees that October 15 was the final day for poll submissions. Revenue staff are cataloguing and categorizing these responses, with submissions Revenue has received during these roundtable meetings and throughout the series, in preparation for the final recommendations report.

Previous Meetings Recap

Commissioner Marquart reviewed the Goals for the Property Taxpayer chart to reiterate the purpose of this series: to identify ways that the state, local governments, and the property tax system can be made 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 prioritize beneficial impacts to the property taxpayer.

The previous meeting heard from guest speakers representing the Association of Minnesota Counties, Minnesota Inter-County Association, League of Minnesota Cities, and the Center for Fiscal Excellence. The first three speakers provided an overview of existing ways local governments provide information to taxpayers regarding budgeting and levy calculations.

In summary, a lot of information exists for taxpayers to review for a better understanding of their local government's budgeting process however, it can be overwhelming for individuals to consume this large amount of information. All acknowledged the challenges of distilling complex information into digestible formats but reiterated the importance of doing so to allow for accountability in the property tax process and improve taxpayer understanding.

Mark Haveman from the Center for Fiscal Excellence spoke about targeted ways property tax administrators at the state and local level can improve property tax system accountability by improving the types of information available to taxpayers. TNT hearings can be a great source of information, but most taxpayers come to those meetings with two primary questions in mind: Why is the property tax levy going up and why are my property taxes specifically rising?

Recommendations to improve taxpayer understanding and system accountability included a a levy reconciliation report and a potential tool to help taxpayers understand their tax statement and how much of your tax changes are a result of levy increases or other shifts in your jurisdiction.

Poll Reminder

Department of Revenue launched a poll to ask for feedback about the property tax system. It included questions such as "Agree or Disagree: I know how to find help when I need it." There have been over 170 online responses so far, paper responses still being counted. The poll was available on the department's website through October 15. These responses will be catalogued with the recommendations we have received from roundtable attendees and others throughout this series.

Proposals to Improve How Services are Delivered

Commissioner Marquart briefly reviewed five different reports produced in the last 20 years to improve local government service delivery. These reports are linked in the PowerPoint presentation that coincided with this roundtable meeting. The overview was meant to show the interest in recent years in making service delivery more efficient and remind everyone of the importance of this effort during and outside of periods of budget constraints.

Mandates, Ways to Ease Property Tax Increases, Levy Limits

Commissioner Marquart discussed various state and federal mandates that local governments cite as having a significant impact on their budgets (for example, Health and Human Services mandates). Additionally, existing ways to ease property taxes were reviewed as a reminder of the methods that may have been utilized by local governments already to mitigate property tax burdens on residents.

Jon Klockziem, Revenue's Property Tax Division director, provided a brief overview of levy limits and the several instances' limits have been utilized in Minnesota since 1972. Levy limits have been imposed by about 35 other states, including all of Minnesota's neighboring states. It's yet another tool that can be utilized to ease the burden of property taxes on taxpayers.

Soft Costs of Property Tax System Participation

This session focused on recommendations to make the property tax system simpler and less costly. To have a comprehensive discussion on this goal, Revenue included discussion of "soft costs" that taxpayers face in attempting to participate in the property tax system. This can include the time and money it takes to participate by attending TNT meetings, local government open houses, community events etc. There are also costs built into the process itself, for example the time and effort it takes to appeal a valuation.

A number of recommendations received already focus on making changes to reduce these kinds of costs for taxpayers' ease of participation in the property tax system.

Guest Speaker: Minnesota Inter-County Association, Nathan Jesson

Nathan Jesson, representing the Minnesota Inter-County Association (MICA), provided an overview of the role of counties and local governments in enacting state and federal mandates. He emphasized the difficulty that unfunded mandates create for counties and their ability to successfully implement the mandated services or programs as required while managing new budget constraints.

Several examples of counties explaining these impacts on county budgeting were provided and can be reviewed in the meeting's slide deck available on Revenue's website.

Guest Speaker: Minnesota Realtors, Paul Eger

Paul Eger, representing Minnesota Realtors, spoke next, providing data that suggests the rising costs and pressures facing homeowners and buyers in recent years. These slides include graphs depicting the increasing strain homeowner's monthly budgets are under as well as the increase in income needed for mortgage payments to not exceed 30% of homeowner's monthly income. This data suggests the unsustainability of the current homeowner and property tax environment and emphasizes the need for reforms.

Making the Property Tax System Simpler and Less Costly

The goal of this session – to make the property tax system simpler and less costly – includes efforts to reduce the financial costs and administrative burden for property taxpayers to:

- Meet property tax obligations
- Get help from administrators when needed
- Navigate the property tax process more easily

Example of valuable information provided at the county level: Taxes & Values | Ramsey County, Minnesota

Ideas Shared with Us So Far:

- Help residential homeowners that do not qualify for PTR
- Combine class codes
- Pay taxes once during the initial purchase
- Lower or no property taxes for homes that are paid off
- Base property tax on square footage of property
- Assess property taxes based on ability to pay

Note: This is feedback we received. It does not reflect a position by Revenue.

Question 1: What "hidden costs" do property owners need to navigate when going through the property tax process?

Revenue is available to receive ideas submitted after these sessions. Please review the department's webpage and reach out with any further ideas to reduce potential hidden or soft costs related to participating in the property tax process.

Question 2: What parts of the property tax system feel unnecessarily complicated or hard to follow?

Comments included:

- A two-year process is lengthy and difficult to understand holistically at times. It can be difficult for taxpayers to know when the opportunities to engage and provide feedback are in those two years. Local governments should facilitate engagement opportunities and ensure they seek to reduce the hidden costs of participation as much as possible.
- Realtors are another resource for homebuyers and owners in understanding their property tax obligations and options. Local governments and the state should ensure outreach to them to ensure they have simple and helpful materials to provide potential homeowners with.

Question 3: If you imagine a simpler property tax process, what features or changes would make it easier for people to navigate on their own?

Comments included:

- Suggest virtual or hybrid TNT meetings held at convenient times and not overlapping each other to allow interested property taxpayers to attend more easily.
- Consolidating information and resources about property and tax obligations would be a helpful resource. A one-stop shop to allow taxpayers to search by their address or location to find county, city, and schoolboard budget information, meeting times, local officials, etc.

Other Materials Referenced

- Engaging Minnesota to Help Property Taxpayers – the main page for this series on Revenue's website
- County and city materials reviewed can be found in the slides for this meeting.

Next Meeting

Date: 10/17/2026
Time: 1:00 pm – 2:30 pm
Location: Hybrid – Stassen Building Room/Microsoft Teams
Agenda items: Wrap-up Session and Reflections from Revenue