

1.1 A bill for an act

1.2 relating to taxation; requiring certain practices by assessors; requiring a statement  
1.3 on truth in taxation notices; amending Minnesota Statutes 2006, section 273.03,  
1.4 by adding a subdivision; Minnesota Statutes 2007 Supplement, section 275.065,  
1.5 subdivision 3.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2006, section 273.03, is amended by adding a  
1.8 subdivision to read:

1.9 Subd. 4. **Rotation of assessment duties.** To the extent practicable, in any county or  
1.10 local assessor's office that has more than one assessor or employee who determines the  
1.11 valuation of property, the determination of the value of each parcel of property must be  
1.12 assigned to different assessors or employees from year to year.

1.13 Sec. 2. Minnesota Statutes 2007 Supplement, section 275.065, subdivision 3, is  
1.14 amended to read:

1.15 Subd. 3. **Notice of proposed property taxes.** (a) The county auditor shall prepare  
1.16 and the county treasurer shall deliver after November 10 and on or before November 24  
1.17 each year, by first class mail to each taxpayer at the address listed on the county's current  
1.18 year's assessment roll, a notice of proposed property taxes.

1.19 (b) The commissioner of revenue shall prescribe the form of the notice.

1.20 (c) The notice must inform taxpayers that it contains the amount of property taxes  
1.21 each taxing authority proposes to collect for taxes payable the following year. In the case  
1.22 of a town, or in the case of the state general tax, the final tax amount will be its proposed  
1.23 tax. In the case of taxing authorities required to hold a public meeting under subdivision 6,  
1.24 the notice must clearly state that each taxing authority, including regional library districts

**S.F. No. 3357, as introduced - 2007-2008th Legislative Session (2007-2008)**

2.1 established under section 134.201, and including the metropolitan taxing districts as  
2.2 defined in paragraph (i), but excluding all other special taxing districts and towns, will  
2.3 hold a public meeting to receive public testimony on the proposed budget and proposed or  
2.4 final property tax levy, or, in case of a school district, on the current budget and proposed  
2.5 property tax levy. It must clearly state the time and place of each taxing authority's  
2.6 meeting, a telephone number for the taxing authority that taxpayers may call if they have  
2.7 questions related to the notice, and an address where comments will be received by mail.

2.8 (d) The notice must state for each parcel:

2.9 (1) the market value of the property as determined under section 273.11, and used  
2.10 for computing property taxes payable in the following year and for taxes payable in the  
2.11 current year as each appears in the records of the county assessor on November 1 of the  
2.12 current year; and, in the case of residential property, whether the property is classified as  
2.13 homestead or nonhomestead. The notice must clearly inform taxpayers of the years to  
2.14 which the market values apply and that the values are final values;

2.15 (2) the items listed below, shown separately by county, city or town, and state general  
2.16 tax, net of the residential and agricultural homestead credit under section 273.1384, voter  
2.17 approved school levy, other local school levy, and the sum of the special taxing districts,  
2.18 and as a total of all taxing authorities:

2.19 (i) the actual tax for taxes payable in the current year; and

2.20 (ii) the proposed tax amount.

2.21 If the county levy under clause (2) includes an amount for a lake improvement  
2.22 district as defined under sections 103B.501 to 103B.581, the amount attributable for that  
2.23 purpose must be separately stated from the remaining county levy amount.

2.24 In the case of a town or the state general tax, the final tax shall also be its proposed  
2.25 tax unless the town changes its levy at a special town meeting under section 365.52. If a  
2.26 school district has certified under section 126C.17, subdivision 9, that a referendum will  
2.27 be held in the school district at the November general election, the county auditor must  
2.28 note next to the school district's proposed amount that a referendum is pending and that, if  
2.29 approved by the voters, the tax amount may be higher than shown on the notice. In the  
2.30 case of the city of Minneapolis, the levy for Minneapolis Park and Recreation shall be  
2.31 listed separately from the remaining amount of the city's levy. In the case of the city of  
2.32 St. Paul, the levy for the St. Paul Library Agency must be listed separately from the  
2.33 remaining amount of the city's levy. In the case of Ramsey County, any amount levied  
2.34 under section 134.07 may be listed separately from the remaining amount of the county's  
2.35 levy. In the case of a parcel where tax increment or the fiscal disparities areawide tax  
2.36 under chapter 276A or 473F applies, the proposed tax levy on the captured value or the

**S.F. No. 3357, as introduced - 2007-2008th Legislative Session (2007-2008)**

3.1 proposed tax levy on the tax capacity subject to the areawide tax must each be stated  
3.2 separately and not included in the sum of the special taxing districts; and

3.3 (3) the increase or decrease between the total taxes payable in the current year and  
3.4 the total proposed taxes, expressed as a percentage.

3.5 For purposes of this section, the amount of the tax on homesteads qualifying under  
3.6 the senior citizens' property tax deferral program under chapter 290B is the total amount  
3.7 of property tax before subtraction of the deferred property tax amount.

3.8 (e) The notice must clearly state that the proposed or final taxes do not include  
3.9 the following:

3.10 (1) special assessments;

3.11 (2) levies approved by the voters after the date the proposed taxes are certified,  
3.12 including bond referenda and school district levy referenda;

3.13 (3) a levy limit increase approved by the voters by the first Tuesday after the first  
3.14 Monday in November of the levy year as provided under section 275.73;

3.15 (4) amounts necessary to pay cleanup or other costs due to a natural disaster  
3.16 occurring after the date the proposed taxes are certified;

3.17 (5) amounts necessary to pay tort judgments against the taxing authority that become  
3.18 final after the date the proposed taxes are certified; and

3.19 (6) the contamination tax imposed on properties which received market value  
3.20 reductions for contamination.

3.21 (f) Except as provided in subdivision 7, failure of the county auditor to prepare or  
3.22 the county treasurer to deliver the notice as required in this section does not invalidate the  
3.23 proposed or final tax levy or the taxes payable pursuant to the tax levy.

3.24 (g) If the notice the taxpayer receives under this section lists the property as  
3.25 nonhomestead, and satisfactory documentation is provided to the county assessor by the  
3.26 applicable deadline, and the property qualifies for the homestead classification in that  
3.27 assessment year, the assessor shall reclassify the property to homestead for taxes payable  
3.28 in the following year.

3.29 (h) In the case of class 4 residential property used as a residence for lease or rental  
3.30 periods of 30 days or more, the taxpayer must either:

3.31 (1) mail or deliver a copy of the notice of proposed property taxes to each tenant,  
3.32 renter, or lessee; or

3.33 (2) post a copy of the notice in a conspicuous place on the premises of the property.

3.34 The notice must be mailed or posted by the taxpayer by November 27 or within  
3.35 three days of receipt of the notice, whichever is later. A taxpayer may notify the county

**S.F. No. 3357, as introduced - 2007-2008th Legislative Session (2007-2008)**

4.1 treasurer of the address of the taxpayer, agent, caretaker, or manager of the premises to  
4.2 which the notice must be mailed in order to fulfill the requirements of this paragraph.

4.3 (i) For purposes of this subdivision, subdivisions 5a and 6, "metropolitan special  
4.4 taxing districts" means the following taxing districts in the seven-county metropolitan area  
4.5 that levy a property tax for any of the specified purposes listed below:

4.6 (1) Metropolitan Council under section 473.132, 473.167, 473.249, 473.325,  
4.7 473.446, 473.521, 473.547, or 473.834;

4.8 (2) Metropolitan Airports Commission under section 473.667, 473.671, or 473.672;  
4.9 and

4.10 (3) Metropolitan Mosquito Control Commission under section 473.711.

4.11 For purposes of this section, any levies made by the regional rail authorities in the  
4.12 county of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington under chapter  
4.13 398A shall be included with the appropriate county's levy and shall be discussed at that  
4.14 county's public hearing.

4.15 (j) The governing body of a county, city, or school district may, with the consent  
4.16 of the county board, include supplemental information with the statement of proposed  
4.17 property taxes about the impact of state aid increases or decreases on property tax  
4.18 increases or decreases and on the level of services provided in the affected jurisdiction.  
4.19 This supplemental information may include information for the following year, the current  
4.20 year, and for as many consecutive preceding years as deemed appropriate by the governing  
4.21 body of the county, city, or school district. It may include only information regarding:

4.22 (1) the impact of inflation as measured by the implicit price deflator for state and  
4.23 local government purchases;

4.24 (2) population growth and decline;

4.25 (3) state or federal government action; and

4.26 (4) other financial factors that affect the level of property taxation and local services  
4.27 that the governing body of the county, city, or school district may deem appropriate to  
4.28 include.

4.29 The information may be presented using tables, written narrative, and graphic  
4.30 representations and may contain instruction toward further sources of information or  
4.31 opportunity for comment.

4.32 (k) The notice must provide information regarding the availability of data used  
4.33 by the assessor to determine the value of property, including the location where the  
4.34 information is available and the times when those locations are open to the public.

4.35 **EFFECTIVE DATE.** This section is effective for notices sent in 2008 and  
4.36 subsequent years.