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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE No. **1012**

February 15, 2007

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The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to taxation; property; providing for valuation of certain rural land
1.3 abutting certain public waters; amending Minnesota Statutes 2006, section
1.4 273.11, by adding a subdivision.

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

1.6 Section 1. Minnesota Statutes 2006, section 273.11, is amended by adding a
1.7 subdivision to read:

1.8 Subd. 24. Rural land abutting public waters. Any parcel of real estate that is (i)
1.9 located within a township, (ii) classified under section 273.13, subdivision 23, paragraph
1.10 (a) or (b), clause (1), (2), or (3), and (iii) abuts public waters, as defined in this subdivision,
1.11 in whole or in part, shall be valued by the assessor on the same basis as rural land of
1.12 the same quality that does not abut public waters until some action as provided in this
1.13 subdivision is taken to develop the land. An owner of property meeting the criteria of this
1.14 subdivision must notify the county assessor within 30 days of applying for a development
1.15 permit from the county or local zoning board. If development permits are not required,
1.16 an owner of property meeting the criteria of this subdivision must notify the assessor
1.17 prior to the property being platted. The assessor shall, in the subsequent assessment year
1.18 and thereafter, determine the estimated market value of the property as provided under
1.19 subdivision 1, taking into consideration its developed shoreline use. Additional taxes shall
1.20 be imposed in an amount equal to (1) the difference between the amount of taxes actually
1.21 levied on the property in the current year with the limitation in market value as provided
1.22 under this subdivision and the amount of taxes that would have been levied in the current
1.23 year if the assessor's estimated market value had not been limited, (2) multiplied by three.
1.24 The additional taxes shall be extended against the property on the tax list for the current

2.1 year, provided that no interest or penalties shall be levied on the additional taxes if timely
2.2 paid. For purposes of this subdivision, "public waters" means a meandered lake under
2.3 section 103G.005, subdivision 15, paragraph (a), clause (3), and watercourses under
2.4 section 103G.005, subdivision 15, paragraph (a), clauses (9) and (10).

2.5 **EFFECTIVE DATE.** This section is effective for the 2007 assessment and
2.6 thereafter.