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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE No. **1234**

February 22, 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 property taxation; providing for a supplemental refund under the
1.3 additional property tax refund program; amending Minnesota Statutes 2006,
1.4 section 290A.04, subdivision 2h.

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

1.6 Section 1. Minnesota Statutes 2006, section 290A.04, subdivision 2h, is amended to
1.7 read:

1.8 Subd. 2h. **Additional refund.** (a) If the gross property taxes payable on a homestead
1.9 increase more than 12 percent over the property taxes payable in the prior year on the
1.10 same property that is owned and occupied by the same owner on January 2 of both years,
1.11 and the amount of that increase is \$100 or more, a claimant who is a homeowner shall
1.12 be allowed an additional refund equal to 60 percent of the amount of the increase over
1.13 the greater of 12 percent of the prior year's property taxes payable or \$100. The refund
1.14 under this subdivision paragraph shall not apply to any increase in the gross property taxes
1.15 payable attributable to improvements made to the homestead after the assessment date for
1.16 the prior year's taxes. The refund under this subdivision paragraph shall not apply to any
1.17 increase in the gross property taxes payable attributable to the termination of valuation
1.18 exclusions under section 273.11, subdivision 16. ~~The maximum refund allowed under~~
1.19 ~~this subdivision is \$1,000.~~ (b) For purposes of this subdivision paragraph "gross property
1.20 taxes payable" means property taxes payable determined without regard to ~~the refund~~
1.21 any refunds allowed under this subdivision.

1.22 (b) If the net property taxes payable on a homestead increase more than 15 percent
1.23 over the property taxes payable in the second previous year on the same property that is
1.24 owned and occupied by the same owner on January 2 of both years, and the amount of that

2.1 increase is \$100 or more, a claimant who is a homeowner shall be allowed an additional
2.2 refund equal to 60 percent of the amount of the increase over the greater of 15 percent
2.3 of the second preceding year's property taxes payable or \$100. The refund under this
2.4 paragraph shall not apply to any increase in the property taxes payable attributable to
2.5 improvements made to the homestead after the assessment date for the second previous
2.6 year's taxes. The refund under this paragraph shall not apply to any increase in the property
2.7 taxes payable attributable to the termination of valuation exclusions under section 273.11,
2.8 subdivision 16. For purposes of this paragraph, "net property taxes payable" means
2.9 property taxes payable after taking into account any refund allowed under paragraph (a).

2.10 (c) The maximum refund allowed under this subdivision is \$1,000.

2.11 ~~(c)~~ (d) In addition to the other proofs required by this chapter, each claimant under
2.12 this subdivision shall file with the property tax refund return a copy of the property tax
2.13 statement for taxes payable in the relevant preceding year or other documents required by
2.14 the commissioner.

2.15 ~~(d)~~ (e) Upon request, the appropriate county official shall make available the names
2.16 and addresses of the property taxpayers who may be eligible for the additional property
2.17 tax refund under this section. The information shall be provided on a magnetic computer
2.18 disk. The county may recover its costs by charging the person requesting the information
2.19 the reasonable cost for preparing the data. The information may not be used for any
2.20 purpose other than for notifying the homeowner of potential eligibility and assisting the
2.21 homeowner, without charge, in preparing a refund claim.

2.22 **EFFECTIVE DATE.** This section is effective for claims filed in 2008 and thereafter
2.23 based on property taxes payable in 2008 and thereafter.