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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE No. **2052**

March 13, 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 a property tax refund for owners of
1.3 seasonal recreational property under certain conditions; amending Minnesota
1.4 Statutes 2006, sections 290A.03, by adding a subdivision; 290A.04, by adding a
1.5 subdivision.

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

1.7 Section 1. Minnesota Statutes 2006, section 290A.03, is amended by adding a
1.8 subdivision to read:

1.9 Subd. 16. **Noncommercial seasonal residential recreational property.**
1.10 "Noncommercial seasonal residential recreational property" means a parcel of property
1.11 classified as noncommercial class 4c(1) under section 273.13, subdivision 25, or
1.12 contiguous parcels of class 4c(1) property under the same ownership.

1.13 **EFFECTIVE DATE.** This section is effective for refunds filed in 2008 and
1.14 thereafter based on property taxes payable in 2008 and thereafter.

1.15 Sec. 2. Minnesota Statutes 2006, section 290A.04, is amended by adding a subdivision
1.16 to read:

1.17 Subd. 2k. **Seasonal recreational property refund.** (a) If the gross property taxes
1.18 payable on a noncommercial seasonal residential recreational property increase more
1.19 than 12 percent over the property taxes payable in the prior year, and if the property is
1.20 under the same ownership on January 2 of both years, and the amount of that increase is
1.21 \$100 or more, the property owner shall be allowed a refund equal to 60 percent of the
1.22 amount of the increase over the greater of 12 percent of the prior year's property taxes
1.23 payable or \$100. This subdivision shall not apply to any increase in the gross property

2.1 taxes payable attributable to improvements made to the property after the assessment date
2.2 for the prior year's taxes.

2.3 The maximum refund allowed under this subdivision is \$500.

2.4 (b) In addition to the other proofs required by this chapter, each claimant under
2.5 this subdivision shall file with the property tax refund return a copy of the property tax
2.6 statement or statements for taxes payable in the preceding year or other documents
2.7 required by the commissioner.

2.8 (c) The refund under this subdivision may be claimed only if the combined household
2.9 income of all owners of the property does not exceed the maximum household income
2.10 limitation specified in subdivision 2, after adjustment for inflation under subdivision 4.

2.11 **EFFECTIVE DATE.** This section is effective for refunds filed in 2008 and
2.12 thereafter based on property taxes payable in 2008 and thereafter.