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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 1929

02/16/2023 Authored by Lislegard 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; tax-forfeited land sales; modifying apportionment of the net
1.3 proceeds from the sale of tax-forfeited land; amending Minnesota Statutes 2022,
1.4 section 282.08.

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

1.6 Section 1. Minnesota Statutes 2022, section 282.08, is amended to read:

1.7 282.08 APPORTIONMENT OF PROCEEDS TO TAXING DISTRICTS.

1.8 The net proceeds from the sale or rental of any parcel of forfeited land, or from the sale
1.9 of products from the forfeited land, must be apportioned by the county auditor to the taxing
1.10 districts interested in the land, as follows:

1.11 (1) the portion required to pay any amounts included in the appraised value under section
1.12 282.01, subdivision 3, as representing increased value due to any public improvement made
1.13 after forfeiture of the parcel to the state, but not exceeding the amount certified by the
1.14 appropriate governmental authority must be apportioned to the governmental subdivision
1.15 entitled to it;

1.16 (2) the portion required to pay any amount included in the appraised value under section
1.17 282.019, subdivision 5, representing increased value due to response actions taken after
1.18 forfeiture of the parcel to the state, but not exceeding the amount of expenses certified by
1.19 the Pollution Control Agency or the commissioner of agriculture, must be apportioned to
1.20 the agency or the commissioner of agriculture and deposited in the fund from which the
1.21 expenses were paid;

2.1 (3) the portion of the remainder required to discharge any special assessment chargeable
2.2 against the parcel for drainage or other purpose whether due or deferred at the time of
2.3 forfeiture, must be apportioned to the governmental subdivision entitled to it; ~~and~~

2.4 ~~(4) any balance must be apportioned as follows:~~

2.5 ~~(i) The county board may annually by resolution set aside no more than 30 percent of~~
2.6 ~~the receipts remaining to be used for forest development on tax forfeited land and dedicated~~
2.7 ~~memorial forests, to be expended under the supervision of the county board. It must be~~
2.8 ~~expended only on projects improving the health and management of the forest resource.~~

2.9 ~~(ii) The county board may annually by resolution set aside no more than 20 percent of~~
2.10 ~~the receipts remaining to be used for the acquisition and maintenance of county parks or~~
2.11 ~~recreational areas as defined in sections 398.31 to 398.36, to be expended under the~~
2.12 ~~supervision of the county board.~~

2.13 ~~(iii) Any balance remaining must be apportioned as follows: county, 40 percent; town~~
2.14 ~~or city, 20 percent; and school district, 40 percent, provided, however, that in unorganized~~
2.15 ~~territory that portion which would have accrued to the township must be administered by~~
2.16 ~~the county board of commissioners.~~

2.17 (4) the portion required to pay the sum of all delinquent taxes and assessments not paid
2.18 under clauses (1) to (3) that accrued or would have accrued if the parcel had not forfeited
2.19 to the state, together with penalties, costs, and interest at the rate fixed by law for the
2.20 respective years, must be apportioned to the governmental subdivisions entitled to it;

2.21 (5) the portion required to pay attorney fees and costs reasonably incurred or expended
2.22 in connection with the delinquency proceedings and tax sale must be apportioned to the
2.23 governmental subdivision entitled to it; and

2.24 (6) any balance must be returned to the person or entity that owned the property prior
2.25 to its forfeiture.