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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 4810

04/21/2022 Authored by Igo
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; limiting annual valuation increase on residential
1.3 properties; amending Minnesota Statutes 2020, section 273.11, by adding a
1.4 subdivision.

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

1.6 Section 1. Minnesota Statutes 2020, section 273.11, is amended by adding a subdivision
1.7 to read:

1.8 Subd. 24. Residential valuation increase limitation. (a) In determining the market
1.9 value of residential property, a county assessor shall not increase the market value of
1.10 residential property by more than three percent of the prior year's assessment value.

1.11 (b) When residential property is sold, the limitation in paragraph (a) shall not apply for
1.12 the following assessment year. During a sale of residential property, a purchaser or an agent
1.13 of a purchaser may request the county auditor provide a property tax estimate based off the
1.14 current year's fair market value of the property.

1.15 (c) If the estimated market value of a sold residential property increases more than
1.16 percent over the prior year's assessment value, the county auditor shall spread the percent
1.17 increase across the net tax capacity of all residential properties effective for taxes payable
1.18 in the two years following the next taxes payable year.

1.19 EFFECTIVE DATE. This section is effective for assessment year 2023 and thereafter.