

Aitkin County Board of Commissioners
Request for County Board Action/Agenda Item Cover Sheet



To: Chairperson, Aitkin County Board of Commissioners Date: 1/18/12

Via: Patrick Wussow, County Administrator

From: Mike Dangers, County Assessor

Title of Item: Tax Court

Requested Meeting Date: January 24, 2012 Estimated Presentation Time: 15 min

Presenter: Mike Dangers

Type of Action Requested (check all that apply)

- For info only, no action requested Approve under Consent Agenda
- For discussion only with possible future action Adopt Ordinance Revision
- Let/Award Bid or Quote (attach copy of basic bid/quote specs or summary of complex specs, each bid/quote received & bid/quote comparison)
- Approve/adopt proposal by motion Approve/adopt proposal by resolution (attach draft resolution)
- Authorize filling vacant staff position
- Request to schedule public hearing or sale Other (please list) _____
- Request by member of the public to be heard
- Item should be addressed in closed session under MN Statute _____

Fiscal Impact (check all that apply)

- Is this item in the current approved budget? Yes No (attach explanation)
- What type of expenditure is this? Operating Capital Other (attach explanation)
- Revenue line account # that funds this item is: _____
- Expenditure line account # for this item is: _____

Staffing Impact (Any yes answer requires a review by Human Resources Manager before going to the board)

- Duties of a department employee(s) may be materially affected. Yes No
- Applicable job description(s) may require revision. Yes No
- Item may impact a bargaining unit agreement or county work policy. Yes No
- Item may change the department's authorized staffing level. Yes No



Supporting Attachment(s)

- Memorandum Summary of Item
- Copy of applicable county policy and/or ordinance (excerpts acceptable)
- Copy of applicable state/federal statute/regulation (excerpts acceptable)
- Copy of applicable contract and/or agreement
- Original bid spec or quote request (excluding complex construction projects)
- Bids/quotes received (excluding complex construction projects, provide comparison worksheet)
- Bid/quote comparison worksheet
- Draft County Board resolution
- Plat approval check-list and supporting documents
- Copy of previous minutes related to this issue
- Other supporting document(s) (please list) _____

Provide eleven (11) copies of supporting documentation NO LATER THAN Wednesday at 8:00am to make the Board's agenda for the following Tuesday. Items WILL NOT be placed on the Board agenda unless complete documentation is provided for mailing in the Board packets. (see reverse side for details)



**OFFICE OF
AITKIN COUNTY ASSESSOR**
209 2nd ST N.W. Room 111
AITKIN, MINNESOTA 56431
Phone: 218/927-7327 – Fax: 218/927-7379
assessor@co.aitkin.mn.us

MEMO

January 18, 2012

To: County Board of Commissioners

From: Mike Dangers, County Assessor

Re: Tax Court Cases

On January 24, we will provide the Board with an update on the Tax Court case with Blandin Paper Company for taxes payable in 2011. Before details are given regarding this case, some general information regarding Tax Court is shown below. The Tax Court produced a two page information sheet that is attached to this memo.

While Aitkin County went many years without a Tax Court case, they have become more numerous recently. However, our case load is far less than larger and higher tax rate counties. Metro area counties and cities can have several hundred separate petitions per year. The overall trend of increased caseload is statewide and likely due to the poor economy.

The Tax Court filing deadline is April 30 of the year property taxes are due. This is a year after the Board of Appeal and Equalization has completed reviewing property value and class. Property owners can go directly to Tax Court without first appealing at a meeting or to an assessor.

The Minnesota Tax Court is a part of the Executive Branch of Minnesota State Government. The judges are appointed by the Governor. If a case goes to trial, it is usually heard in the county where the petition is filed. A settlement is usually negotiated prior to trial if an agreement is reached.

The burden of proof is on the taxpayer in these cases. They typically must provide a written appraisal by a licensed private appraiser to win a case. The Court can and does raise values if they think values are too low.

Please contact me with any questions at (218) 927-7340.



Minnesota Tax Court
245 Minnesota Judicial Center
25 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155

Court Administrator
E-Mail: info@taxcourt.state.mn.us
Web Site: www.taxcourt.state.mn.us
Phone: (651) 296-2806
Fax: (651) 297-8737

Property Tax Appeals Information

The following information is intended to assist taxpayers in understanding their rights and responsibilities regarding property tax appeals made to the Minnesota Tax Court. It is intended to provide public information, not legal advice.

When is the deadline for filing a property tax appeal?

Property tax appeals must be filed with the Court Administrator's Office of the District Court in the county where your property is located on or before **April 30th** of the year the tax becomes **payable**. There is an exception to the general deadline in Minn. Stat. § 278.01, subd. 4.

How do I file a property tax appeal?

- **Complete the Minnesota Tax Court's Form 7 "Real Property Tax Petition."**

This form may be obtained from the Minnesota Tax Court; the Tax Court web site, www.taxcourt.state.mn.us; or the District Court Administrator's Office.

- **Serve copies of the petition upon county officials.**

Taxpayers must serve copies of the petition, including any attachments, on the appropriate county officials. Serve is a legal term that means to formally deliver copies of the petition and provide proof of service to the Court. Proof of Service forms are supplied on the back of the petition and one must be completed on the original petition that is filed with the district court of the county where the property is located.

Serve copies of the petition and attachments as follows:

- Three (3) copies to the County Assessor
- One (1) copy each to the County Auditor, County Treasurer, and the County Attorney.
- File the **original petition** with any attachments, proof of service, and the filing fee with the Court Administrator of the District Court in the county where your property is located before the deadline.

In counties where the Offices of County Treasurer and County Auditor are combined, the county may specify the number of copies and the county officials who must be served. Contact the District Court Administrator of the county where the property is located for instructions.

These offices typically can be found in the county courthouse or government center. Specific instructions for service and filing are available for Hennepin County and Ramsey County and may be obtained by contacting the County District Court Administrator's Office. Make sure to keep a copy of the Petition and attachment(s) for your own records.

How much are the filing fees?

Regular Division is \$310.00 and Small Claims Division is \$150.00. An additional county law library fee is required for both divisions. To determine the county law library fee, contact the Court Administrator's Office in the county where the property is located.

May I file my appeal in Small Claims Division?

The Small Claims Division is a low cost way to appeal property tax issues. Minn Stat. § 271.21. To file a Small Claims Division petition you must meet one of these conditions:

- a) the issue is a denial of a current year application for the homestead classification for the taxpayer's property;
- b) only one parcel is included in the petition, the entire parcel is classified as homestead 1a or 1b pursuant to Minn. Stat. § 273.13, and the parcel contains no more than one dwelling unit; or
- c) the assessor's estimated market value of the property included in the petition is less than \$300,000.

If one of these conditions is met, you may appeal in either Small Claims Division or Regular Division. If not, you may only file in Regular Division.

What is the difference between Small Claims and Regular Divisions?

Besides the filing fee difference, there are other differences:

- **A decision in Small Claims Division is final.** A decision by the Minnesota Tax Court in a property tax petition brought in Small Claims Division is final and may not be appealed by either party. A Regular Division decision of the Tax Court may be appealed to the Minnesota Supreme Court.
- **Court Reporter Fees.** Court reporter fees are not incurred in Small Claims Division hearings because an official record of the hearing is not made. An official record is required for Regular Division hearings and you are required to pay for the court reporter's time at the hearing.

Do I need to do anything after I've filed and served the petition?

Yes, and failure to do some of these things could lead to dismissal of your petition. **Please carefully read the following:**

- 1) **Payment of Tax Pending the Appeal.**
Even though you are contesting your real estate taxes, you must pay the tax when it is due. See Minn. Stat. § 278.03. **Failure to pay the tax on time will result in an automatic dismissal of your petition.** Any overpayment of tax will be refunded with interest.
- 2) **Income-Producing Property Requirements.**
If the petition involves income-producing property, you must satisfy two additional requirements after serving and filing the petition:
 - a) You must provide the County Assessor with financial information regarding the property within 60 days after the filing deadline. You should provide information including: income and expense figures, verified net rentable areas, and anticipated income and expenses. **If you fail to provide this information, you risk having your petition dismissed.**
 - b) You must furnish the county with a copy of the property appraisal at least 5 working days before the hearing. Provide the appraisal you intend to present to the Court at trial.
- 3) **Try Resolving the Petition Without Trial.**
Many cases are resolved without the need for trial.
 - a) **Settlements.** Although you may have had contact with the county concerning your assessment previously, you should again make contact after the petition is filed. In most counties you may contact the Assessor for your area to see if you can resolve your case prior to trial. Explain why the petition was filed and why you think the assessment should be changed.

Some County Assessors do not have the authority to negotiate property tax settlements. If your Assessor is not familiar with the handling of property tax petitions, or if you are unable to contact the assessor for your area, please contact the County Attorney's Office.

If you reach an agreement to settle the case, the County Attorney's Office usually prepares a settlement document for your signature.

- b) **Dismissals.** You may decide that you do not wish to proceed with your appeal.

If you settle your case or if you decide to dismiss your case, please contact the Tax Court at (651) 296-2806 immediately. **You must notify the Tax Court by noon the day before any trial is scheduled or you may be liable for court reporter fees and/or a fine.**

When will my case be set for trial?

After you have filed the property tax petition, you will receive notice of your first trial date notice. The notice will be sent to the address shown on the petition. If you move, it is your responsibility to inform the Tax Court of your new address. You will be given three months notice of your first trial date.

Who has the Burden of Proof?

The petitioner must present proper evidence of the market value or use of the property as of the assessment date being challenged in order to prove his/her claim. Minn. Stat. § 271.06, subd. 6. The court has the authority to lower or raise the value or change the classification.

How do I prepare my case for trial?

The Minnesota Tax Court has prepared a publication entitled "**Presenting Property Tax Appeals to the Minnesota Tax Court**" which is intended to assist taxpayers in presenting their cases and understanding Tax Court Policies and Procedures. You may obtain a copy of this publication by contacting the Minnesota Tax Court or by visiting the Tax Court's web site.

When will I find out if I've won my case?

You will receive the Minnesota Tax Court's written decision by mail within 3 months of the final submission date. Tax Court decisions issued from 1992 to present are available on the Tax Court's Web Site.

If I win, when will I get my refund?

Refunds are handled by the county and the county will send you a check. Similarly, if you owe money, it is up to you to arrange payment with the county.

Additional Information Sources

Minnesota Statutes Chapters 271 and 278; Minnesota Rules of Civil Procedure; Minnesota Rules of Evidence; Minnesota Tax Court Rules of Procedure; reference materials available at public libraries; or consultation with an attorney. Links to these materials are available on the Tax Court's web site. Internet access is available at most public libraries.



Minnesota Tax Court

245 Minnesota Judicial Center
25 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155
(651) 296-2806
www.taxcourt.state.mn.us

Deaf/Hard of Hearing/Speech Impaired Only: TDD users may call the Minnesota Tax Court through the Minnesota Relay Service: Greater Minnesota 1 (800) 627-3529. Ask for (651) 296-2806. Last updated 8/07/07.