



**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

County Board of Equalization Appeal Information Sheet

Appointment Time: 5:00 PM

Owner Name: Charles Hawkinson

Property ID#: 08-0-025900

Physical Address: 43344 320th Place
Aitkin, MN 56431

Estimated Market Value 2011 Assessment: \$17,200

Classification 2011 Assessment: Residential Homestead

Estimated Market Value 2012 Assessment: \$58,200

Classification 2012 Assessment: Residential Homestead

Reason for Appeal: Valuation is too high. Mr. Hawkinson stated at the Fleming Twp Meeting that the property should qualify for class 2e and the Aggregate Resource Preservation Program.

Assessor's Recommendation: No change. The valuation increase in the current assessment year is primarily due to the removal of large tract frontage discounts and quality discounts applied to the parcel when the property owner owned more lakeshore. The program and classification mentioned above cannot be granted by a Board of Appeal and Equalization. Owner must follow application process as directed by County Assessor's Office.

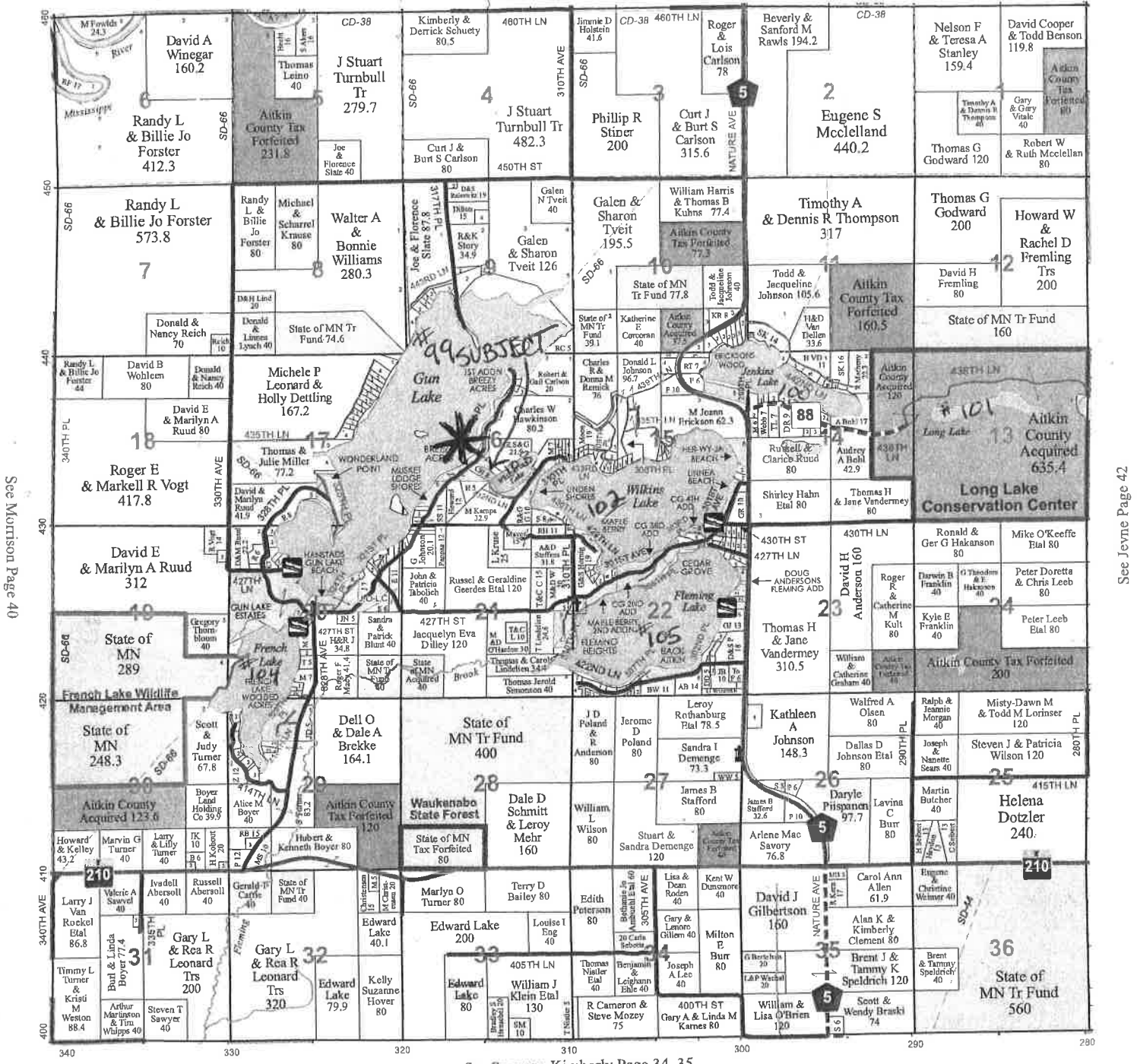
Comments: The letter recently sent to Mr. Hawkinson with attachments is included with this packet.

FLEMING

T.48N-R.25W

See Logan Page 47

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See Spencer, Kimberly Page 34, 35

GUN LAKE SOD
 — Locally Grown —
 Pick Up or Delivered
 Installation Available
218-927-3628
 42926 - 330th AV, Palisade, MN 56469

Fresh table potatoes
 Grown and packed by R. & M. Vogt
 Palisade, MN 56469
(218) 927-2215
 Local customers welcome

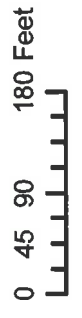
Gun Lake POTATO FARM



These data are provided on an "AS-IS" basis, without warranty of any type, expressed or implied, including but not limited to any warranty as to their performance, merchantability, or fitness for any particular purpose.

08-0-025900

5/8/2012 2:53:12 PM



Scale: 1:2,048

Parcel Nbr: 08-0-025900
 Fee Owner: 5666
 HAWKINSON, CHARLES W
 Taxpayer: 5666 FALCO:F.O.
 HAWKINSON, CHARLES W
 43344 320TH PLACE
 AITKIN MN 56431

6924 PRD Production 2012 Property Assessment Record
 DISTRICTS:
 Twp/City : 8 FLEMING TWP
 School : 1 AITKIN
 Lake : 10103 WHISPERING LAKE (FLEMING T

AITKIN COUNTY
 LEGAL DESCRIPTION:
 Sec/Twp/Rge : 16 48.0 25 Acres: 1.27
 NW SE LESS PLAT (13.95 AC UNDER WHISPERING
 LAKE) & LESS 1.90 AC IN DOC 379187 & LESS
 21.88 AC IN DOC 379188
 Parcel notes:
 5-4-12, LBOAE, NO CHANGE
 7-6-2011, JH, R/A, READ AERIAL & SOIL MAPS

ASSESSMENT DETAILS:				Acres	CAMA	Estimated	Deferred	Taxable
2012 Rcd:	1 Class:	203 Residential 1 unit	Previously SRR	Land 2.53	58,200	58,200		58,200
	Hstd:	1 Residential-Homestead		Total MKT	58,200	58,200		58,200
	MP/Seq:	08-1-064603	001	10 acres	58,200	58,200		58,200
	Own%100	Rel AG%	Rel NA%	Dsb%				
2011 Rcd:	1 Class:	203 Residential 1 unit	Previously SRR	Land 1.27	17,200	17,200		17,200
	Hstd:	1 Residential-Homestead		Total MKT	17,200	17,200		17,200
	MP/Seq:	08-1-064603	001	10 acres	17,200	17,200		17,200
	Own%100	Rel AG%	Rel NA%	Dsb%				
2010 Rcd:	1 Class:	203 Residential 1 unit	Previously SRR	Land 1.27	17,150	17,200		17,200
	Hstd:	1 Residential-Homestead		Total MKT	17,150	17,200		17,200
	MP/Seq:	08-1-064603	001	10 acres	17,150	17,200		17,200
	Own%100	Rel AG%	Rel NA%	Dsb%				
2009 Rcd:	1 Class:	203 Residential 1 unit	Previously SRR	Land 1.27	17,150	17,200		17,200
	Hstd:	1 Residential-Homestead		Total MKT	17,150	17,200		17,200
	MP/Seq:	08-1-064603	001	10 acres	17,150	17,200		17,200
	Own%100	Rel AG%	Rel NA%	Dsb%				

ASSESSMENT SUMMARY:												
Year	Class	Hstd	Land Mkt	Land Dfr	Building	Total Mkt	Total Dfr	Limited Mkt	Limited Dfr	Exemptions	Taxable	New Imp
2012	203	1	58,200			58,200		58,200			58,200	
2011	203	1	17,200			17,200		17,200			17,200	
2010	203	1	17,200			17,200		17,200			17,200	
2009	203	1	17,200			17,200		17,200			17,200	

LINKED PARCELS - BASE: 08-1-064603 001
 000 08-1-064603 001*08-0-025900
 Total acres: 6.40 Total est: 282,100 Total taxable: 270,200

TAX SECTION:		Taxes				Credits					Net Tax
Tax Year	Rec Class	NTC	RMV	St Gen	Disaster	Powerline	Ag	Res	Tac		
2013		.00	.00	.00	.00	.00	.00	.00	.00	.00	
2012		90.50	7.50	.00	.00	.00	.00	.00	.00	98.00	
2011		82.71	7.29	.00	.00	.00	.00	.00	.00	90.00	
2010		79.01	6.99	.00	.00	.00	.00	.00	.00	86.00	

CAMA LAND DETAILS:										NOTES:	
Land market:	08	FLEMING / ZONE 3	Last calc date/env: 03/21/12 B		7-6-2011 REMOVED COPG OF 1320', IT APPEARS THAT IS WHAT HE USED TO OWN, 245' IS ALL HE APPEARS TO OWN NOW. USED SAME DISCOUNT AS OTHERS IN THE AREA.						
Neighborhood:	08	FLEMING	1.00	Asmt year: 2012							
COG:	5666	1 Ac/FF/SF:	6.40	Lake:							
Wid:	.00	Dth:	450.00	Avg CER:							
Land/Unit Type	Units	Qlt/Acc	-Other-	OV	Base Rate	Adj Rate	Value Asmt Cd	Areaage	PTR	Value Improvement	CER Factors
01-0103	FF	245.00	J		500.00	237.50	58200 1 203	2.53	17200		
Front feet:	245.00	Other Acres:	.00	Totals:	58,200						
FF/SF acres:	2.53	CAMA acres:	2.53	Mineral:							

CAMA SUMMARY:
 Schedule: 2012
 Neighborhood: 08 FLEMING
 Insp/By/Cmp: 07/06/2011 JH P



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COPY

May 4, 2012

Gun Lake Sand and Gravel, LLC
Attn: Charles Hawkinson
43344 320th Place
Aitkin, MN 56431

Re: The Aggregate Resource Preservation Program (ARPP) and the 2e Property Tax Classification

Dear Mr. Hawkinson:

We're sending you additional information regarding the classification and program listed above as per your request at the Fleming Township Local Board of Appeal and Equalization.

Enclosed with this letter are copies of the Aggregate Resource Preservation Program fact sheet from the Department of Revenue, an application for this program, and a copy of a portion of Minnesota Statute 273.13.

To be considered for the reduced valuation benefits of the ARPP, a property must meet all of the qualifications that are listed on the application. It appears that your lakeshore parcels do not qualify since they are classified as commercial and they are actively being mined.

If you do believe you qualify for the ARPP, please fill out the application completely and attach all required documents and return to this Office prior to May 1, 2013. You have missed the deadline for the 2012 assessment.

The 2e property tax classification is described in MS 273.13 Subd. 23(m). There is no application for this classification but there are similar requirements as for the ARPP. Actively mined parcels do not qualify for 2e. Also, you would not receive a benefit from 2e on the parcels that are not actively mined since the classification tax rate is equal to the current tax rate you pay on rural vacant land.

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

Sincerely,

Mike Dangers
Aitkin County Assessor

cc: Becky Bright, Fleming Township Clerk

showroom for the retail sale of those products. Use of a greenhouse or building only for the display of already grown horticultural or nursery products does not qualify as an agricultural purpose.

(k) The assessor shall determine and list separately on the records the market value of the homestead dwelling and the one acre of land on which that dwelling is located. If any farm buildings or structures are located on this homesteaded acre of land, their market value shall not be included in this separate determination.

(l) Class 2d airport landing area consists of a landing area or public access area of a privately owned public use airport. It has a class rate of one percent of market value. To qualify for classification under this paragraph, a privately owned public use airport must be licensed as a public airport under section 360.018. For purposes of this paragraph, "landing area" means that part of a privately owned public use airport properly cleared, regularly maintained, and made available to the public for use by aircraft and includes runways, taxiways, aprons, and sites upon which are situated landing or navigational aids. A landing area also includes land underlying both the primary surface and the approach surfaces that comply with all of the following:

(i) the land is properly cleared and regularly maintained for the primary purposes of the landing, taking off, and taxiing of aircraft; but that portion of the land that contains facilities for servicing, repair, or maintenance of aircraft is not included as a landing area;

(ii) the land is part of the airport property; and

(iii) the land is not used for commercial or residential purposes.

The land contained in a landing area under this paragraph must be described and certified by the commissioner of transportation. The certification is effective until it is modified, or until the airport or landing area no longer meets the requirements of this paragraph. For purposes of this paragraph, "public access area" means property used as an aircraft parking ramp, apron, or storage hangar, or an arrival and departure building in connection with the airport.

(m) Class 2e consists of land with a commercial aggregate deposit that is not actively being mined and is not otherwise classified as class 2a or 2b, provided that the land is not located in a county that has elected to opt-out of the aggregate preservation program as provided in section 273.1115, subdivision 6. It has a class rate of one percent of market value. To qualify for classification under this paragraph, the property must be at least ten contiguous acres in size and the owner of the property must record with the county recorder of the county in which the property is located an affidavit containing:

(1) a legal description of the property;

(2) a disclosure that the property contains a commercial aggregate deposit that is not actively being mined but is present on the entire parcel enrolled;

(3) documentation that the conditional use under the county or local zoning ordinance of this property is for mining; and

(4) documentation that a permit has been issued by the local unit of government or the mining activity is allowed under local ordinance. The disclosure must include a statement from a registered professional geologist, engineer, or soil scientist delineating the deposit and certifying that it is a commercial aggregate deposit.

For purposes of this section and section 273.1115, "commercial aggregate deposit" means a deposit that will yield crushed stone or sand and gravel that is suitable for use as a construction

aggregate; and "actively mined" means the removal of top soil and overburden in preparation for excavation or excavation of a commercial deposit.

(n) When any portion of the property under this subdivision or subdivision 22 begins to be actively mined, the owner must file a supplemental affidavit within 60 days from the day any aggregate is removed stating the number of acres of the property that is actively being mined. The acres actively being mined must be (1) valued and classified under subdivision 24 in the next subsequent assessment year, and (2) removed from the aggregate resource preservation property tax program under section 273.1115, if the land was enrolled in that program. Copies of the original affidavit and all supplemental affidavits must be filed with the county assessor, the local zoning administrator, and the Department of Natural Resources, Division of Land and Minerals. A supplemental affidavit must be filed each time a subsequent portion of the property is actively mined, provided that the minimum acreage change is five acres, even if the actual mining activity constitutes less than five acres.

(o) The definitions prescribed by the commissioner under paragraphs (c) and (d) are not rules and are exempt from the rulemaking provisions of chapter 14, and the provisions in section 14.386 concerning exempt rules do not apply.

Subd. 24. **Class 3.** (a) Commercial and industrial property and utility real and personal property is class 3a.

(1) Except as otherwise provided, each parcel of commercial, industrial, or utility real property has a class rate of 1.5 percent of the first tier of market value, and 2.0 percent of the remaining market value. In the case of contiguous parcels of property owned by the same person or entity, only the value equal to the first-tier value of the contiguous parcels qualifies for the reduced class rate, except that contiguous parcels owned by the same person or entity shall be eligible for the first-tier value class rate on each separate business operated by the owner of the property, provided the business is housed in a separate structure. For the purposes of this subdivision, the first tier means the first \$150,000 of market value. Real property owned in fee by a utility for transmission line right-of-way shall be classified at the class rate for the higher tier.

For purposes of this subdivision, parcels are considered to be contiguous even if they are separated from each other by a road, street, waterway, or other similar intervening type of property. Connections between parcels that consist of power lines or pipelines do not cause the parcels to be contiguous. Property owners who have contiguous parcels of property that constitute separate businesses that may qualify for the first-tier class rate shall notify the assessor by July 1, for treatment beginning in the following taxes payable year.

(2) All personal property that is: (i) part of an electric generation, transmission, or distribution system; or (ii) part of a pipeline system transporting or distributing water, gas, crude oil, or petroleum products; and (iii) not described in clause (3), and all railroad operating property has a class rate as provided under clause (1) for the first tier of market value and the remaining market value. In the case of multiple parcels in one county that are owned by one person or entity, only one first tier amount is eligible for the reduced rate.

(3) The entire market value of personal property that is: (i) tools, implements, and machinery of an electric generation, transmission, or distribution system; (ii) tools, implements, and machinery of a pipeline system transporting or distributing water, gas, crude oil, or petroleum products; or (iii) the mains and pipes used in the distribution of steam or hot or chilled water for

Aggregate Resource Preservation Program

16

Property Tax Fact Sheet 16

Fact Sheet

The Aggregate Resource Preservation Program, as outlined in Minnesota Statutes, section 273.1115, provides a valuation deferral for qualifying property owners with land that is known to contain a commercial aggregate deposit but is not being actively mined.

County Options

Participation in this program by Minnesota counties is *optional*. Each county has the option to opt-out of the Aggregate Resource Preservation program at any time before June 1, 2010. If a county has opted out of this program, they have also opted out of the 2e classification. Please check with your county assessor to determine if your county offers this program and classification before making application.

Who qualifies?

Property owners may apply for valuation deferment under this program if:

- a property is classified as class 1a, 1b, 2a, 2b or 2e;
- the property consists of at least 10 contiguous acres;
- there are no delinquent taxes on the property; and
- there is a restrictive covenant which limits the use of the property's surface to the current use on the date of application and limits its future use to the preparation and removal of the commercial aggregate deposit under its surface.

How to apply for valuation deferment

Application must be made to the county assessor by May 1 to be eligible for the current assessment year (for taxes payable next year). For 2009 only, the application date has been extended to September 1, 2009. The application is available at the county assessor's office. A copy of the restrictive covenant filed with the county recorder must be included with the application. The application must also identify the legal description of the area, the name and address of the property owner, and a statement of proof that the land contains a restrictive covenant limiting the use of the property's surface and limiting its future use to the preparation and removal of the commercial aggregate deposit under its surface.

What are the benefits?

Enrollment in the Aggregate Resource Preservation program provides a valuation deferment. Land enrolled in the program is valued as if it were agricultural land as well as its estimated market value which is based on the potential commercial yield of the aggregate located on the property. Taxes are calculated on both values but are paid on the lower (agricultural) value. The difference in taxes is deferred until the property is no longer enrolled in the program.

Withdrawal from the program

Withdrawal from the program may occur in the following ways:

1. A property owner may withdraw from the program by filing a supplemental covenant with the county recorder. The property owner must pay additional taxes at the time of cancellation.
2. A city or town may withdraw the program as well, and in this case no additional taxes are due.
3. A property may be disqualified if it becomes actively mined and has not been properly withdrawn from the program. In this case, the amount of deferred taxes for the current year, multiplied by the number of years the property was enrolled in the program, may be due by the property owner.

If the enrolled property sells, the program may still be in effect so long as the property continues to qualify based on its use and that the new owner files an application with the county assessor within 30 days of the property's sale.

Application for Aggregate Resource Preservation Program

Provides a valuation deferral for qualifying property owners with land that is known to contain a commercial aggregate deposit but is not being actively mined. (Minnesota Statutes 273.1115)

Please read the back of this form before completing. This application must be signed, dated and returned to the county assessor's office (along with all attachments) by May 1 to be eligible for deferral for taxes payable in the following year. (For 2009 only, the application date has been extended to September 1.)

This section to be completed by all applicants. Please fill out the following information for the owner or authorized representative of the entity that owns the property.

Name of owner(s)

Mailing Address

City

State

Zip

Legal description of all parcels being enrolled:

To qualify for the Aggregate Resource Preservation Program all of the following must apply for all parcels being enrolled:

1. The property is at least 10 contiguous acres in size. Yes No
2. There are no delinquent taxes due on all property being enrolled. Yes No
3. The property is classified as one of the following property classifications: 1a, 1b, 2a, 2b, or 2e. Yes No
4. The property contains a commercial aggregate deposit that is not actively being mined but is present on the entire parcel or parcels being enrolled. Yes No
5. The property contains a restrictive covenant limiting its use for the property's surface to that which exists on the date of this application and limiting its future use to the preparation and removal of the commercial aggregate deposit. Yes No
6. The conditional use under county or local zoning ordinance of the parcel or parcels being enrolled is for mining. Yes No

If your property is classified as class 2e, you must attach to this application: (1) the affidavit you recorded with the county recorder's office in order to receive the 2e classification; and (2) a copy of your restrictive covenant.

If your property is not currently classified as class 2e, you must attach to this application: (1) documentation that a permit has been issued to you by your local unit of government allowing mining activity or that the mining activity is allowed under local ordinance; (2) a statement from a registered professional geologist, engineer, or soil scientist delineating the deposit and certifying it as a commercial aggregate deposit; and (3) a copy of your restrictive covenant.

By signing below, I certify that the above information is true and correct to the best of my knowledge, and I am an owner of the property or an authorized member, partner, or shareholder of the entity that owns the property for which the Aggregate Resource Preservation Program is being claimed.

Making false statements on this application is against the law.

Minnesota Statute, Section 609.41 states that anyone giving false information in order to avoid or reduce their tax obligations is subject to a fine of up to \$3,000 and/or up to one year in prison.

Signature

Daytime phone
()

Date

This section is for assessor use only.

Application is: approved denied.

If denied, note main reason:

Assessor's signature

Date

Information: Aggregate Resource Preservation Program

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