



Board of County Commissioners Agenda Request

4B

Agenda Item #

Requested Meeting Date: October 13, 2015

Title of Item: Tax Penalty Abatement Policy for Commercial Property

<input checked="" type="checkbox"/> REGULAR AGENDA <input type="checkbox"/> CONSENT AGENDA <input type="checkbox"/> INFORMATION ONLY	Action Requested: <input type="checkbox"/> Approve/Deny Motion <input type="checkbox"/> Adopt Resolution (attach draft)	<input type="checkbox"/> Direction Requested <input checked="" type="checkbox"/> Discussion Item <input type="checkbox"/> Hold Public Hearing* <small>*provide copy of hearing notice that was published</small>
Submitted by: Nathan Burkett		Department: Administration
Presenter (Name and Title): Nathan Burkett, County Administrator		Estimated Time Needed:
Summary of Issue: At Tuesday's Board meeting I would like to discuss the attached resolution with the Board. This resolution was passed by Mille Lacs County in an effort to help the seasonal commercial properties affected by the early closing of the 2015 walleye fishing season on Mille Lacs Lake by the Minnesota Department of Natural Resources. The Economic Development Committee and County Attorney Jim Ratz have also reviewed the resolution.		
Alternatives, Options, Effects on Others/Comments:		
Recommended Action/Motion:		
Financial Impact: <i>Is there a cost associated with this request?</i> <input type="checkbox"/> Yes <input type="checkbox"/> No <i>What is the total cost, with tax and shipping? \$</i> <i>Is this budgeted?</i> <input type="checkbox"/> Yes <input type="checkbox"/> No <i>Please Explain:</i>		

**Board of Commissioners
Mille Lacs County, Minnesota**

Resolution No.: 9-22-15-3

2015 TAX PENALTY ABATEMENT POLICY FOR COMMERCIAL PROPERTY

WHEREAS, Minnesota Statutes Sec. 279.01 provides that the due date for taxes is May 15 and a penalty accrues thereafter, but also provides that "this penalty does not accrue until June 1 of each year on commercial use real property used for seasonal residential recreational purposes and classified as class 1c or 4c, and on other commercial use real property classified as class 3a, provided that over 60 percent of the gross income earned by the enterprise on the class 3a property is earned during the months of May, June, July, and August. In order for the first half of the tax due on class 3a property to be paid after May 15 and before June 1 without penalty, the owner of the property must attach an affidavit to the payment attesting to compliance with the income provision of this subdivision."; and

WHEREAS, Mille Lacs Lake area businesses have experienced economic loss due to the early closing of the 2015 walleye fishing season on Mille Lacs Lake by the Minnesota Department of Natural Resources on August 3, 2015; and

WHEREAS, The Mille Lacs County Board of Commissioners wishes to extend a similar payment extension provision for second half payments payable in 2015 as is provided for first half payments for commercial use real property used for seasonal residential recreational purposes and classified as class 1c or 4c, and on other commercial use real property classified as class 3a that earn over 60% of their income during May through August; and

WHEREAS, Minnesota Statutes 279.01, Subd. 2 provides that the county board may, with the concurrence of the county treasurer, delegate to the county treasurer the power to abate the penalty provided for late payment of taxes in the current year.

NOW, THEREFORE, BE IT RESOLVED that the Mille Lacs County Board of Commissioners hereby authorizes the Mille Lacs County Auditor-Treasurer to accept second half 2015 property tax payments on commercial use real property used for seasonal residential recreational purposes and classified as class 1c or 4c, and on other commercial use real property classified as class 3a, provided that over 60 percent of the gross income earned by the enterprise on the class 3a property is earned during the months of May, June, July, and August paid after October 15, 2015 and before January 1, 2016 without penalty, provided that the owner of the property attach an affidavit to the payment attesting to compliance with the income stipulation of this provision.

Adopted this 22nd day of September, 2015.

ATTEST:

Lisa Herges
Interim County Administrator

Phil Peterson
County Board Chairman