



GOODHUE COUNTY MINNESOTA

TO EFFECTIVELY PROMOTE THE SAFETY, HEALTH, AND WELL-BEING OF OUR RESIDENTS

GOODHUE COUNTY BUDGET COMMITTEE
ADMINISTRATION CONFERENCE ROOM
GOVERNMENT CENTER, RED WING
MAY 6, 2020
8:00 A.M.

Virtual Meeting Notice

“Due to concerns surrounding the spread of COVID-19, it has been determined that in-person meetings or meetings conducted under Minn. Stat. 13D.02 are not practical or prudent. Therefore, meetings that are governed by the Open Meeting Law will temporarily be conducted by telephone or other electronic means pursuant to Minn. Stat. 13D.021.”

“The Goodhue County Budget Committee will be conducting a meeting pursuant to this section on May 6, 2020 at 8:00 a.m. in the Administration Conference Room. The County Administrator and/or staff will be present at the meeting location. All County Commissioners attending will appear by telephone or other electronic means. The public may monitor the meeting from a remote site by logging into <https://global.gotomeeting.com/join/455338141> or calling [1 877 568 4106](tel:18775684106) beginning at 8:00 a.m. or any time during the meeting.” Access Code: [455-338-141](tel:455338141)

1. Property Tax Penalty Abatement Process and Application.

Documents:

[Property Tax Penalty Abatement Review May 6 2020.pdf](#)



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TO: County Budget Committee
FROM: Brian J. Anderson, Director of Finance and Tax Payer Services
SUBJECT: Abatement of Property Tax Penalties Review
DATE: May 6th, 2020

DISCUSSION:

In the wake of COVID-19, many businesses and residents have been financially affected by the Governor's Stay at Home order while others have not. In an effort to mitigate the negative effects and economic impact of COVID-19, at their May 5th Board Meeting, the Goodhue County Board approved a motion to abate property tax penalties for those properties experiencing financial hardship from the COVID-19 pandemic. The salient components of the motion included the following:

- Those property owners affected by the pandemic can apply for a penalty abatement to receive up to a 0% penalty on late property tax payments that would normally be due on May 15th, 2020.
- It was noted that those property owners that can pay their taxes are asked to pay by the May 15th deadline and that all those that apply may not get approved.
- A new application form has been created for this specific abatement conditions.

At this time staff would like to receive clarification on the following as presented at the meeting:

- 1) Review the Revised Abatement Policy,
- 2) Review new and updated form as attached,
- 3) Discuss the abatement penalty percentage and timelines, and
- 4) Discuss the review process.

Goodhue County Abatement Policy

Policy

The purpose of this policy is to ensure that all taxpayers and properties in Goodhue County are treated fairly and equitable, and have equal access and consideration under the statutory procedures. Abatement is not part of the appeals process for market valuation challenges, but shall be an administrative process by which corrections can be made to property and tax.

According to MN Statute 375.192 abatements for consideration by the County Assessor and County Auditor shall be approved or denied jointly. Any abatement over \$10,000 requires County Board action. The County Auditor shall make available to the Board of Commissioners the abatement requests and action taken periodically as needed or requested.

Goodhue County shall provide notice to the school board and municipality for any abatement over \$10,000, as required by law.

Abatements shall be considered as they relate to only taxes payable in the current year. The prior two tax years shall be considered only in case of documented hardship as defined in this policy.

Abatements for the current tax year will not be processed, when prior year taxes remain unpaid. Exceptions may be granted based on hardship as defined in this policy.

Any abatement resulting in a tax reduction or refund with a total of less than \$100.00 shall be denied.

Copies of all abatements shall be retained in the Office of the County Finance Department and will be available for inspection upon request in accordance with the Goodhue County record retention policy.

The County Finance Department will provide the application forms to be submitted for consideration of abatement.

Deadline

To be considered abatement applications must be post marked or delivered to the County Assessor by November 30th in the year which the tax is payable. Disaster Abatements will be handled on a case by case basis. While any abatement application is pending approval or processing, it is taxes must be paid by date due regardless of the outcome of the abatement process.

Definitions

Abatement: Administrative action of correcting errors in valuation or classification following a written request by the taxpayer of record, the property owner, or owner's agent.

Addition: Action to increase or add market value, taxes, or to change the property classification as a result of a change to the current year only.

Clerical Errors: Errors made by staff of a clerical nature, such as inputting incorrect codes, transposing numbers, keypunch errors and mathematical errors. Appraisal judgment errors are not considered clerical errors.

Hardship: An event or circumstance beyond the control of the taxpayer. Examples of hardship include, but are not limited to, the physical or mental incapacity of the taxpayer, **and negative economic impacts due to a pandemic**. To prove hardship documentation **and/or application forms** must be submitted. Hardship shall not include financial hardship.

Types of Abatements

Market Value:

Abatement for market value changes shall be considered if the following factors are met:

- 1) The property owner can show that a notice of market value and a truth in taxation notice were not received prior to the mailing of the tax statement
- 2) The assessor's estimated market value is substantially higher than the property's actual market value

Classification:

Classification changes shall be considered based on ownership, principal use of the property and occupancy of the property. The following can be provided to support the change:

- 1) A recordable deed
- 2) A copy of the electronic Certificate of Real Estate Value filed with the County Assessor
- 3) A signed homestead application
- 4) Documentation proving the date of occupancy

.Homestead:

Ownership AND occupancy requirements must be met December 1. For abatement for homestead where no homestead application has been properly signed and returned, property owners may be required to provide two forms of proof of occupancy, e.g., electric and/or other utility services to the homestead address for the assessment year in question. The following documentation may be accepted as proof:

- A recordable deed
- A copy of the electronic Certificate of Real Estate Value filed with the County Assessor
- A signed homestead application
- Documentation proving the date of occupancy

Disaster:

An owner of homestead or non-homestead property that has been damaged or destroyed may apply for a disaster (local option) abatement to reduce taxes in the year the damage occurred and in the following year until rebuilt. To qualify the property:

- was accidentally or unintentionally damaged due to a disaster
- is uninhabitable or not usable, and
- the damage is at least fifty (50%) percent of the structure value as determined by the county assessor. Documentation of the damage must accompany the abatement application with the following criteria:
 - The property must be unoccupied for at least one calendar month
 - The property must be rebuilt on site unless not allowed by local zoning or building authorities.

Tax Court:

Taxpayers may apply for change in property valuation or classification change with the Minnesota Tax Court. Applications are due April 30 of the year the taxes are due. Following the process established by the legal system and changes determined necessary by the Tax Court will be fully implemented upon receipt of the Order for Judgement and Judgement.

GOODHUE COUNTY, MINNESOTA APPLICATION FOR PROPERTY TAX ABATEMENT OF PENALTY

The purpose of the Goodhue County Property Tax Abatement of Penalty is to mitigate the negative effects and economic impact COVID-19 has had on some Goodhue County property tax owners. This benefit provides a one-time property tax abatement of penalty reduction for those property taxes due May 15, 2020. All utility and railroad type properties along with those properties paid through escrow are still expected to pay their taxes on May 15, 2020.

This application is being requested based upon the following:

Applicant's Name:	
Business Name (if applicable):	
Parcel I.D(s) or Address to be partially abated:	
Telephone Number:	
Email Address:	

1. Was your business ordered to close by Executive Order of the Governor? **Yes / No**
2. Are your property taxes paid through escrow? **Yes / No**
3. Is your property a utility real, personal property, or railroad operating property, including but not limited to utility or railroad property assessed locally or by the State? **Yes / No**
4. Please tell us why you feel your property tax penalty should be abated for the first half of taxes due May 15th, 2020:

Signature: _____

Date: _____