

SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION

S.F. No. 174

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DATE
01/11/2023

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Introduction and first reading
Referred to Taxes

OFFICIAL STATUS

1.1 A bill for an act
 1.2 relating to taxation; property; allowing applications for homestead classification
 1.3 to use federal taxpayer identification numbers in lieu of Social Security numbers;
 1.4 amending Minnesota Statutes 2022, section 273.124, subdivision 13.

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

1.6 Section 1. Minnesota Statutes 2022, section 273.124, subdivision 13, is amended to read:

1.7 Subd. 13. **Homestead application.** (a) A person who meets the homestead requirements
 1.8 under subdivision 1 must file a homestead application with the county assessor to initially
 1.9 obtain homestead classification.

1.10 (b) The commissioner shall prescribe the content, format, and manner of the homestead
 1.11 application required to be filed under this chapter pursuant to section 270C.30. The
 1.12 application must clearly inform the taxpayer that this application must be signed by all
 1.13 owners who occupy the property or by the qualifying relative and returned to the county
 1.14 assessor in order for the property to receive homestead treatment.

1.15 (c) Every property owner applying for homestead classification must furnish to the
 1.16 county assessor the Social Security number or individual tax identification number of each
 1.17 occupant who is listed as an owner of the property on the deed of record, the name and
 1.18 address of each owner who does not occupy the property, and the name and Social Security
 1.19 number or individual tax identification number of the spouse of each occupying owner. The
 1.20 application must be signed by each owner who occupies the property and by each owner's
 1.21 spouse who occupies the property, or, in the case of property that qualifies as a homestead
 1.22 under subdivision 1, paragraph (c), by the qualifying relative.

2.1 If a property owner occupies a homestead, the property owner's spouse may not claim
2.2 another property as a homestead unless the property owner and the property owner's spouse
2.3 file with the assessor an affidavit or other proof required by the assessor stating that the
2.4 property qualifies as a homestead under subdivision 1, paragraph (e).

2.5 Owners or spouses occupying residences owned by their spouses and previously occupied
2.6 with the other spouse, either of whom fail to include the other spouse's name and Social
2.7 Security number or individual tax identification number on the homestead application or
2.8 provide the affidavits or other proof requested, will be deemed to have elected to receive
2.9 only partial homestead treatment of their residence. The remainder of the residence will be
2.10 classified as nonhomestead residential. When an owner or spouse's name and Social Security
2.11 number or individual tax identification number appear on homestead applications for two
2.12 separate residences and only one application is signed, the owner or spouse will be deemed
2.13 to have elected to homestead the residence for which the application was signed.

2.14 (d) If residential real estate is occupied and used for purposes of a homestead by a relative
2.15 of the owner and qualifies for a homestead under subdivision 1, paragraph (c), in order for
2.16 the property to receive homestead status, a homestead application must be filed with the
2.17 assessor. The Social Security number or individual tax identification number of each relative
2.18 occupying the property and the name and Social Security number or individual tax
2.19 identification number of the spouse of a relative occupying the property shall be required
2.20 on the homestead application filed under this subdivision. If a different relative of the owner
2.21 subsequently occupies the property, the owner of the property must notify the assessor
2.22 within 30 days of the change in occupancy. The Social Security number or individual tax
2.23 identification number of a relative occupying the property or the spouse of a relative
2.24 occupying the property is private data on individuals as defined by section 13.02, subdivision
2.25 12, but may be disclosed to the commissioner of revenue, or, for the purposes of proceeding
2.26 under the Revenue Recapture Act to recover personal property taxes owing, to the county
2.27 treasurer.

2.28 (e) The homestead application shall also notify the property owners that if the property
2.29 is granted homestead status for any assessment year, that same property shall remain
2.30 classified as homestead until the property is sold or transferred to another person, or the
2.31 owners, the spouse of the owner, or the relatives no longer use the property as their
2.32 homestead. Upon the sale or transfer of the homestead property, a certificate of value must
2.33 be timely filed with the county auditor as provided under section 272.115. Failure to notify
2.34 the assessor within 30 days that the property has been sold, transferred, or that the owner,
2.35 the spouse of the owner, or the relative is no longer occupying the property as a homestead,

3.1 shall result in the penalty provided under this subdivision and the property will lose its
3.2 current homestead status.

3.3 (f) If a homestead application has not been filed with the county by December 31, the
3.4 assessor shall classify the property as nonhomestead for the current assessment year for
3.5 taxes payable in the following year, provided that the owner may be entitled to receive the
3.6 homestead classification by proper application under section 375.192.

3.7 **EFFECTIVE DATE.** This section is effective for applications for homestead filed in
3.8 2023 and thereafter.