

**SENATE
STATE OF MINNESOTA
NINETY-FIRST SESSION**

S.F. No. 335

(SENATE AUTHORS: BAKK)

DATE
01/22/2019

D-PG

Introduction and first reading
Referred to Taxes

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to taxation; property; providing a property tax exemption for certain
1.3 property.

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

1.5 Section 1. **PROCTOR SPEEDWAY PROPERTY TAX EXEMPTION; SPECIAL**
1.6 **ASSESSMENT.**

1.7 Any real or personal property acquired, owned, leased, controlled, used, or occupied on
1.8 or before January 1, 2018, by the city of Proctor or the St. Louis County Fair Association
1.9 for the primary purpose of providing a dirt speedway in the city of Proctor is declared to
1.10 be acquired, owned, leased, controlled, used, and occupied for public, governmental, and
1.11 municipal purposes, and is exempt from ad valorem taxation by the state or any political
1.12 subdivision of the state, provided that the property is subject to special assessments levied
1.13 by a political subdivision for a local improvement in amounts proportionate to and not
1.14 exceeding the special benefit received by the property from the improvement. In determining
1.15 the special benefit received by the property, no possible use of the property in any manner
1.16 different from the intended use of providing a dirt speedway may be considered.
1.17 Notwithstanding Minnesota Statutes, section 272.01, subdivision 2, or 273.19, real or
1.18 personal property subject to a lease or use agreement between the city or the St. Louis
1.19 County Fair Association and another person for uses related to the purpose of the operation
1.20 of the dirt speedway is exempt from taxation regardless of the length of the lease or use
1.21 agreement. This section, insofar as it provides an exemption or special treatment, does not
1.22 apply to any real property that is leased for residential, business, or commercial development

2.1 or other purposes different from those necessary to the provision and operation of the
2.2 speedway.

2.3 **EFFECTIVE DATE.** This section is effective beginning with taxes payable in 2020
2.4 upon approval by the city of Proctor and compliance with Minnesota Statutes, section
2.5 645.021.

2.6 Sec. 2. **HIBBING RACEWAY PROPERTY TAX EXEMPTION; SPECIAL**
2.7 **ASSESSMENT.**

2.8 Any real or personal property acquired, owned, leased, controlled, used, or occupied on
2.9 or before January 1, 2018, by the city of Hibbing or the Iron Range Racing Association for
2.10 the primary purpose of providing a raceway in the city of Hibbing is declared to be acquired,
2.11 owned, leased, controlled, used, and occupied for public, governmental, and municipal
2.12 purposes, and is exempt from ad valorem taxation by the state or any political subdivision
2.13 of the state, provided that the property is subject to special assessments levied by a political
2.14 subdivision for a local improvement in amounts proportionate to and not exceeding the
2.15 special benefit received by the property from the improvement. In determining the special
2.16 benefit received by the property, no possible use of the property in any manner different
2.17 from the intended use of providing a raceway may be considered. Notwithstanding Minnesota
2.18 Statutes, section 272.01, subdivision 2, or 273.19, real or personal property subject to a
2.19 lease or use agreement between the city or the Iron Range Racing Association and another
2.20 person for uses related to the purpose of the operation of the raceway is exempt from taxation
2.21 regardless of the length of the lease or use agreement. This section, insofar as it provides
2.22 an exemption or special treatment, does not apply to any real property that is leased for
2.23 residential, business, or commercial development or other purposes different from those
2.24 necessary to the provision and operation of the raceway.

2.25 **EFFECTIVE DATE.** This section is effective beginning with taxes payable in 2020
2.26 upon approval by the city of Hibbing and compliance with Minnesota Statutes, section
2.27 645.021.