

**Presenting
Property Tax Petitions
to the
Minnesota Tax Court**



Minnesota Tax Court
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mn.gov/tax-court

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The Minnesota Tax Court

You have appealed your Minnesota property tax assessment. You now have an opportunity to tell a Minnesota Tax Court judge why you believe the county assessor erred in determining the value or classification of your property.

A tax court judge hears the facts of the case and decides the legal issues. The judge does not take sides and cannot help you make your presentation. If you have decided to appeal your case without the assistance of an attorney, you will have all the rights and obligations of lawyers appearing before the court.

This document helps you understand the property tax appeal process and your rights and responsibilities. It explains the issues involved in property tax petitions.

Finally, please remember that negotiation is the best way to settle most disputes. Consider making one last attempt to settle your case with your county assessor and attorney.

This document is intended to provide public information, not legal advice.

Office Hours

Monday through Friday,
8 a.m. to 4:30 p.m.

Judges of the Minnesota Tax Court

Chief Judge Wendy S. Tien
Judge Bradford S. Delapena
Judge Jane N. Bowman

Your Appeal

Who may file an appeal?

Minnesota property taxpayers have a right to appeal the assessment of their property if they believe the assessment is in error.

Who decides my case?

The Minnesota Tax Court is an independent court created to hear tax-related disputes. Minnesota property tax assessment petitions are decided by one of Minnesota's three tax court judges.

Do I need a lawyer?

You do not need a lawyer, although you may wish to hire one. Rules of Civil Procedure and Rules of Evidence apply to property tax petitions just as they do in other litigation. These rules may be found in libraries or on the court's website. Only you can decide whether you need an attorney to help with your case. In Small Claims Division cases attorneys are permitted, but not required. In the Regular Division, tax court rules require certain types of parties (such as certain corporations and entities) to have an attorney. *See* Tax Court Rule 8610.0020 for more detail. (Tax court rules may be found on the court's website, mn.gov/tax-court.)

Who will represent the county in my case?

Your case is against the county. The county attorney represents the county and the assessor.

If I act as my own attorney, what are my responsibilities?

In every type of legal dispute, one party has what is called the burden of proof, or the greater responsibility to prove its case. Minnesota law assumes that the county assessor has correctly assessed or classified your property. As the petitioner—the person bringing the case—the burden of proof therefore rests with you. *You must prove the county assessor erred to win your appeal.*

Like a lawyer, you must gather evidence and research the legal or factual issues in your case. You may wish to call witnesses and question them. You will have the right to question or cross-examine any witnesses brought by the county attorney. You also may be a witness, giving testimony on your behalf and responding to questions from the county attorney. You may testify about your property and its current condition. You, as owner, may give the court your own opinion of the property's value and use. Even if you are not an appraiser, you know your property and can provide the court with valuable information about it.

Finally, you are the court's main contact for your case. If your case is settled, needs to be delayed, or any other significant developments occur, you *must* contact court administration.

How will I know when my case is going to be heard?

After you have filed the property tax petition, you will receive an order from the court requiring you and the county to exchange certain information. The order will be sent to the address shown on the petition. If you move, it is your responsibility to inform the court of your new address. If the exchange of information with the county does not resolve the case, you and the county will jointly provide information to the court to help schedule the trial. You will receive written notice of the date, time, and place of trial.

Where will my case be heard?

Your trial will be held at the county courthouse in the county where the property is located. Ramsey County cases are heard at the Minnesota Judicial Center, Second Floor, 25 Rev. Dr. Martin Luther King Jr. Blvd, in St. Paul. Wherever your trial is scheduled, arrive at the courthouse early so you will be ready when the trial begins. You must check in with the court administrator on the morning of the trial. The administrator will direct you to the correct room. Most trials begin at 9:00 a.m.

What happens if I cannot appear in court on the scheduled date?

If you cannot appear on the scheduled date, notify the tax court administrator as soon as possible but no later than noon the day before trial. It may be possible to re-schedule your trial for another time if the county agrees. *Failure to notify the court that you will not attend the trial may result in dismissal of your case and you being charged for court costs, such as fees for the court reporter, and a penalty for failure to notify the court.*

May I negotiate a settlement after the trial date has been set?

We encourage you to contact the county attorney listed on the notice at this time. You may negotiate with the county attorney and reach settlement without having to go to trial or ask the court to consider your case for mediation if it is appropriate (at no cost to the parties). This may save you time and money associated with a court appearance (appraisal cost, court reporter fees, etc.) Negotiation allows you to share information with the county assessor and county attorney so you both understand the nature of the case.

I have reached a settlement with the county—what next?

If you reach a settlement with the county or wish to dismiss your case, please contact the court to cancel the court date and for further instructions as needed.

Preparing Your Case

What is at issue in a property tax petition?

While these trials are called property tax petitions, it is not the taxes that are at issue. It is the value of the property on which the taxes are assessed. You must present evidence about the property's value, not how much you or others pay in taxes. Property tax petitions usually involve questions of fact. How much is a property worth on the local market? What is its use? How does it compare with similar properties nearby? These are the issues on which you must present evidence at your property tax trial.

What are the most common reasons for filing a property tax appeal?

- You think the **estimated market value**, as determined by the assessor, is greater than the property's actual value on the open market.
- You believe the property is **unequally assessed** when compared with other, similar properties.
- You believe that the **classification** of the property (residential, agricultural, commercial, etc.) is incorrect.

How do I prove the valuation of the property is incorrect?

Because the burden of proof rests with you, the petitioner, you must present factual evidence to disprove the assessor's valuation of your property. To prove the value of the property is too high, you must present evidence as to its actual value. It is insufficient to merely cast doubt on the assessor's estimated market value. How much does an appraiser say the property is worth? Check the records of recent property sales in your area, which are filed with the County Recorder. At the recorder's office, ask for the certificates of real estate value (CRVs) from the past year for properties in your taxing district. These are public documents that describe the actual sales prices of properties in your county.

If you present an appraiser's written report of the property's value or other expert report, the appraiser or expert must attend the trial to testify. Court rules of fairness require that the opposing party have an opportunity to question any witnesses. Similarly, the county attorney may not present any written evidence from an expert, without having the expert available for you to question. You may call other witnesses that can offer information about your property and its value. The court does not normally rely heavily, however, on the testimony of non-expert witnesses in making its decision.

How do I prove unequal assessment?

If this is your concern and you checked this box on the petition, you must first present evidence of the value of your property, such as an appraiser's report. Then you must show that the property was assessed "unequally" compared to similar properties.

Assessments often vary in a taxing area, due to important differences in properties. The fact that your home is assessed as having a higher market value than that of your neighbors does not

automatically constitute “unequal assessment” if it has features or a location that your neighbors’ properties do not. To prove unequal assessment, you may use the Minnesota Department of Revenue’s Sales Ratio Study. The Department of Revenue maintains records of all property sales in every taxing district of the state. A Sales Ratio Study compares how closely assessed values relate to actual market prices in sales between disinterested parties. If assessed values lag behind market values, the sales ratio is less than 100%. If the Sales Ratio Study indicates a ratio of less than 90% for your type of property in your taxing district, you are entitled to relief.

How do I prove my property has been classified incorrectly?

All property in Minnesota is classified according to its best use, such as commercial, industrial, agricultural, or residential. In addition, residential property is classified as homesteaded—that is, the owner lives in the residence—or non-homesteaded, which is when the home is owned by another person or entity other than the resident. If you intend to dispute the classification of your property, you need to prove how you use the property. If the assessor has changed the classification and the property has not been sold or transferred, you must prove that your property should be in a different classification. You can research Minnesota laws on classification at many public libraries, most college libraries, and all law libraries. In addition, you can research Minnesota laws on classification through the court website (mn.gov/tax-court) and the website of the Minnesota Revisor of Statutes (www.revisor.mn.gov/statutes/).

Remember that classification is based on use. If your classification has been changed but the property’s use has not, the change is not necessarily an error. Your property may have been improperly classified earlier. For instance, if your classification was changed from agricultural to residential, you must show evidence that the property is used for agriculture. It is not enough to say that it has always been classified as agricultural.

How do I prove my property is homesteaded?

The assessor may have changed the classification of your property from homestead to non-homestead after title was transferred to another entity, such as a trust. In homestead disputes, you must prove you owned and occupied the property on the assessment date. You will need to present evidence regarding the transfer and your continued ownership and occupancy of the property.

The Day of the Trial

What should I bring to court?

Bring all the documents and witnesses you wish to present to the judge. The scheduling order in your case may require you to bring additional copies of your documents. Make sure your witness(es), if any, are available to testify. You do not have to bring witnesses, but it might be difficult to prove your case without information that your witnesses can provide. You may testify as a witness on your own behalf. The tax court, and many district courtrooms, have audiovisual equipment such as a Crestron system that allows you to display electronic documents. Consult the administrator of the court where your trial is taking place for information.

Who speaks first?

As the petitioner, you will be asked to present your evidence first. If you bring witnesses, the county attorney will be allowed to question them. You will be allowed to question the county's witnesses as well.

Do I have to bring witnesses?

No, but it might be difficult to prove your case without information supplied by witnesses, such as an appraiser. In most tax court cases, the owner of the property testifies and presents an opinion of value or use. The court does not normally give as much weight to testimony from non-experts as it gives testimony from trained appraisers.

How can I make a strong presentation?

- **Prepare.** Make a list of key points you want the court to understand. Keep it with you for reference.
- **Follow courtroom etiquette.** Be on time. Dress neatly. Address your statements to the judge, not the county attorney or assessor. It is the judge who needs to understand your case. Address the judge as "Your Honor."
- **Set the scene.** The judge has never seen your property. Tell the judge something about your property right away so he/she will understand your arguments more fully. Where is the property located? What buildings are on it? How are the buildings used? How much did you pay for it? How long have you owned it? Have you made improvements? Are there natural features, like creeks or ponds, that affect the value or use of your property? Pictures may be helpful. Describe the issues that are in dispute in the case.
- **Ask specific questions of witnesses.** Whether you are questioning a witness you have brought or one the county attorney called, ask specific questions to gather information. Do not argue with witnesses.
- **Keep your presentation brief and factual.** If you have prepared well, you should know exactly what evidence you want to present. Do it directly and factually.
- **Listen respectfully to the opposition.** After you have told the court your story and called your witnesses, it will be the county's turn to make its case. Listen respectfully. Do not

interrupt. Make notes on any points you would like to clarify further when it is your turn to question the county's witnesses.

- **Be prepared to sum up your case.** After both sides have questioned their witnesses, you will get a chance to summarize your case for the judge. This is your chance to explain to the judge how your evidence supports your position. Keep your statements brief and factual. A long speech will not improve your case if the facts do not support your view.

How long will the trial last?

The trial will continue until all evidence is presented. Most tax court trials last several hours, sometimes more. There is no specific time limit.

When will I find out if I've won my case?

Usually the judge will end the trial by taking the case under advisement. That gives the judge time to carefully consider the information presented. The court's decision will be mailed to the parties within 3 months of the last submission to the court.

If I win, when will I get my refund?

Refunds are handled by the county; the county will send you a check. Similarly, if you owe money, it is up to you and the county to arrange payment.

What costs of the trial am I responsible for?

You are responsible for any costs related to preparing and presenting your case. If your case is heard in the Regular Division, a court reporter must be present to record what is said. You are responsible for paying the court reporter. *Please arrange to pay the court reporter before trial.*

Can I be repaid for the money I've spent on my case?

The court has the authority to order that you be repaid for your costs. To recover costs, you must win your claim and provide an affidavit of the costs you have incurred. This constitutes a list of expenses with receipts. *See Tax Court Rule 8610.0150.*

Can I appeal my case?

A decision by the tax court in a property tax petition brought in Small Claims Division is final and may not be appealed by either party. A Regular Division decision of the tax court may be appealed to the Minnesota Supreme Court.

Glossary

Affidavit: A written statement of facts made voluntarily and confirmed by the oath or affirmation of the party making it.

Appraiser: A person with some qualified professional training and experience, engaged by a party to make a value estimate.

Assessment date: The assessment for each year is set on January 2 of the preceding year. For example, the assessment date for taxes payable in 2021 is January 2, 2020.

Assessor: The county officer charged with determining the market value and classification of property for tax purposes.

Burden of proof: The greater responsibility to prove a claim correct. In property tax disputes, the burden of proof rests with the petitioner.

Classification: How a property is best used as defined in Minnesota law. Classification determines the rate at which a property is taxed.

County attorney: The county's legal representative. The county attorney defends the county's interest in property tax cases.

Court reporter: The independent person who records all testimony presented at a trial or hearing.

Estimated market value: The assessor's estimate of the price at which a property might sell on the open market.

Petition: The document you signed and filed contesting the value or classification of the property you own or in which you have an interest, or asserting that such property was unequally assessed.

Petitioner: The person who files a petition against the county in property tax matters.

Presumption: The assessor's estimated market value and classification are presumed valid in property tax petitions. The burden is on the petitioner to prove that the value differs or that the classification is incorrect.

Respondent: The party against whom a claim is brought. In property tax disputes, this is the county that assessed or classified the property.

Sales Ratio Study: A comparison made by the Minnesota Department of Revenue of all sales between disinterested parties and the estimated market value of properties in a taxing district. The sales ratio is indicated as a percentage.

Settlement: An agreement reached through negotiation by parties involved in a legal dispute.

Testimony: Information supplied by people involved in a dispute. Testimony is given under oath—a legally binding promise to tell the truth.

Transcript: A written record of the testimony at trial prepared by the court reporter.

Under advisement: Under consideration by the judge.

Unequal assessment: A claim that a property was assessed at a rate higher than comparable properties in a taxing district.

Witness: An individual with information about a legal dispute who is called to provide that information to a court.

Using the Tax Court Website

The court's website, mn.gov/tax-court, includes a wealth of information put together to guide you through the tax court process. This is public information and is not intended to constitute legal advice. The Home Page contains up-to-date information about the court, and you should check it frequently, especially before any hearings or your trial. At the top of our Home Page you will find a menu to direct you to the different pages of our website.

Court Information: This page provides up-to-date information about the court, including tax court rules, administrative orders, information for self-represented parties, and biographies of the judges and court personnel.

Decisions: These are published decisions from around 1992. Use the box on the first page to enter your search term. Search by term, i.e. valuation, homestead, institution of purely public charity, or search by case name, file number, or date for example. Look at cases that are similar to yours in terms of legal issues and facts. *Be warned: the website does not update as to subsequent history of cases reported.* Put another way, the website does not track whether decisions were affirmed or reversed by the Minnesota Supreme Court. You must obtain this information elsewhere, such as from the supreme court website.

Forms and Information: These include Forms 1 and 7 (used to file your appeal or petition to the court), *in forma pauperis* forms (to waive court fees and costs), Fact Sheets, and Procedural Guidelines for Working with the Tax Court.

Filing Resources: This page provides information about filing documents with the court.

ADA Accessibility: This page provides information for parties who require accommodation pursuant to the Americans with Disabilities Act or the Minnesota Human Rights Act.

Language Access: This page provides information for parties who require court interpreter services.

Contact Us: This offers you the tax court address, phone number, email address, and driving and parking directions to the Minnesota Judicial Center.

Pro Se: Here you will find handbooks to assist you in presenting your appeal to the tax court. These handbooks are specifically created for taxpayers who represent themselves in tax court and are in-depth guides.

Upon request this document will be made available in alternate format such as large print, Braille, or cassette tape.

TDD users may call this agency through the Minnesota Relay Service:
Twin Cities 612-297-5353; Greater Minnesota 1-800-627-3529 ask for 651-539-3260.