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S.F. No. 4241 - Establishing the Agricultural Water Quality Property Tax Credit

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SF 4241 establishes the agricultural water quality property tax credit.

Section 1. Agricultural Water Quality Credit – provides a property tax credit for agricultural and rural vacant property if the property is located in Dodge, Fillmore, Goodhue, Houston, Mower, Olmsted, Wabasha, or Winona County, and certified under the Minnesota Agricultural Water Quality Certification Program (MAWQCP) administered by the Minnesota Department of Agriculture. The MAWQCP is a voluntary program for farmers to implement and maintain approved farm management practices that protect water quality. Certification under this program is for a ten-year period.

The credit is equal to \$5 per certified acre. The commissioner of agriculture must notify county assessors of the location of each certified area within the county. The commissioners of revenue and education shall reimburse each taxing jurisdiction for the reductions granted under this section from an open appropriation from the general fund. Effective beginning with taxes payable in 2025.

Section 2. Payment; school districts – adds a reference to the new property tax credit to the list of credit certifications made by the Department of Revenue to the Department of Education. Effective July 1, 2025.

Section 3. Computation of net property taxes – adds the new property tax credit to the list of credits used to determine the amount of net property taxes owed. Effective beginning with taxes payable in 2025.

Section 4. Notice of proposed property taxes – requires that the new property tax credit agricultural credit appear on the truth-in-taxation (TNT) statement. Effective beginning with taxes payable in 2025.

Section 5. Contents of tax statements – requires the new property tax credit appear on the property tax statement. Effective beginning with taxes payable in 2025.