



MAAO

Minnesota Association
of Assessing Officers

MAAO's Vision



MAAO is a nonprofit, educational and professional organization dedicated to the improvement of ad valorem assessment administration in Minnesota since 1949.



MAAO's vision is to be recognized as a statewide leader in assessment education, mass appraisal training, and the dissemination of information for mass appraisal and property tax administration.

Assessment Process

- **Sales review and ratio study period:** October 1, 2023 – September 30, 2024
- **Assessment date:** January 2, 2025
- **Value Notice mailing:** March 2025
- **Local appeal process:** April/May 2025
- **County appeal process:** June 2025
- **Data review and collection:** Summer/fall. 20% of properties inspected each year, new construction
- **Statistical equity measures:** Fall/winter. Sales ratio analysis, role of county assessor, final review by Minnesota Department of Revenue
- **Truth in Taxation:** November 2025
- **Tax Statement mailing:** March 2026
- **Taxes due:** May 2026 & October 2026

How Value Impacts Tax

- A four-house town



2024 EMV = **\$100,000**; 2025 Taxes = **\$1,000**
2025 EMV = **\$150,000**; 2026 Taxes = **\$1,160 (+16%)**

- 2025: \$4,000 total levies



2024 EMV = **\$100,000**; 2025 Taxes = **\$1,000**
2025 EMV = **\$100,000**; 2026 Taxes = **\$800 (-20%)**

- 2026: Flat levies

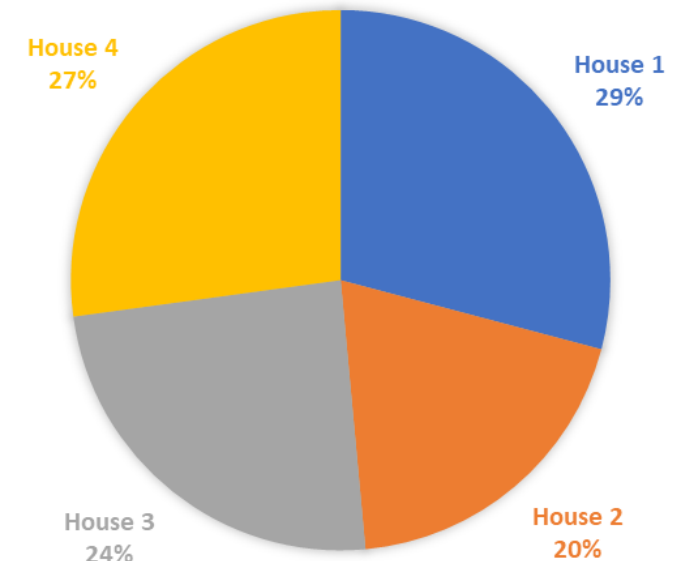


2024 EMV = **\$100,000**; 2025 Taxes = **\$1,000**
2025 EMV = **\$125,000**; 2026 Taxes = **\$960 (-4%)**

- Variable value increases



2024 EMV = **\$100,000**; 2025 Taxes = **\$1,000**
2025 EMV = **\$140,000**; 2026 Taxes = **\$1,080 (+8%)**



Tax Impact Factors

- Market forces
- Policy decisions
- Levy decisions
- Fiscal Disparity
- Tax Increment Financing

Classification Rates for Assessment Year 2025

Class	Description	Tiers	Class Rate	State General Rate
1a	Residential Homestead	First \$500,000	1.00%	N/A
		Over \$500,000	1.25%	N/A
1b	Homestead of Persons who are Blind/Disabled [classified as 1a or 2a]	First \$50,000	0.45%	N/A
		\$50,000 - \$500,000	1.00%	N/A
		Over \$500,000	1.25%	N/A
1c	Homestead Resort	First \$600,000	0.50%	N/A
		\$600,000 - \$2,300,000	1.00%	N/A
		Over \$2,300,000	1.25%	1.25%
1d	Housing for Seasonal Workers	First \$500,000	1.00%	N/A
		Over \$500,000	1.25%	N/A
2a	Agricultural Homestead - House, Garage, 1 Acre (HGA)	First \$500,000	1.00%	N/A
		Over \$500,000	1.25%	N/A
2a/2b	Agricultural Homestead - First Tier	\$3,800,000	0.50%	N/A
2a/2b	Farm Entities Remaining First Tier	Unused First Tier	0.50%	N/A
2a	Agricultural - Non-Homestead or Excess First Tier		1.00%	N/A
2b	Rural Vacant Land		1.00%	N/A
2c	Managed Forest Land		0.65%	N/A
2d	Private Airport		1.00%	N/A
2e	Commercial Aggregate Deposit		1.00%	N/A
3a	Commercial/Industrial/Utility (not including utility machinery)	First \$150,000	1.50%	N/A
		Over \$150,000	2.00%	2.00%
	Electric Generation Public Utility Machinery		2.00%	N/A
	All Other Public Utility Machinery		2.00%	2.00%
	Transmission Line Right-of-Way		2.00%	2.00%
4a	Residential Non-Homestead 4+ Units		1.25%	N/A
4b(1)	Residential Non-Homestead 1-3 Units		1.25%	N/A
4b(2)	Unclassified Manufactured Home		1.25%	N/A
4b(3)	Agricultural Non-Homestead Residence (2-3 units)		1.25%	N/A
4b(4)	Unimproved Residential Land		1.25%	N/A
4bb(1)	Residential Non-Homestead Single Unit	First \$500,000	1.00%	N/A
		Over \$500,000	1.25%	N/A
4bb(2)	Agricultural Non-Homestead Single Unit - (HGA)	First \$500,000	1.00%	N/A
		Over \$500,000	1.25%	N/A
4bb(3)	Condominium Storage Unit	First \$500,000	1.00%	N/A
		Over \$500,000	1.25%	N/A
4c(1)	Seasonal Residential Recreational Commercial (resort)	First \$500,000	1.00%	1.00%
		Over \$500,000	1.25%	1.25%
4c(2)	Qualifying Golf Course		1.25%	N/A
4c(3)(i)	Non-Profit Community Service Org. (non-revenue)		1.50%	N/A
	Congressionally Chartered Veterans Organization (non-revenue)		1.00%	N/A
4c(3)(ii)	Non-Profit Community Service Org. (donations)		1.50%	1.50%
	Congressionally Chartered Veterans Organization (donations)		1.00%	1.00%
4c(4)	Post-Secondary Student Housing		1.00%	N/A
4c(5)(i)	Manufactured Home Park		1.25%	N/A
4c(5)(ii)	Manufactured Home Park (>50% owner-occupied)		0.75%	N/A
4c(5)(iii)	Manufactured Home Park (50% or less owner-occupied)		1.00%	N/A
4c(5)(iv)	Class I Manufactured Home Park		1.00%	N/A
4c(6)	Metro Non-Profit Recreational Property		1.25%	N/A
4c(7)	Certain Non-Comm. Aircraft Hangars and Land (leased land)		1.50%	N/A
4c(8)	Certain Non-Comm. Aircraft Hangars and Land (private land)		1.50%	N/A
4c(9)	Bed & Breakfast		1.25%	N/A
4c(10)	Seasonal Restaurant on a Lake		1.25%	N/A
4c(11)	Marina	First \$500,000	1.00%	N/A
		Over \$500,000	1.25%	N/A
4c(12)	Seasonal Residential Recreational Non-Commercial	First \$76,000	1.00%	0.40%
		\$76,000 - \$500,000	1.00%	1.00%
		Over \$500,000	1.25%	1.25%
4d(1)	Low Income Rental Housing (Per Unit)		0.25%	N/A
4d(2)	Homestead Community Land Trust (Per Unit)		0.75%	N/A
5(1)	Unmined Iron Ore and Low-Grade Iron-Bearing Formations		2.00%	2.00%
5(2)	All Other Property		2.00%	N/A

Policy Factors

- Exclusions
- Exemptions
- Deferrals
- Special Classifications

Seasonal Recreation/Lakeshore

- Historic market activity
- Significant value increases
- Redistribution of burden



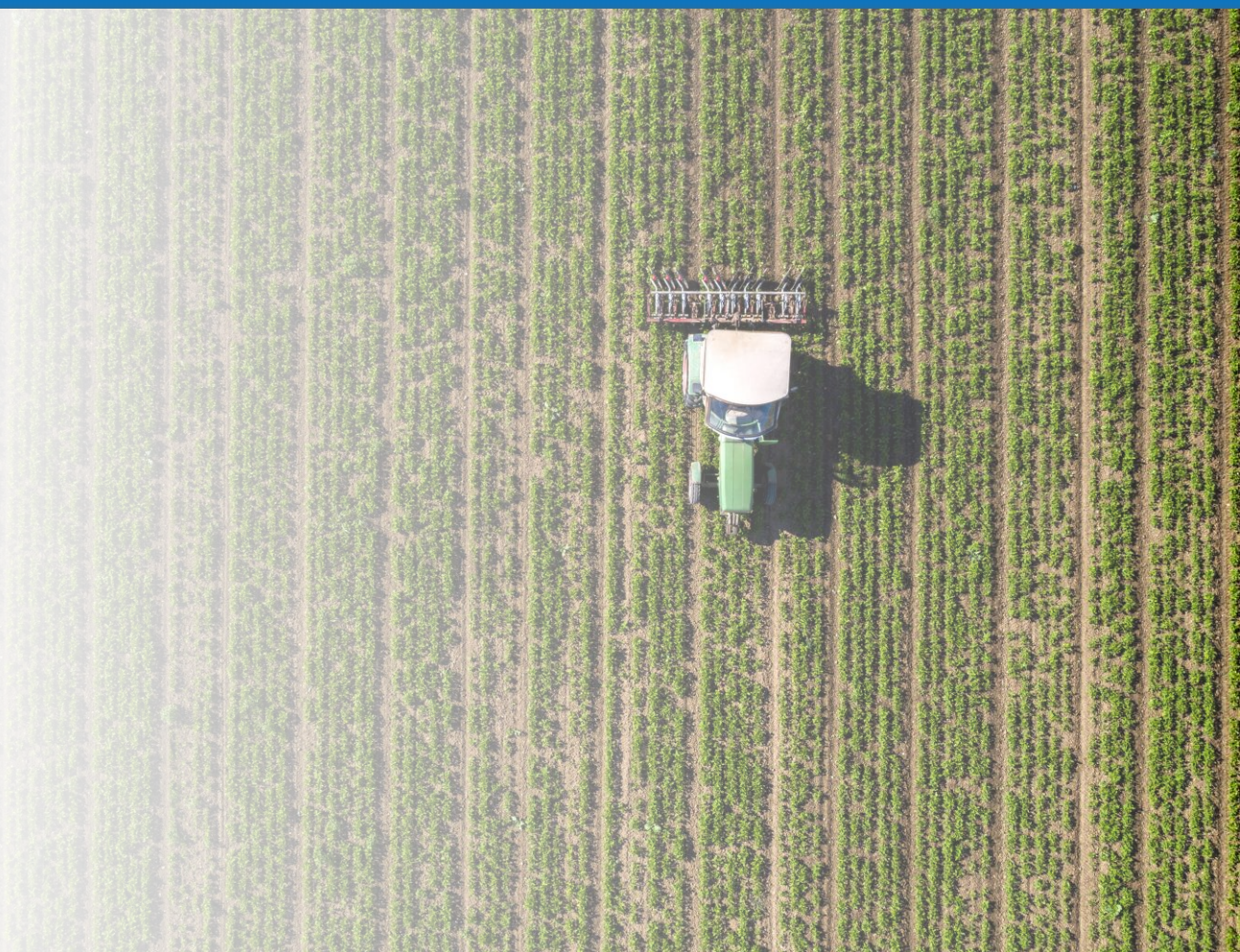
Office/Commercial Market

- Market reset
- Reinvestment
- Overall commercial market

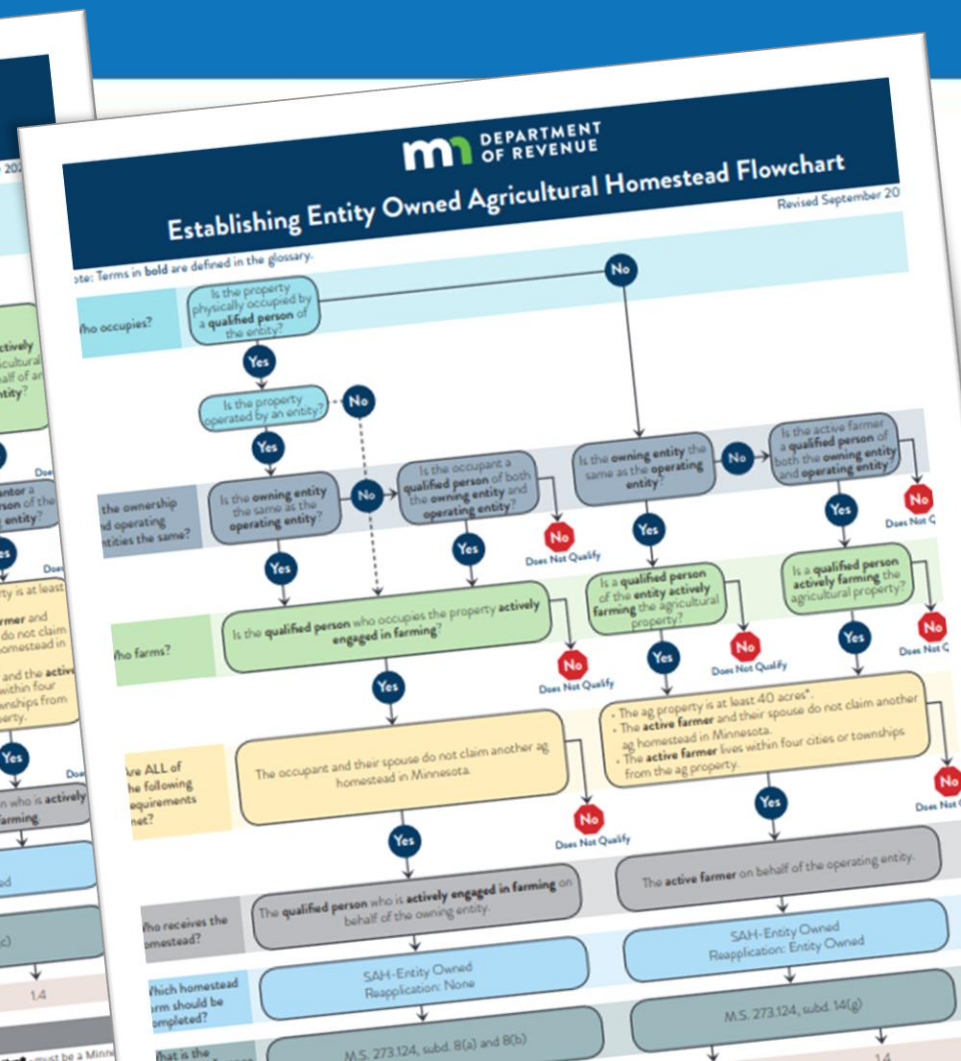
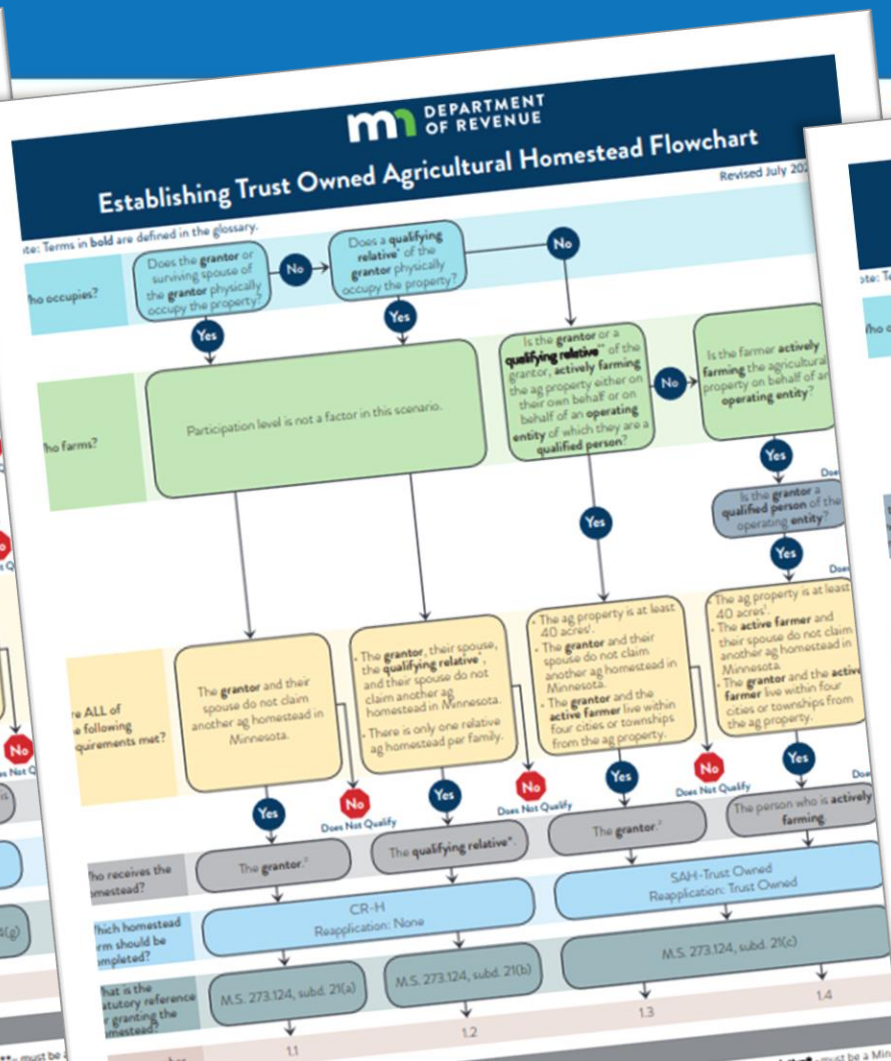
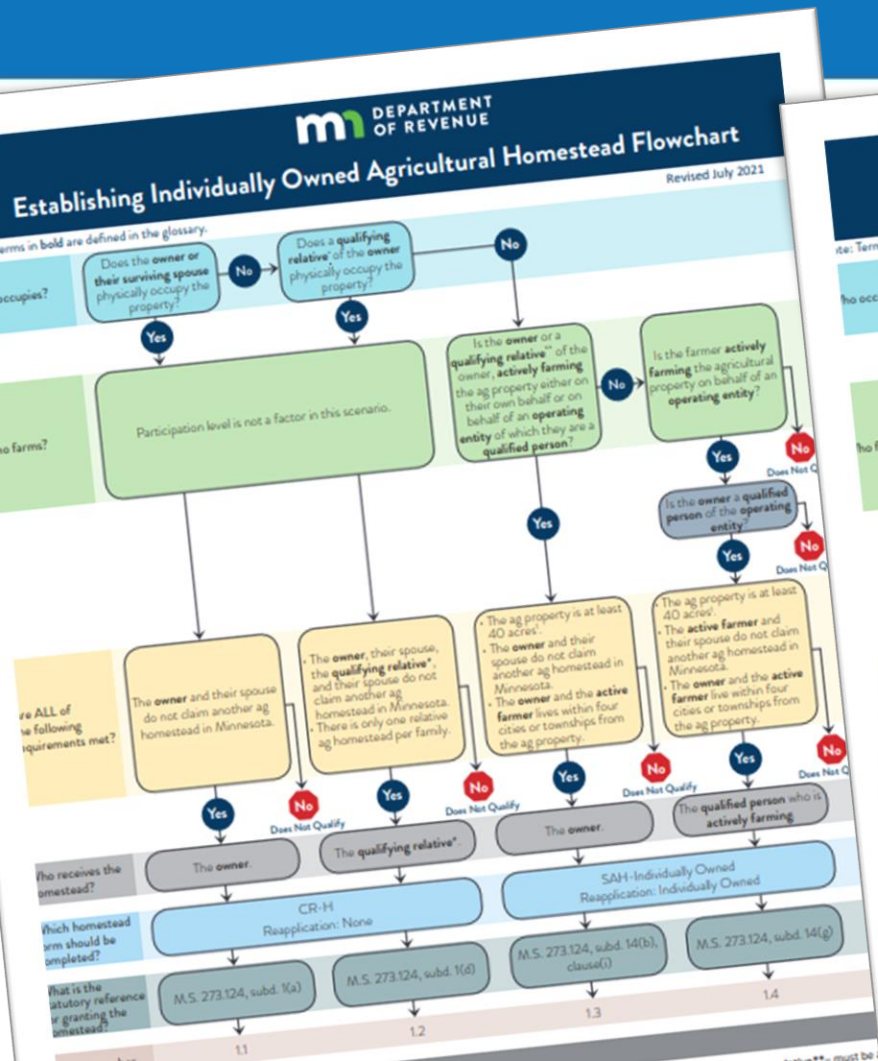


Agricultural

- Historic sales and valuations
- Disproportionate taxable value
 - e.g. Martin County = 72% TMV
- Changes in aid reductions or rates are compounded for smaller tax bases
- Ag tier shifts



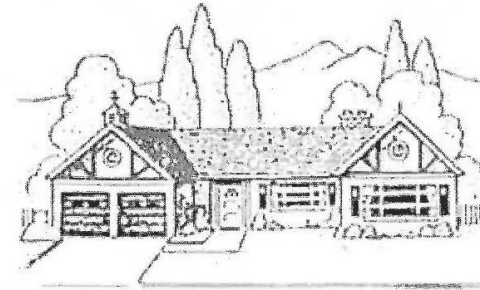
Agricultural



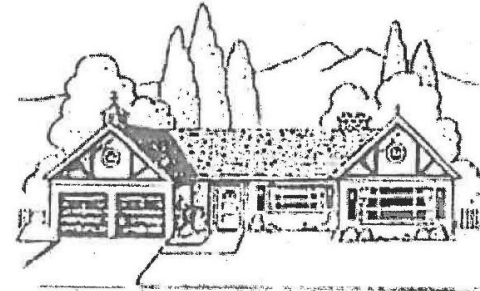
Checks & Balances

- Department of Revenue
 - Sales Ratio
 - General oversight
- State Board of Assessors
- Taxpayers
 - Local Board of Appeal & Equalization
 - Count Board of Appeal & Equalization
 - Minnesota Tax Court

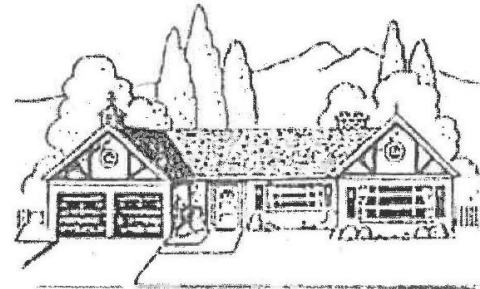
YOUR HOME AS SEEN BY



SELLER



BUYER



YOUR TAX ASSESSOR

Policy Considerations

- Limited market value
- Low-income housing exemptions
- Exclusions, exemptions, deferrals

Questions

Joshua Hoogland
Hennepin County Assessor
MAAO Legislative Committee, Chair

Mike Sheplee
Martin County Assessor
MAAO Legislative Committee, Co-chair