

Applying for the residential homestead classification

The residential homestead classification provides a property tax credit for property that is owned and occupied by the owner. The amount of the credit is shown on your property tax statement and is deducted from your property tax bill.

How much is the homestead credit?

The amount of the homestead credit varies depending on the market value of the property. The maximum amount of the credit is \$304 for properties with a market value of \$76,000. As the property's market value increases above \$76,000, the amount of the credit decreases.

When should I apply for homestead?

After purchasing and moving into your home, you should apply for the homestead classification as soon as possible. You must purchase and occupy your home by **December 1**, and the homestead application must be turned into the assessor's office by **December 15** to be eligible for the homestead classification for taxes payable in the following year.

How do I qualify for homestead?

To apply for the homestead classification for your residence, you must fill out a homestead application. To qualify for the homestead classification you must:

- Occupy the property listed on the application as your primary residence
- Be one of the owners of the property
- Be a Minnesota resident.

Your Assessor will determine whether you are a Minnesota resident for purposes of the homestead classification. Some of the conditions that may be used to determine your residency status include:

1. You are registered to vote in Minnesota
2. You have a valid Minnesota driver's license
3. You file a Minnesota income tax return
4. You list a property in Minnesota as your permanent mailing address
5. Your children, if any, attend school in Minnesota
6. You are not a resident of any other state or country

Can a relative of the owner qualify for the homestead classification?

Yes, certain relatives can qualify for the residential relative homestead classification. The relative may be the owner's parent, stepparent, child, stepchild, grandparent, grandchild, brother, sister, uncle, aunt, nephew or niece. This relationship may be either by blood or by marriage.

To apply for the residential relative homestead classification, the relative must complete and sign the residential relative homestead application. The owner of the property also must sign the residential relative homestead application. The City of Moorhead requires a relative homestead application be updated annually to retain the relative homestead classification.

What information must I provide to receive homestead?

Minnesota Statutes, section 273.124, subdivision 13 required Social Security numbers and signatures of all owners occupying the property to be listed on the homestead application.

Additionally, the Social Security numbers and signatures of all spouses not listed as owners on the deed of record must also be listed, regardless of whether or not they occupy the property.

The Social Security numbers or affidavits or other proofs of property owners and spouses are private data. The county assessor may share the information contained on the homestead application with the county auditor, county treasurer, county attorney, Commissioner of Revenue, or other federal, state or local taxing authorities to verify your compliance with this and other tax programs.

You can refuse to provide the information on the homestead form. However, failure to provide this information may result in a fractional homestead or denial of the homestead classification.

Penalties

A property owner who obtains or attempts to obtain homestead classification for a property other than his or her primary place of residence or the primary place of residence of his or her relative is under state law subject to a fine of up to \$3,000 and/or up to one year of imprisonment (MS 609.41). In addition, the property owner will be required to pay all tax which is due on the property based on its correct property class plus a penalty equal to the difference between the tax based on the homestead classification and that based on the property's correct class (MS 273.124, Subd. 13).

IMPORTANT! If you move . . .

If property receiving the homestead classification is sold, you or your spouse, change your primary residence, or you change your marital status, state law requires you to notify the assessor within 30 days. If you fail to notify the assessor, the property may be assessed the tax that is due on the property based on its correct property class plus a penalty equal to the same amount.