

# Application for Tax Abatement for Newly Constructed Residential Structures Located in Flood Damaged Cities

Newly constructed property that is located in a city designated as a border city development zone and a designated emergency area under presidential declaration, and that is built on property classified as 1a, 1b, 2a, 4a, 4b, 4bb, or 4d may be eligible for a property tax abatement for two taxes payable years. The type of tax relief you receive will depend on the classification of the property. Also please be aware that under the current statutory requirements, this abatement is limited to properties located in the cities of Moorhead, Breckenridge, Dilworth, and East Grand Forks. **Please read the instructions for further details on what types of property qualify and the dates of eligibility.**

Property is located in:

County of:  City of:

**(See instructions for information concerning application deadlines.)**

|  |   |   |       |     |
|--|---|---|-------|-----|
| Applicant and Property Information   | <b>Applicant Information.</b> Please type or print.   |   |       |     |
|  | Name of property owner _____  |   |       |     |
|  | Mailing address (street address)  | City  | State | Zip |
|  | Telephone (work)<br>( )   | Telephone (home)<br>( )                     |       |     |
|  | Property I.D. or Parcel number <i>(found on your property tax statement)</i>  | School District number                      |       |     |
|  | Address of newly constructed property <i>(if different than mailing address)</i>  |   |       |     |
|  | Legal description of property <i>(found on your property tax statement)</i>   |   |       |     |
|  | What is the classification of the property (1a, 1b, 2a, 4a, 4b, 4bb, or 4d)?  | Date building permit was issued : _____     |       |     |
|  | Class: _____  | Date construction began on property : _____ |       |     |
|  | Was any part of the structure in existence prior to January 1, 2009? <input type="checkbox"/> Yes <input type="checkbox"/> No |   |       |     |
| <b>If yes, complete the following:</b>                                     |   |   |       |     |
| 1. Was the property owned by the original builder as of March 26, 2009?    | <input type="checkbox"/> Yes  | <input type="checkbox"/> No                 |       |     |
| 2. Was a building permit issued and construction commenced in 2008?        | <input type="checkbox"/> Yes  | <input type="checkbox"/> No                 |       |     |
| 3. Was the property subject to any form of purchase agreement or contract? | <input type="checkbox"/> Yes  | <input type="checkbox"/> No                 |       |     |
| 4. Was the structure ever occupied?  | <input type="checkbox"/> Yes  | <input type="checkbox"/> No                 |       |     |

|  |   |            |
|--|---|------------|
| Signature  | <b>Signature of property owner:</b> <i>By signing below, I certify, to the best of my knowledge, the above statements are true and correct.</i> |            |
|  | Signature _____   | Date _____ |
| <p><b>Note:</b> <i>Minnesota Statutes, Section 609.41, "Whoever, in making any statement, oral or written, which is required or authorized by law to be made as a basis of imposing, reducing, or abating any tax or assessment, intentionally makes any statement as to any material matter which the maker of the statement knows is false may be sentenced, unless otherwise provided by law, to imprisonment for not more than one year or to payment of a fine of not more than \$3,000.00, or both."</i></p> |   |            |

**For Office Use Only**

**Investigator**

**Report of investigation.**

Building Permit information: Number \_\_\_\_\_ Date \_\_\_\_\_

Date of footing/foundation inspection completed: \_\_\_\_\_

Conclusion: Year construction commenced: \_\_\_\_\_

Report any other relevant facts:

I hereby report that I have investigated the statements made in this application and find the facts to be true:

Signature

Date

**Amounts**

The following accurately reflects both existing and proposed amounts.

|          | Assess. Year | Market Value |              |       | Class | Tax capacity | Tax abated |
|----------|--------------|--------------|--------------|-------|-------|--------------|------------|
|          |              | Land         | Improvements | Total |       |              |            |
| 1st Year |              |              |              |       |       |              |            |
| 2nd Year |              |              |              |       |       |              |            |

**Approval Certification**

**Certifications of approval.** For this abatement to be approved the county or city assessor must approve its adoption.

**Assessor's Recommendation.**

Approved                       Denied

Signature

Date

**Report Values**

**Complete only for approved abatements.** This section to be completed by the county auditor for purposes of reporting values to the Department of Revenue for reimbursement.

I further certify that the approval of this abatement has resulted in the following changes:

1<sup>st</sup> year abatement: \$ \_\_\_\_\_

2<sup>nd</sup> year abatement: \$ \_\_\_\_\_

**Total amount of abatement reported to DOR for reimbursement:** \$ \_\_\_\_\_

Signature

Date

# Instructions

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## How do I qualify for this abatement?

The property must be new construction.

To qualify for the abatement, the property must:

- Be located in a border development city and be located in an emergency area under presidential declaration FEMA-3304-EM. (*Qualifying cities are Moorhead, Breckenridge, Dilworth, and East Grand Forks.*)
- Must be classified as class 1a, 1b, 2a, 4a, 4b, 4bb, or 4d. The classification of your property can be found on your property tax statement or by contacting your county/city assessor.
- Construction of the property must commence prior to December 31, 2010. Construction is deemed to have commenced if a proper building permit has been issued and the mandatory footing or foundation inspection has been completed.

Property classified as 1a, 1b, 2a, 4b, or 4bb is eligible if a building permit was issued and construction commenced in 2008 and as of March 26, 2009, the property was owned by the original builder, not subject to any form of purchase agreement, and had never been occupied.

Property classified as 4a or 4d must not have had any part of the structure in existence prior to January 1, 2009.

## What is the benefit?

For class 1a, 1b, 2a, 4b, and 4bb property, the tax attributable to \$200,000 of market value or the entire market value of the structure, whichever is less, shall be abated.

For class 4a or 4d property, the tax attributable to \$20,000 of market value per residential unit or the entire market value of the structure, whichever is less, is abated.

The abatement is for the two tax payable years that correspond with the two assessment years after construction was commenced.

## How do I apply?

Complete the first page of the application only.

Completed applications must be filed by January 2 of the year following the year in which construction began. However, those structures for which construction commenced in 2008 must file an application no later than January 2, 2010.

Applications are filed with the assessor of the county or city in which the property is located.

## How we use information

The county/city assessor may share the information contained on this form with the county auditor, county attorney, Commissioner of Revenue or other federal, state or local taxing authorities to verify your eligibility for the abatement.

You do not have to give this information. However, refusal may disqualify you from consideration for the abatement.

## Penalties

### Making false statements on this application is against the law.

Minnesota Statutes, Section 609.41 states that giving false information in order to avoid or reduce their tax obligations can result in a fine of up to \$3,000 and/or up to one year in prison.

## For More Information

For more information on this abatement, please contact your county or city assessor's office.