

APPLYING FOR THE HOMESTEAD CLASSIFICATION

To apply for the homestead classification for your residence, you must fill out this application.

The residential homestead classification may provide 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.

To qualify for the homestead classification, you must:

- be the owners of the property, or be a qualifying relative of at least one owner of the property; if all owners do not occupy the property, a partial homestead exemption may be given.
- occupy the property listed on this application as your primary residence; and
- be a Minnesota resident.

New real estate owners are requested to enclose a copy of the deed or contract for deed as well as their certificate of real estate value to prove ownership.

New manufactured home owners are requested to enclose a copy of the certificate of title, sales contract or purchase agreement to prove ownership.

The grantor or grantee must file a Certificate of Real Estate Value with the County Treasurer-Auditor at the time a deed or other document is recorded on any homestead property according to current statute.

To be a qualifying relative of the owner, you must be the owner's: child, stepchild, daughter-in-law, son-in-law, parent, stepparent, parent-in-law, grandchild, grandparent, brother, brother-in-law, sister, sister-in-law, aunt, uncle, niece, or nephew.

State law (MS 273.124, Subd. 13) requires the Social Security numbers and signatures of all owners occupying the property to be on the application. If this property is the primary residence of a qualifying relative, the Social Security numbers and signatures of the qualifying relative and the owners to whom he or she is related must be on the application. If there is not enough space for all required signatures and Social Security numbers, use an extra sheet and include it with the application.

Social Security numbers are confidential information. Under the State law noted above, they may be given by your County Assessor to the Minnesota Department of Revenue only to determine whether you and the property owner to whom you are related have applied to the homestead classification for other properties in the state.

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.

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 a qualifying relative is 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 penalty equal to the difference between the tax figured on the homestead classification and the tax on the property's correct property class (MS 273.124, Subd. 13).

If you move, sell, or change your marital status...

If property receiving the homestead classification is sold, you or your spouse changes your primary residence, or you change your marital status, state law requires you to notify the county assessor within 30 days.

If at any time the property is sold or you change your primary residence, state law requires you to notify the County Assessor within 30 days. If you fail to notify the assessor within 30 days you will be required to pay the tax which is due on the property based on its correct property class plus a penalty.

Can I receive a property tax refund?

You may qualify for a property tax refund. A property tax refund is based on your household income and the property taxes paid on your principal place of residence. For more information on the property tax refund program, go to the Department of Revenue website at: <http://www.taxes.state.mn.us>