

Hennepin County Property Tax Abatement Policy for Penalty and Interest (Minn. Stat. § 375.192) (Revised 05/13/20)

Note: Due to the COVID-19 pandemic, on April 21, 2020 the Hennepin County Board approved a one-time automatic abatement of penalty for eligible taxpayers who pay the May 15 property tax by July 15. No action is required by taxpayers who qualify for the automatic abatement. This Abatement Policy describes how taxpayers can request abatement of penalty and interest based on individual hardship. Taxpayers not eligible for the automatic abatement may apply pursuant to this policy.

Purpose of policy

The purpose of this policy is to effectuate Minnesota Statutes Section 375.192 by providing a mechanism to provide relief to taxpayers when doing so is just and equitable.

Who is eligible for Abatement of Penalty and Interest

Owners of real or personal property in Hennepin County may apply for an abatement of penalty and interest pursuant to this policy. Abatement of penalty and interest is intended to provide relief when a tax payment is missed because of circumstances beyond the control of the owner, such as serious accident, illness, or natural disaster. The delinquency in payment must be reasonable, considering the circumstances. Property classified as commercial or industrial is not eligible for abatement of penalty and interest.

Note: Due to the COVID-19 pandemic, owners of all property, including commercial and industrial property, are eligible for the abatement of penalty and interest on taxes payable in 2020. Owners eligible for abatement include those businesses that have experienced a loss of income or revenue, an increase in expenses, or a disruption in operations due to COVID-19.

Note: Abatement of penalty and interest will only be approved after the entire amount of the underlying tax is paid.

When to apply

Owners should apply for abatement in the year the tax is payable. Abatement applications may be made in the subsequent two years to correct a clerical error, or when the failure to request an abatement was the result of hardship.

The County may only abate taxes, interest and penalty for the current tax payable year and the prior two years. For example, requests to abate penalty and interest related to taxes payable in 2020 should be made in 2020; requests may be made in 2021 and 2022 but those requests can only be approved if necessary to correct error or because the a hardship prevented the owner from applying in 2020. Applications to abate penalty or interest on taxes payable in 2020 that are made later than 2022 will be denied.

Abatement is retroactive relief. It is only granted on taxes, penalty, and interest that have already accrued. Abatement of penalty and interest may be granted up to twice per year per property: (1) after the first half taxes are paid (for applications granted on or before October 15) and (2) after taxes for the full year are paid (for applications granted after October 15).

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How to apply for abatement of penalty and interest

Owners must apply using the application provided by the Hennepin County Auditor. The applicant will be asked to describe the reason for the requested abatement and may be asked to provide documentation in support of the request.

If the abatement exceeds \$10,000, the county is required to provide notice to the city and school district, identifying the property that is the subject of abatement, the amount of the abatement, and the reason for the abatement.

Abatement of penalty, interest and costs

Abatement of penalty, interest and costs is determined by the Hennepin County Auditor. Abatement will only be approved when the tax underlying the penalty, interest and costs is paid in full.

Abatement of special assessments

Abatement of any special assessment must first be approved by the municipality that levied the special assessment before the Hennepin County Auditor may consider an abatement.

Abatement of tax

Abatement of any tax must first be approved by the County Assessor (or City Assessor for properties in Minneapolis) before the Hennepin County Auditor may consider an abatement. Applications for the abatement of tax are approved when the property value, classification, exemption status, or homestead status is incorrect.

Taxpayers applying for an abatement of tax should first contact the County Assessor at assessor.ao@hennepin.us or 612-348-3046. For properties in Minneapolis, contact the City Assessor at Assessor@minneapolismn.gov, 311, or (612) 673-3000.

Because the denial of an abatement application is not appealable, owners who dispute the value, classification, or exemption status of their property are encouraged to file a tax petition with the Tax Court rather than submitting an abatement application. The deadline to appeal property taxes payable in 2020 had been extended until May 30, 2020.

Questions

Questions should be directed to taxinfo@hennepin.us.