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S.F. No. 259 – Authorizing a Property Tax Exemption for Property Owned by Congressionally Chartered Veterans Organizations

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SF No. 259 authorizes a property tax exemption for property owned and operated by a congressionally chartered veterans organization. The Commissioner of Veterans Affairs must annually provide a list of these organizations to the Commissioner of Revenue by January 1. The most recent list submitted to the commissioner on December 29, 2020, indicated 46 congressionally chartered veterans service organizations.

Congressionally chartered veterans organizations may qualify as either class 4c(3)(i) (nonrevenue) or class 4c(3)(ii) (donations). Nonrevenue class 4c(3)(i) properties have a class rate of 1.00% and do not pay the state general levy. Class 4c(3)(ii) donation properties have a class rate of 1.00% and pay the state general levy at the same rate - 1.00%.

To qualify for the class 4c(3)(ii) donation classification, a nonprofit community service-oriented organization, which had revenue-producing activities for more than six days in a calendar year, must make annual charitable contributions and donations for lawful gambling purposes that are at least equal to the property's previous year's property tax paid (excluding state general levy) and the property must be available to be used for public and community meetings or events for no charge.

Effective beginning with property taxes payable in 2022.