# Tax Court Agency Profile

[mn.gov/tax-court](file:///C%3A%5CUsers%5CCstiles%5CDownloads%5Cwww.mn.gov%5Ctax-court)

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| At a glance* Nine full-time staff: 3 judges, 3 administrative staff, and 3 judicial law clerks.
* Approximately 3,200 cases were filed annually between 2014 and 2018. Ninety-eight percent were appeals from property tax assessments; the remainder, appeals from orders of the Commissioner of Revenue.
* A property tax appeal is filed with the district court administrator in the county in which the property is located and then transferred to the tax court; an appeal from an order of the Commissioner of Revenue is filed directly with the Tax Court.
* Generates approximately $900,000 per year in filing fees deposited into the General Fund.
* FY 2017 base budget of approximately $1,248,000, along with approximately $600,000 in one-time money for the acquisition and implementation of a new case-management system.
* Judges travel throughout Minnesota to hear cases where taxpayers reside.
* The Court files written findings of fact, conclusions of law, and an explanatory memorandum in each case within three months of submission.
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## Purpose

The Minnesota Tax Court is a specialized trial court in the executive branch with statewide jurisdiction. By statute, it is “the sole, exclusive, and final authority for the hearing and determination of all questions of law and fact arising under the tax laws of the state.”

The Tax Court resolves disputes between property owners and counties concerning the correct value and classification of real property, and adjudicates taxpayer appeals from orders of the Minnesota Commissioner of Revenue. By ensuring that property is correctly classified and valued and that taxpayers are correctly taxed, the court helps provide efficient and accountable government services. The Court’s three judges strive to ensure that the Court is managed according to best practices by working closely with the Department of Administration’s Small Agency Resource Team (SmART) and with MN.IT.

## Budget

Source: BPAS

Source: Consolidated Fund Statement

The Minnesota Tax Court generates approximately $900,000 annually in non-dedicated revenue from filing fees, which are deposited into the General Fund. All funding for Tax Court operations, in turn, comes from General Fund appropriations. The Tax Court’s FY 16-17 budget included a base amount of approximately $2.5 million and a one-time appropriation of approximately $1.4 million for the acquisition and implementation of a new electronic case-management system.

## STRATEGIES

The Tax Court is a specialized trial court. Tax Court actions are governed by the Minnesota Rules of Civil Procedure and of Evidence, and proceed in largely the same manner as civil actions filed in the Minnesota District Courts. Like other trial courts, the Tax Court resolves discovery and trial-management disputes, decides dispositive and non-dispositive motions, and conducts bench trials (jury trials are not available in Tax Court). The Tax Court files written findings of fact, conclusions of law, and an explanatory memorandum in each case heard.

Harness Available Resources: To ensure the Court is managed according to best practices, we work closely with the Department of Administration’s Small Agency Resource Team (SmART) and with MN.IT. SmART assists the Court with human resources and budgeting. The Court’s budget now includes line-items for statutorily mandated services such as judicial travel to conduct hearings, the purchase of transcripts for indigent taxpayers, and translators for court proceedings. MN.IT assists the Court in maintaining its existing infrastructure and in helping to guarantee that the Court’s technology will meet its future needs.

Active Case Management: Filings in the Tax Court increased from approximately 1,200 in calendar year 2000 to almost 6,000 in 2010. Filings for the last five years (2014 through 2018) have averaged approximately 3,200 cases per year. Although the court had a significant backlog for many years, that is no longer so. Since 2013, the Court has filed a scheduling order in each case to ensure that matters that do not settle are ready for trial in approximately 16 months. As a result of this active case management (and a modest decrease in filings), the Court has significantly reduced the number of open and pending cases on its docket. In addition, to facilitate settlements in Commissioner of Revenue and particularly in property tax cases (in which counties would otherwise have to request special funds to pay for an outside mediator), the judges of the Court have all completed training as civil mediators. This enables parties to mediate appropriate cases (at no cost to the parties) in hopes of resolving them short of trial. Finally, the court has implemented streamlined procedures that reduce the time (and cost to the parties) of trying cases that cannot otherwise be resolved.

## RESULTS

| Type of Measure | Name of Measure | Aug.25, 2015 | Aug. 15, 2016 | Aug. 15, 2017 | Aug. 15, 2018 |
| --- | --- | --- | --- | --- | --- |
| Quantity | Open/Pending Cases | 7,740 | 4,003 | N/A | 3,080 |
| Efficiency | Average Age of Open/Pending Cases | N/A | N/A | N/A | 20 mos. |

1. The number of open and pending cases represents the cases awaiting disposition by the Court. As used here, “Open and Pending Cases” refers to matters that have been entered into the Tax Court’s electronic case-management system, but have not yet been settled or tried.
2. The Court’s new case-management system allows it, for the first time, to track the average age of open and pending cases.

The Minnesota Tax Court is authorized by Minn. Stat.Ch. 271 (<https://www.revisor.mn.gov/statutes/?id=271>).