

29.1 EFFECTIVE DATE. This section is effective for the first assessment/sales ratio
29.2 study prepared following the day following final enactment.

Page 27, after line 7 insert:

29.3 Sec. 7. Minnesota Statutes 2006, section 273.11, subdivision 1a, is amended to read:

29.4 Subd. 1a. **Limited market value.** In the case of all property classified as
29.5 agricultural homestead or nonhomestead, residential homestead or nonhomestead, timber,
29.6 or noncommercial seasonal residential recreational, the assessor shall compare the value
29.7 with the taxable portion of the value determined in the preceding assessment.

29.8 For assessment years 2004, ^{2005, and 2006} ~~2004, 2005, and 2006~~, the amount of the increase
29.9 shall not exceed the greater of (1) 15 percent of the value in the preceding assessment,
29.10 or (2) 25 percent of the difference between the current assessment and the preceding
29.11 assessment.

29.12 For assessment ^{years 2007 through} ~~year 2007, 2009,~~ the amount of the increase shall not exceed the
29.13 greater of (1) 15 percent of the value in the preceding assessment, or (2) 33 percent of the
29.14 difference between the current assessment and the preceding assessment.

29.15 For assessment year ~~2008~~ 2010, the amount of the increase shall not exceed the
29.16 greater of (1) 15 percent of the value in the preceding assessment, or (2) 50 percent of the
29.17 difference between the current assessment and the preceding assessment.

29.18 This limitation shall not apply to increases in value due to improvements. For
29.19 purposes of this subdivision, the term "assessment" means the value prior to any exclusion
29.20 under subdivision 16.

29.21 The provisions of this subdivision shall be in effect through assessment year ~~2008~~
29.22 2010 as provided in this subdivision.

29.23 For purposes of the assessment/sales ratio study conducted under section 127A.48,
29.24 and the computation of state aids paid under chapters 122A, 123A, 123B, 124D, 125A,
29.25 126C, 127A, and 477A, market values and net tax capacities determined under this
29.26 subdivision and subdivision 16, shall be used.

29.27 EFFECTIVE DATE. This section is effective for assessment year ²⁰⁰⁸ ~~2007~~ and
29.28 thereafter, for taxes payable in ²⁰⁰⁹ ~~2008~~ and thereafter.

29.29 Sec. 8. Minnesota Statutes 2006, section 273.11, is amended by adding a subdivision to
29.30 read:

29.31 Subd. 16a. Valuation exclusion for certain improvements. (a) Improvements to
29.32 homestead property made after January 2, 2008, shall be excluded from the value of the
29.33 property for assessment purposes, provided that (1) the house is at least 50 years old at the