Overview

Extends the agricultural homestead treatment to certain owners and relatives who do not live on the agricultural property but who are actively farming the property. Effective for the 1999 assessment, taxes payable in 2000 and thereafter.

1 Relative homestead. Modifies the relative agricultural homestead provisions by deleting the requirement that the owner of the agricultural land must be a Minnesota resident. (This change only relates to relative homesteads.) It also clarifies that the relative who is occupying the agricultural property must be actively farming the property.

Paragraph (h) provides that the agricultural property will be classified as homestead if it meets all of the following criteria:

- the owner of the agricultural property does not claim another agricultural homestead in Minnesota;
- no one is residing on the agricultural property;
- the person who is actively farming the agricultural property is a son, daughter, son-in-law, or daughter-in-law of the owner of that property;
- neither the person, nor the person's spouse, who is actively farming the property is not claiming another agricultural homestead in Minnesota; and
- the person who is actively farming the property does not live farther than four townships or cities, or combination of four townships and cities, from the agricultural land (this is the standard distance for the regular non-contiguous homestead agricultural land).

2 Agricultural homesteads; special provisions. Allows owners to retain the agricultural homestead classification on the agricultural property even if they move off the farm. Under current law, generally if an owner moves off the land and moves into the nearby town, the agricultural property becomes non-homestead. An exception to this is if the owners’ child lives on the farm and actively farms the property, then it becomes a relative agricultural homestead.
These changes allow a farmer to move off the farm and continue to receive homestead on the agricultural land and buildings, as long as the owner continues to actively farm the property.

3 **Effective date.** Provides that sections 1 and 2 are effective beginning with the 1999 assessment, payable 2000 and thereafter. For the 1999 assessment, the owner or the person who is actively farming the property must notify the county assessor by July 1, 1999 and furnish the assessor whatever information is needed to determine eligibility.