



# Application for Deferment of Property Taxes and Assessment

## Provided by the Minnesota Open Space Property Tax Law (M.S. 273.112)

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### About Open Spaces

The Minnesota Open Space Property Tax Law provides for deferment of property taxes for some private outdoor recreational, open space and park land property which, due to residential or commercial pressures on the market, would otherwise receive property valuations in excess of Open Space values.

### How to apply

Application for deferment of taxes and assessment under the Open Space law must be made to the assessor of the taxing district where the property is located at **least 60 days prior to January 2** of each year.

### Required documentation

In the case of property operated by private clubs having a membership of 50 or more or open to the public, the taxpayer **must submit a copy of the membership policy** with the application. Additionally, in the case of property devoted to golf, the **taxpayer must submit a copy of the use schedule** listing times that use is restricted on the basis of sex.

If necessary, the assessor may require proof by affidavit or other written verification from the owner of any type of property that the bylaws or regulations of the club meet the eligibility requirements of the program. Unless the county attorney determines otherwise this written verification will be sufficient proof of eligibility.

### Requirements

Real estate shall be entitled to valuation and tax deferment under the Open Space law only if it is:

- actively and exclusively devoted to golf, skiing, polo, lawn bowling, croquet, or archery or firearms range recreational use or other recreational uses carried on at the establishment;
- five acres in size or more, except in the case of a lawn bowling or croquet green or an archery or firearms range;
- Operated by:
  - private individuals or, in the case of a lawn bowling or croquet green, by private individuals or corporations, and open to the public; or
  - firms or corporations for the benefit of employees or guests; or
  - private clubs having a membership of 50 or more or open to the public, provided that the club does not discriminate in membership requirements or selection on the basis of sex or marital status; and

- made available for use, in the case of real estate devoted to golf, without discrimination on the basis of sex during the time when the facility is open to use by the public or by members, except that use for golf may be restricted on the basis of sex no more frequently than one, or part of one, weekend each calendar month for each sex and no more than two, or part of two, weekdays each week for each sex.

### Additional requirements for golf clubs only

If a golf club membership allows use of golf course facilities by more than one adult per membership, the use must be equally available to all adults entitled to use of the golf course under the membership, except that use may be restricted on the basis of sex as noted above. Memberships that permit play during restricted times may be allowed only if the restricted times apply to all adults using the membership.

A golf club may not offer a membership or golfing privileges to a spouse of a member that provides greater or less access to the golf course than is provided to that person's spouse under the same or a separate membership in that club, except that the terms of a membership may provide that one spouse may have no right to use the golf course at any time while the other spouse may have either limited or unlimited access to the golf course.

A golf club may have or create an individual membership category which entitles a member for a reduced rate to play during restricted hours as established by the club. The club must have on record a written request by the member for such membership.

A golf club that has food or beverage facilities or services must allow equal access to those facilities and services for both men and women members in all membership categories at all times. Nothing in this paragraph shall be construed to require service or access to facilities to persons under the age of 21 years or require any act that would violate law or ordinance regarding sale, consumption, or regulation of alcoholic beverages.

### Valuation and deferral

The assessor will make two separate determinations of the value of the real estate. The difference between the tax based on the property's Open Space value and the tax based on the property's market value is the amount of tax deferred under the Open Space law. The deferred tax becomes a lien against the property.

In most cases, once a property ceases to qualify under the Open Space law, deferred taxes from the last seven years become due and payable in the current year. No interest or penalties will be added if the taxes are paid timely.

When title to property under the Open Space law is transferred, no additional taxes will be due if the property continues to qualify for Open Space and the purchaser files an application within 30 days of the sale.

### How we use information

Some of the information contained on this form may be shared with the county assessor, county attorney, Commissioner of Revenue or other federal, state or local taxing authorities to verify your eligibility for deferment of property taxes and assessment under the Open Space law.

You do not have to give this information. However, refusal will disqualify you from consideration for deferment of property taxes and assessment under the Open Space law.

### Penalties

#### **Making false statements on this application is against the law.**

Minnesota Statute, Section 609.41 states that anyone giving false information in order to avoid or reduce their tax obligations is subject to a fine of up to \$3,000 and/or up to one year in prison.