

## Agency Purpose

**M**innesota Tax Court is a specialized trial court in the executive branch, with statewide jurisdiction. It was specifically established by the Minnesota Legislature to hear and determine all matters arising out of Minnesota's tax laws (M.S. Ch 271).

The court's mission is to provide timely and equitable disposition of appeals from orders issued by the commissioner of the Department of Revenue (Revenue), and petitions from local property tax valuation, classification, equalization, and/or exemption issues. The judges have expertise in the tax laws and apply that expertise in a manner to ensure taxpayers are assessed only what they owe, and no more. Although the Tax Court is located in the Minnesota Judicial Center, the judges travel throughout Minnesota to conduct trials.

## Core Functions

The Tax Court docket, schedules, and resolves all tax cases filed.

The court provides the following services during the process of resolving and adjudicating tax disputes:

- ⇒ Accepts filings and notifies parties.
- ⇒ Schedules and conducts hearings (including trials, motions, continuances, and other pre-trial and post-trial hearings).
- ⇒ Tracks status of case movement; providing information as needed.
- ⇒ Provides information on decisions, about judges, and other general information about the court, including information for taxpayers to represent themselves (pro se) in court.
- ⇒ Maintains correct and current records, as statutorily required.

The Tax Court also:

- ◆ develops a consistent and uniform body of tax case law;
- ◆ acts as a model for other states and other tax courts through presentations, speeches, and networking; and
- ◆ coordinates with and educates district courts on managing tax petitions.

The court resolves complex procedural and substantive issues. One case may involve multi-year filings for multi-county property owners, which may encompass substantive issues regarding classification, class action status, and jurisdictional matters.

The court also resolves statutory, legal, and factual issues regarding Commissioner of Revenue cases (including business/non-business, unitary business, capital equipment, and non-domiciliary resident issues).

## Operations

The Tax Court continues to take proactive steps to improve the appeals and litigation process by educating and informing taxpayers and surveying court constituents. The court now provides two resources for pro se (self-represented) litigants: *"Presenting Property Tax Appeals to the Minnesota Tax Court"* and *"Presenting Commissioner of Revenue Appeals to the Minnesota Tax Court."* These handbooks were designed to help taxpayers understand the process of property tax appeals and commissioner of Revenue appeals, along with their rights and responsibilities. Both of these resources are available on the Tax Court web site, as well as at the Tax Court and District Court offices. Courts from other states use these handbooks as a model.

## At A Glance

Six full-time staff:

- ◆ three judges;
- ◆ three administrative staff.
- ◆ Annual budget of approximately \$720,000
- ◆ Most appeals are scheduled for trial and many are resolved within a year of filing.
- ◆ Affecting court operations, are:
  - ◆ changes in state property, sales and use, income, and other tax laws;
  - ◆ local real estate market changes;
  - ◆ national and state economic changes; and
  - ◆ changes in data practice laws.

A written decision is issued, distributed, and published on all regular division cases.

**Key Measures**

- ⇒ Minnesota Tax Court issues decisions in all cases within three months of final submission to the court.
- ⇒ Minnesota Tax Court is one of the few state Tax Courts that provides information and searchable text decisions on its web site.
- ⇒ Minnesota Tax Court is a leader in producing and distributing procedural handbooks for self-represented (pro se) litigants.
- ⇒ Minnesota Tax Court does not rely upon an automated phone answering system.

**Budget**

All funding for Tax Court operations comes from a General Fund appropriation. In the FY 2004-05 biennium, the appropriation was approximately \$1.4 million. The Tax Court budget is approximately 80% compensation, 14% rent, and 6% other expenditures.

Minnesota Tax Court generates approximately \$20,000 each biennium in non-dedicated revenue from filing fees on appeals to an order from the commissioner of Revenue. Depending on caseload fluctuations, an additional \$980,000 to \$1.9 million in non-dedicated revenue is generated each biennium by property tax filings. Current fees are \$235 for a regular division matter and \$150 for a small claims matter. These fees are collected in District Court, which is where property tax petitions are filed.

**Contact**

Contact Tax Court by mail:  
Minnesota Tax Court  
245 Minnesota Judicial Center  
25 Reverend Dr. Martin Luther King, Jr. Boulevard  
Saint Paul, Minnesota 55155

Visit the Tax Court web site:  
<http://www.taxcourt.state.mn.us>  
Call the Court: (651) 296-2806  
Monday – Friday, 8:00 a.m. to 4:30 p.m.

<i>Dollars in Thousands</i>					
	<b>Current</b>		<b>Forecast Base</b>		<b>Biennium</b>
	<b>FY2004</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>2006-07</b>
<b><u>Direct Appropriations by Fund</u></b>					
<b>General</b>					
Current Appropriation	726	726	726	726	1,452
<b>Forecast Base</b>	<b>726</b>	<b>726</b>	<b>726</b>	<b>726</b>	<b>1,452</b>
Change		0	0	0	0
% Biennial Change from 2004-05					0%
 <b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
General	702	739	726	726	1,452
<b>Total</b>	<b>702</b>	<b>739</b>	<b>726</b>	<b>726</b>	<b>1,452</b>
 <b><u>Expenditures by Category</u></b>					
Total Compensation	572	582	581	581	1,162
Other Operating Expenses	130	157	145	145	290
<b>Total</b>	<b>702</b>	<b>739</b>	<b>726</b>	<b>726</b>	<b>1,452</b>
 <b><u>Expenditures by Program</u></b>					
Tax Court	702	739	726	726	1,452
<b>Total</b>	<b>702</b>	<b>739</b>	<b>726</b>	<b>726</b>	<b>1,452</b>
 <b>Full-Time Equivalents (FTE)</b>	 <b>6.0</b>	 <b>6.0</b>	 <b>6.0</b>	 <b>6.0</b>	