



# Annual Report on the Status of Acquisition and Resale of Seized Property Program

---

*Reporting Period: October 1, 2017- December 31, 2018*



**March 29, 2019**

The Honorable Paul Marquart  
Chair, House Taxes Committee  
597 State Office Building

The Honorable Lyndon Carlson  
Chair, House Ways and Means Committee  
479 State Office Building

The Honorable Greg Davids  
GOP Lead, House Taxes Committee  
283 State Office Building

The Honorable Pat Garofalo  
GOP Lead, House Ways and Means Committee  
295 State Office Building

The Honorable Roger Chamberlain  
Chair, Senate Taxes Committee  
3225 MN Senate Building

The Honorable Julie Rosen  
Chair, Senate Finance Committee  
2113 MN Senate Building

The Honorable Ann Rest  
Ranking Minority Member  
Senate Taxes Committee  
2217 MN Senate Building

The Honorable Richard Cohen  
Ranking Minority Member  
Senate Finance Committee  
2301 MN Senate Building

Dear Committee Chairs:

Minnesota Statute 270C.711 requests the Department of Revenue to provide an annual report on the status of the Acquisition and Resale of Seized Property Program. Under this program, the department will purchase or redeem seized property in which Minnesota has an interest arising from a lien for unpaid tax. The department must preserve the value of seized property while controlling it. Seized property is then resold by the department to satisfy unpaid taxes.

Our last report included the period of October 1, 2016 through September 30, 2017. This report is for the period October 1, 2017 through December 31, 2018. Future reports will include one calendar year (January through December) and will be published within the first quarter of the following year.

This report covers October 1, 2017 through December 31, 2018. During this time, the department placed for public auction real property seized pursuant to tax liens against the same property for the amount of \$141,298.95. Because there was not a purchaser at the auction, pursuant to Minnesota Statutes 270C.7101, subdivision 5(a), the department used \$141,298.95 from the seized property appropriation to purchase the real property and spent \$10,192.06 to preserve the

value and prepare the property to be resold. The \$141,298.95 used from the seized property appropriation was then received by the department and applied to the unpaid tax that gave rise to the tax lien. This cleared the title of the real property such that the property can be resold.

The next annual report will include the amount received when the department resells the real property. The sales price will first be applied to the department's expenses, including the expenses of \$141,298.95 and \$10,192.06 reported here. Any amount that exceeds the department's expenses will be applied to additional tax amounts.

Sincerely,



Jenny Starr  
Assistant Commissioner