

Subject Allowing abatements for land bank property

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Overview

This bill allows local units of government to abate property taxes on property held by a land bank. The abatements may be granted for up to five years. The abatements must be repaid if the land is used for a different purpose than the purpose given by the land bank prior to redevelopment.

Summary

Section	Description
1	<p>Land bank organization.</p> <p>Defines “land bank organization” as an organization that acquires, holds, or manages vacant, blighted, foreclosed, or tax-forfeited property for future development, redevelopment, or disposal. A land bank organization must be either (1) a nonprofit organization with a governing board whose members are elected or appointed by a unit of government or an agency of a unit of government, or whose members are elected or appointed officials of a unit of government, or (2) a limited liability company of which such a nonprofit is the sole member.</p>
2	<p>Authority.</p> <p>Allows local units of government to abate property taxes on property that will be used for the development of affordable housing and on property that is held by a land bank organization for future development.</p>
3	<p>Duration limit.</p> <p>Allows abatements granted to property described in section 2 to be granted for a duration of up to five years.</p>
4	<p>Repayment.</p> <p>Requires repayment, with interest, of an abatement received by a land bank organization if the land for which the abatement was granted is used for a purpose other than the purpose given by the land bank organization, prior to redevelopment.</p>

Section	Description
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	Land is subject to this provision for the same number of years that the abatement was granted.
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