

# PROGRAMS THAT MAY REDUCE YOUR PROPERTY TAXES

## • Homestead Exclusions Programs

- You may safely and securely apply for homestead online: [olmstedcounty.gov/post/homestead-applications](https://olmstedcounty.gov/post/homestead-applications)

## New for 2023

- The tax bill increases refund amounts for the 2022 Homestead Credit Refund (for Homeowners) and Renter's Property Tax Refund (Form M1PR):
  - Refunds for homeowners and renters were increased by 20.572%. Taxpayers who already filed a 2022 Form M1PR may see a larger refund than originally claimed.
  - Homeowners may now qualify for a special (or "targeting") refund if their property tax increased by more than 6% — rather than 12% — from 2022 to 2023.
- The income requirements have not changed for claiming either the Homestead Credit Refund or Renter's Property Tax Refund.



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## Special Homestead Classification for Blind or Permanently and Totally Disabled Persons -

- A special homestead classification that provides a reduced class rate for homestead property of any person who qualifies as blind or as permanently and totally disabled.

## Market Value Exclusion on Homestead Property of

### Disabled Veterans <https://www.revenue.state.mn.us/market-value-exclusion-veterans-disability>

- This program provides a market value exclusion for property tax purposes for the homestead property of an honorably discharged veteran who has a service-connected disability rating of 70% or higher, as determined by the US Department of Veterans Affairs.

## Senior Citizen Property Tax Deferral - <https://www.revenue.state.mn.us/property-tax-deferral-senior-citizens>

- You are 65 or older in the year you apply. If married, one of you is 65 or older and the other is at least 62.
- Your household income is \$96,000 or less.
- You have owned and lived in your home for the last 5 years.
- Your home has been homesteaded for 5 years.
- You do not have a reverse mortgage, a life estate, or any state or federal liens on your property.
- Other liens against your property are less than 75% of the estimated market value.

The property tax you pay will be 3% of your total household income based on your prior year income. The state pays the remainder as a loan. When you sell your home or voluntarily cancel the deferral, you must repay the loan plus interest. The interest rate varies but does not exceed 5%

## Direct Tax Rebate Payments

- The Minnesota Department of Revenue has begun sending direct tax rebate payments of up to \$1,300 for tax year 2021 to eligible Minnesotans. Legislation signed in May provides payments of:
  - \$520 for married couples filing a joint return with adjusted gross income of \$150,000 or less
  - \$260 for all other individuals with adjusted gross income of \$75,000 or less
  - Another \$260 for each dependent claimed on your return, up to three dependents (\$780)



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## Additional State Refund Programs

- Homestead Credit Refund Program
  - <https://www.house.leg.state.mn.us/hrd/pubs/ss/sshptrp.pdf>
- Renter's Property Tax Refund Program
  - <https://www.house.leg.state.mn.us/hrd/pubs/ss/ssrptrp.pdf>
- Targeting Property Tax Refund Program
  - <https://www.house.leg.state.mn.us/hrd/pubs/ss/sstrgt.pdf>



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## Learn More

- **Online:** [revenue.state.mn.us/property-tax-refund](https://revenue.state.mn.us/property-tax-refund)
- **Call:** 651-296-3781
- **Mail:**  
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St. Paul, MN 55145-0020

