

273.124 HOMESTEAD DETERMINATION; SPECIAL RULES.

Subd. 14. Agricultural homesteads; special provisions.

~~(b)(ii) Agricultural property held by a trustee under a trust is eligible for agricultural homestead classification under this paragraph if the qualifications in clause (i) are met, except that “owner” means the grantor of the trust.~~

Subd. 21. Trust property; homestead.

Real or personal property, including agricultural property, held by a trustee under a trust is eligible for classification as homestead property if the property satisfies the requirements of paragraph (a), (b), (c), ~~or~~ (d) or (e).

(a) The grantor or surviving spouse of the grantor of the trust occupies and uses the property as a homestead.

(b) A relative or surviving relative of the grantor who meets the requirements of subdivision 1, paragraph (c), in the case of residential real estate; or subdivision 1, paragraph (d), in the case of agricultural property, occupies and uses the property as a homestead.

(c) A family farm corporation, joint farm venture, limited liability company, or partnership operating a family farm in which the grantor or the grantor's surviving spouse is a shareholder, member, or partner rents the property; and, either (1) a shareholder, member, or partner of the corporation, joint farm venture, limited liability company, or partnership occupies and uses the property as a homestead; or (2) the property is at least 40 acres, including undivided government lots and correctional 40's, and a shareholder, member, or partner of the tenant-entity is actively farming the property on behalf of the corporation, joint farm venture, limited liability company, or partnership.

(d) A person who has received homestead classification for property taxes payable in 2000 on the basis of an unqualified legal right under the terms of the trust agreement to occupy the property as that person's homestead and who continues to use the property as a homestead; or, a person who received the homestead classification for taxes payable in 2005 under paragraph (c) who does not qualify under paragraph (c) for taxes payable in 2006 or thereafter but who continues to qualify under paragraph (c) as it existed for taxes payable in 2005.

(e) The qualifications in clause (i) of section 273.124, subd. 14(b) are met; provided however, that for purposes of the application of this paragraph (e) "owner" means the grantor of the trust, or the surviving spouse of the grantor.

(f) For purposes of this subdivision, “agricultural property” means the house, garage, other farm buildings and structures, and agricultural land.

(g) For purposes of this subdivision, “agricultural land” shall have the same meaning as in section 273.13, subdivision 23, except that the phrase “owned by the same person” or “under the same ownership” as used in section 273.13, subdivision 23 shall mean and include contiguous tax parcels owned by:

(1) an individual and a trust of which the individual, the individual’s spouse, or the individual’s deceased spouse is the grantor; or

(2) different trusts of which the grantors of each trust are any combination of an individual, the individual's spouse, or the individual's deceased spouse.

(h) Noncontiguous land shall be included as part of a homestead under this subdivision, only if the homestead is classified as class 2a as defined in section 273.13, subd. 23 and the detached land is located in the same township or city, or not farther than four townships or cities or combination thereof from the homestead. Any taxpayer of these noncontiguous lands must notify the county assessor that the noncontiguous land is part of the taxpayer's homestead, and, if the homestead is located in another county, the taxpayer must also notify the assessor of the other county.

For purposes of this subdivision, "grantor" is defined as the person creating or establishing a testamentary, inter Vivos, revocable or irrevocable trust by written instrument or through the exercise of a power of appointment.