



## PACE: Introduction to Fractional Homesteads 2024-2028

Developed by MN Revenue Property Tax Division.

This is a 2-hour continuing education course offered by the Property Tax Division which qualifies towards the PACE education requirement.

### Course Description

5 out of 4 assessors admit they are not comfortable with fractional homesteads. If you are one of them, join us for our first in a series on fractional homestead. Fractional ownership and homestead can be tricky, but this course will cover all the best bits of residential fractional homestead! The course will provide a thorough and in-depth review on how to deal with residential fractional homesteads. Topics that will be addressed include an overview of types of ownership, residential fractional homestead, and the impacts of fractional homestead on special programs. Attendees will also participate in activities that will allow them to apply what they are learning in this course. There will be no review of basics of homestead or any of the special programs that will be covered. We request that if you need a refresher on those topics that you review that information prior to the course.

### Course Outline

#### Introduction

**5 Minutes**

In this section instructors will introduce themselves, course expectations, agenda, and other housekeeping items.

#### Types of Ownership

**5 Minutes**

In this section we will cover the different types of ownership structures, sole ownership, tenants in common, joint tenancy, and tenancy in severalty.

#### What is Fractional Homestead?

**5 Minutes**

In this section we will look at a brief introduction into the causes fractional homestead.

#### Spousal Homestead

**15 Minutes**

In this section we will look at instances where married couples do not reside at the same property and those impacts on homestead.

#### Residential Fractional Homestead

**45 Minutes**

In this section we will cover information on fractional homestead on various residential classifications. This includes a look at how owner occupied, and relative fractional homestead works. An activity looking at different scenarios involving fractional homestead with residential classified properties will be included in this section.

#### Special Programs

**35 Minutes**

In this section we will cover the impacts of fractional homestead on programs such as the Disabled Veteran's Homestead Exclusion and Regular Market Value Exclusion. An activity looking at different scenarios involving these programs will be included in this section.

#### Breaks

**10 Minutes**

## **Education Standards Met**

Standard 1: Appraisal Theory

- 1.D.1, 1.E.1, 1.E.2,

Standard 2: Assessment Practices

- 2.A.1, 2.A.2, 2.A.3, 2.B.1, 2.B.2, 2.B.3, 2.D.1, 2.D.2, 2.D.3, 2.D.4, 2.E.1, 2.E.2, 2.H.1, 2.H.2

Standard 3: Appraisal Practices

Standard 4: Mass Appraisal

Standard 5: Management and Leadership

## **Minnesota Statutes Referenced**

M.S. 273.124 Subdiv. 1(c) – Relative Homestead, Residential

M.S. 273.13 Subdiv. 22(a, b, c) – Classification, Residential, Blind/Disabled, Homestead Resort

M.S. 273.13 Subdiv. 34(a) – Homestead of Veteran with a Disability or Family Caregiver

M.S. 273.13 Subdiv. 35(d) – Homestead Exclusion

M.S. 273.124 Subdiv. 1(e) – Spousal Homestead

M.S. 273.124 Subdiv. 13(c) – Homestead Application, Non-Occupying Spouse