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Minnesota Energy Resources Corp. v. Commissioner of Revenue

Minnesota Tax Court, Regular Division, Ramsey County - September 29, 2014 - 2014 WL 4953754

Minnesota Energy Resources Corporation (“MERC”) is a gas pipeline distribution system located in Minnesota.

MERC’s real property is assessed by the county, city or district in which the property is located; however, its personal property is centrally assessed by the state Commissioner of Revenue.

Here, the parties disagreed about what type of pipeline property is taxable “personal property.” MERC argued that personal property is limited to tangible personal property, whereas the Commissioner argued that personal property includes both tangible and intangible personal property.

The Tax Court held that the phrase “personal property” in Minn.Stat. §§ 272.02, subd. 9(a), and 272.03, subd. 2(5), means tangible personal property.