MCCC Manatron User Group Legislative Committee Meeting 1/14/2010 Minutes

Meeting called to order at 12:30 PM on Thursday, January 14, 2010, at the MACO conference held at the Bloomington Sheraton, Bloomington, MN.

Members in attendance included Cindy Geis, Chris Samuel, and Farley R. Grunig. Jason Nord from the Minnesota Department of Revenue also present.

Discussion regarding the spreadsheet provided by Jeff Watkins indicating the delivery dates assigned by Manatron for various change requests.

According to the spreadsheet Fault 0738 (TFS 9123) has been rejected by Manatron. The spreadsheet also indicates that Manatron is expecting an enhancement request to be filed for this same issue. Farley will check with Steve Holthaus to see if the CCB has received the enhancement request.

The spreadsheet only indicates the broad topic areas of Spring Abstract or Tax Statement with no mention of the associated faults. Farley will contact Manatron and remind them that the due date provided by this Committee on the Change Request is also the due date for all faults related to that particular deliverable.

Tax Capacity Calculation has a target due date of 3/1. Obviously a typo but Farley will confirm with Manatron that tax capacity calculation needs to be tested and in the hands of the users by 2/1.

The spreadsheet lists Tax Statements but not Valuation Notices. A single change order was submitted for the changes to both of these forms. Farley will verify that the Tax Statement line on the spreadsheet includes the Valuation Notices and also all of the faults on the spreadsheet prepared by Cindy that was included as part of that particular change request.

The Flood Abatement programming has a delivery date of 3/1. Due to the implementation date for this new provision the delivery date can be moved back to no later then 9/1/2010. Farley will notify Manatron of this possible change.

The Rural Preserve programming has a delivery date of 5/1. Due to the implementation date for this new program the delivery date can be moved back to no later than 9/1/2010. This date could change if the Department of Revenue provides instructions indicating an earlier date is necessary.

2010 Abstract of Tax Lists and Certification of State Paid Property Tax Credits

This Committee assumes Manatron will not be providing additional lines in the abstract for overrides. This will be acceptable provided the user can override all fields. This is particularly important for items 577 and 578. In both cases the program should calculate the amount but it may be necessary for the user to override. The abstract format requires certain credits to be reported as the amount credited against net tax capacity tax and the portion credited against referendum market value tax separately. There are other credits where it is possible but not highly likely that the credit will exceed the net tax capacity tax with the balance being credited against the referendum tax. In these cases the user will need to override the system generated amounts. These credits include Powerline, Ag Preserves, Disparity Reduction, County Conservation and possibly Regular and Supplemental Taconite.

In order to provide the user with the override amounts a new report will be needed. This report must provide net tax capacity tax and referendum market value tax by credit type and by tax type.

Farley will prepare a Change Request including the changes specified by the DOR for the report and also including the new report for the user. The Change Request will include the due date of 3/1/2010.

2010 Tax Increment Financing Supplement to the Abstract of Tax Lists

According to the Department of Revenue instructions there are no changes in this report this year. If the report generated by GRM was in compliance with the 2009 Department of Revenue requirements then there will be no changes for Manatron to make.

Farley will submit a Change Request indicating that changes are only required if the report currently generated by GRM is not in compliance with Department of Revenue Requirements. This Change Request will include a due date of 3/1/2010.

Assessment Year 2009 Property Tax Refund Homestead File and Assessment Year 2010 Duplicate Homestead File

Jason noted that there were 16 counties, including representative from almost all software providers, who submitted files that were not in compliance with Department of Revenue requirements in 2009. Jason will send this Committee the list of counties. The Committee will determine if there is reason to work with any particular counties to resolve issues for the 2010 reports.

Farley will submit a Change Request highlighting all of the changes notes in the Department of Revenue instructions. In addition to the change section of the DOR instructions, Manatron will be directed to pay special attention to the codes on pages 18 through 20. Some of these codes have changed. This Change Request will include a due date of 3/1/2010.

Meeting adjourned.

Farley R. Grunig
Chair

Change Request Form

CHANGE REQUEST FORM

CHANGE REQUEST NO: **Date Submitted:** January 27, 2010

Project Name: **GRM Tax System** **Module Name:** **Multiple**

Originator: **Project Manager:** **Lisa Meredith**

Priority **High** **Required Date (if urgent):** March 1, 2010

Fixed Cost: (expires 30 days from date of response)

Estimated Delivery Date: (expires 30 days from date of response)

Request Type: ☒ Product ☐ Schedule ☐ Effort ☒ Process

Description of Change Being Requested:

Modify the Abstract of Tax Lists and Certification of State Paid Property Tax Credits to be in compliance with 2010 Minnesota Department of Revenue requirements

Recommended Solution: (Provide your opinion on the best course of action, based on factors such as cost, schedule, or product quality.)

Modify the Abstract of Tax Lists and Certification of State Paid Property Tax Credits to be in compliance with 2010 Minnesota Department of Revenue requirements

Alternative Solutions: (Briefly describe any alternatives such as procedural changes being considered.)

None

In-scope Change: (Provide contractual documentation to support this change being in-scope.)

If the Abstract of Tax Lists and Certification of State Paid Property Tax Credits currently available through GRM was in compliance with the 2009 Department of Revenue Instructions, then the following modifications will need to be made:

1. Please read the Department of Revenue instructions thoroughly as there may be changes in composition of the following fields in addition to the alteration of the field name:

- Item 60 is now reflected as **Real Property (Agricultural/Rural) Tax Capacity**.
- Item 70 is now reflected as **Fully Taxable Real Property (Non-Agricultural/Non-Rural) Tax Capacity**.
- Item 75 is now reflected as **JOBZ Real Property (Non-Agricultural/Non-Rural) Tax Capacity**.
- Item 80 is now reflected as **Personal Property (Agricultural/Rural) Tax Capacity**.
- Item 90 is now reflected as **Fully Taxable Personal Property (Non Agricultural/Non-Rural) Tax Capacity**.

• Item 95 is now reflected as **JOBZ Personal Property (Non-Agricultural/Non-Rural) Tax Capacity**.

2. Four fields (Items 335, 370, 380 and 579) that previously reflected a non-TIF total credit amount, have been split into two separate credit amount fields for separately reporting credits applied to net tax capacity based taxes or the referendum market value based taxes. This has resulted in the following five changed fields and four new fields:

• Item 335 is now reflected as **Bovine Tuberculosis – NTC Credit Amount** and no longer includes the RMV credit amount, which will be recorded separately in **New Item 337**.
• Item 370 is now reflected as **Disaster – RMV Credit Amount – Other** and no longer includes the NTC credit amount, which will be recorded separately in **New Item 365**.
• Item 380 is now reflected as **Local Option Disaster – NTC Credit Amount – Other** and no longer includes the RMV credit amount, which be recorded separately in **New Item 385**.
• Item 579 is now reflected as **Other RMV Credit Adjustment Amount – Prior Years – Other** and no longer includes the NTC credit amount, which will be recorded separately in **Item 578**. The Other Credit Adjustment Amount – Prior Years – TIF previously reflected in Item 578 is now recorded in **New Item 577**.

Important Note: Items 577 and 578 should be generated by GRM. However the user must have the ability to override the system generated amount. In addition the assumption is being made that the abstract will not include additional fields for override values, therefore, the user will need the ability to override all fields.

New Report Required: The Department of Revenue format provides fields for reporting certain credits where part of the credit is applied to NTC tax and part is applied to RMV tax. There are other credits where separate fields are not provided on the abstract where the credit may exceed the NTC tax with the remainder applied to the RMV tax. These credits currently include Powerline, Ag Preserve, Disparity Reduction, County Conservation, Regular Taconite and Supplemental Taconite. In order for the counties to accurately report any of these credits that have been applied to RMV tax, a new report will be required. This report must provide the amount of credit applied to NTC tax and to RMV tax by credit type by tax type. The report must include the option to report by revenue object by TAG or totals by tax type by credit by TAG.

3. The School District Initial Tax Rates section has one new and one changed line item for the purposes of maintaining the consistency between the voter approved and non-voter approved rates for the OPEB/Pension – JOBZ Nonexempt data.

• OPEB/Pension – Voter – JOBZ Nonexempt data will now be recorded in **New Item 757**.
• Item 760 is now reflected as **OPEB/Pension – Other – JOBZ Nonexempt** as it is not part of the general fund.

If the Abstract of Tax Lists and Certification of State Paid Property Tax Credits currently available through GRM was NOT in compliance with the 2009 Department of Revenue Instructions, then the GRM Abstract of Tax Lists and Certification of State Paid Property Tax Credits will need to reviewed in its entirety and brought in to compliance with the 2010 Minnesota Department of Revenue Instructions.

The Minnesota Department of Revenue 2010 instructions for the Abstract of Tax Lists and Certification of State Paid Property Tax Credits are attached together with the file layout, printout format, certification form, math calculations, and wetland preservation area addendum documents provided by the Minnesota Department of Revenue.

Project Manager Assessment

Priority ☒ Urgent ☐ Normal **Required Date (if urgent): February 1, 2010**

High Level Risk Assessment: (Briefly describe any risk involved with this change request. If a more detailed risk assessment is required, refer to the Risk Management Plan.)

Submission Approval:

Client Signature: **Date:**

Manatron Project Manager Signature: **Date:**

Impact Analysis

Technical Assessment: (Briefly describe any risk involved with this change request. If a more detailed risk assessment is required, refer to the Risk Management Plan.)

Completed by: **Date:**

Contractual Assessment:

Completed by: **Date:**

Steering Committee Approval

Change Control Request No:

Change Request Decision:

☐ **Approved As Requested** ☐ **Approved as Amended** ☐ **Rejected** ☐ **Escalated**

Manatron Project Manager Signature:

Date:

Client Signature:

Date:

Change Request Form

CHANGE REQUEST FORM

CHANGE REQUEST NO: **Date Submitted:** January 27, 2010

Project Name: **GRM Tax System** **Module Name:** **Multiple**

Originator: **Project Manager:** **Lisa Meredith**

Priority **High** **Required Date (if urgent):** March 1, 2010

Fixed Cost: (expires 30 days from date of response)

Estimated Delivery Date: (expires 30 days from date of response)

Request Type: ☒ Product ☐ Schedule ☐ Effort ☒ Process

Description of Change Being Requested:

Provide programming for the Tax Increment Financing Supplement to the Abstract of Tax Lists that is in compliance with the 2010 Minnesota Department of Revenue requirements

Recommended Solution: (Provide your opinion on the best course of action, based on factors such as cost, schedule, or product quality.)

Provide programming for the Tax Increment Financing Supplement to the Abstract of Tax Lists that is in compliance with the 2010 Minnesota Department of Revenue requirements

Alternative Solutions: (Briefly describe any alternatives such as procedural changes being considered.)

None

In-scope Change: (Provide contractual documentation to support this change being in-scope.)

If the Tax Increment Financing Supplement to the Abstract of Tax Lists currently available through GRM was in compliance with the 2009 Department of Revenue Tax Increment Financing Suuplement to the Abstract of Tax Lists Instructions, then no modification will be required.

If the Tax Increment Financing Supplement to the Abstract of Tax Lists currently available through GRM was NOT in compliance with the 2009 Department of Revenue Tax Increment Financing Supplement to the Abstract of Tax Lists Instructions, then the GRM Tax Increment Financing Supplement to the Abstract of Tax Lists will need to reviewed in its entirety and brought in to compliance with the 2010 Minnesota Department of Revenue Instructions.

The Minnesota Department of Revenue 2010 instruction for the Tax Increment Financing Supplement to the Abstract of Tax Lists are attached together with the file layout, printout format, and certification form documents provided by the Minnesota Department of Revenue.

Project Manager Assessment

Priority ☒ Urgent ☐ Normal **Required Date (if urgent): February 1, 2010**

High Level Risk Assessment: (Briefly describe any risk involved with this change request. If a more detailed risk assessment is required, refer to the Risk Management Plan.)

Submission Approval:

Client Signature: **Date:**

Manatron Project Manager Signature: **Date:**

Impact Analysis

Technical Assessment: (Briefly describe any risk involved with this change request. If a more detailed risk assessment is required, refer to the Risk Management Plan.)

Completed by: **Date:**

Contractual Assessment:

Completed by: **Date:**

Steering Committee Approval

Change Control Request No:
Change Request Decision:
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Manatron Project Manager Signature:
Date:

Client Signature:
Date:

Change Request Form

CHANGE REQUEST FORM

CHANGE REQUEST NO: **Date Submitted:** January 27, 2010

Project Name: **GRM Tax System** **Module Name:** **Multiple**

Originator: **Project Manager:** **Lisa Meredith**

Priority **High** **Required Date (if urgent):** March 1, 2010

Fixed Cost: (expires 30 days from date of response)

Estimated Delivery Date: (expires 30 days from date of response)

Request Type: ☒ Product ☐ Schedule ☐ Effort ☒ Process

Description of Change Being Requested:

Modify both the Assessment Year 2009 Property Tax Refund Homestead File and the Assessment Year 2010 Duplicate Homestead File to comply with the current Minnesota Department of Revenue requirements.

Recommended Solution: (Provide your opinion on the best course of action, based on factors such as cost, schedule, or product quality.)

Modify both the Assessment Year 2009 Property Tax Refund Homestead File and the Assessment Year 2010 Duplicate Homestead File to comply with the current Minnesota Department of Revenue requirements.

Alternative Solutions: (Briefly describe any alternatives such as procedural changes being considered.)

None

In-scope Change: (Provide contractual documentation to support this change being in-scope.)

If both the Assessment Year 2009 Property Tax Refund Homestead File and the Assessment Year 2010 Duplicate Homestead File currently available through GRM was in compliance with the prior year Department of Revenue instructions, then the following modifications will need to be made:

The following enumerations for the <PropertyTaxClassCode> have changed.
o Class 2b timberlands has been deleted.
o Ag Non-Homestead Land has changed from Class 2b to Class 2a.
o Class 2b Rural Vacant Land Homestead and Rural Vacant Land Non-Homestead are new.
o Class 2e Unmined Commercial Aggregate Deposit is new.
o The abbreviations of the Non-Profit Community Service Oriented Organization have changed from CSSO to CSOO.
o Class 4c(11) Qualifying Marina is new.

These changes are reflected on the property tax class code list which is provided on pages 18 through 20 of the Department of Revenue instructions attached to this change request.

- The Duplicate Homestead File must only include the "base" parcels. (This is a reminder, not a change.)
- The Property Tax Refund Homestead File must include all homestead parcels in the county. For homesteads that extend across counties, each county should only report the parcels located within their county. Counties that are not the 'base' county for the homestead, may report the SSN if known. Otherwise, enter a dummy SSN of "222222222".
- **The <ValueByClassification> element reported on the Property Tax Refund Homestead File needs to be accurately maintained. The appropriate value for each class must be provided. This must be reported by value group when a revenue object includes more than one value group.**
- The elements <HomesteadTotalEstimatedMarketValueAmount> and <HomesteadTotalTaxableMarketValueAmount> are required for both the PTR and Duplicate Homestead Files for 2010.
- Last year a new optional <MetaData> element was added. This year <MetaData> element is required, and includes the following child elements:
- <HomesteadSchemaVersionText>
- <MNCountyID>
- <HomesteadDocumentTypeCode> - This has been moved, as it was previously a stand-alone element. Note that the enumeration for this element has changed. (See next bullet.) These elements are further defined later in the attached Department of Revenue instructions.
- Effective this year, separate real/personal and manufactured home files must be submitted for both Duplicate Homestead and for PTR Homestead (totaling 4 file submissions.) <HomesteadDocumentTypeCode> provides for identification of the separate files.

If either or both the Assessment Year 2009 Property Tax Refund Homestead File and the Assessment Year 2010 Duplicate Homestead File currently available through GRM were NOT in compliance with the prior year Department of Revenue instructions, then the GRM Assessment Year 2009 Property Tax Refund Homestead File and the Assessment Year 2010 Duplicate Homestead File will need to reviewed in their entirety and brought in to compliance with the current Minnesota Department of Revenue instructions.

The Minnesota Department of Revenue 2010 instruction for the Assessment Year 2009 Property Tax Refund Homestead File and the Assessment Year 2010 Duplicate Homestead File are attached together with the schema diagram document provided by the Minnesota Department of Revenue.

Additional information is available on the Department of Revenue website at:
http://www.taxes.state.mn.us/taxes/property_tax_administrators/other_supporting_content/hmstdfile10.shtml
This additional information includes the Homestead – Combined PTR and Dup Zip Package – This zip file contains all of the primary and imported XML Schema files (.xsd files), pdf, sample form and images.

Project Manager Assessment

Priority ☒ Urgent ☐ Normal **Required Date (if urgent): February 1, 2010**

High Level Risk Assessment:

(Briefly describe any risk involved with this change request. If a more detailed risk assessment is required, refer to the Risk Management Plan.)

Submission Approval:

Client Signature: **Date:**

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Impact Analysis

Technical Assessment:

(Briefly describe any risk involved with this change request. If a more detailed risk assessment is required, refer to the Risk Management Plan.)

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