How Land Becomes Tax Forfeited

Tax forfeited land is the result of unpaid property taxes. The process from delinquent taxes to forfeiture is:

1. Taxes become delinquent as of January the year following when the taxes were due.
2. Notification to the taxpayer of record is given.
3. District court enters judgment against the property. (Unpaid taxes are a lien against the property, not a personal debt of the owner.)
4. Judgment is entered as of April in the delinquent year.
5. "Period of redemption" begins — depending on ownership, use and location of the property, the period of redemption is one, three or five years from judgment. Based on 2013 Legislation eliminating the five-year redemption period, new tax judgment sales in 2014 and subsequent years will have either a one or three year period of redemption. (During this period, the owner, or anyone else having interests in the property, can pay the delinquent taxes and forfeiture will not occur.)

What happens after a property is tax forfeited?

- All taxes and special assessments prior to the forfeiture date are cancelled.
- For a period of time a previous owner can go through the repurchase process.
- A classification process will take place to determine whether the land will remain in public ownership and be managed for public benefit, or if it will be returned to private ownership via a public auction. Statutorily, the county auditor is to classify or reclassify state-owned tax-forfeited lands as conservation or non-conservation, as outlined in Minnesota Statute 282.01. Classification also includes the current as well as the potential use of the land.

Once classification is determined, lands are offered for sale by:

- Sale to a government entity (i.e., Housing and Redevelopment Authority, Public Works, a city, etc.)
- Public auction
- Private auction – only adjacent owners can bid
- Over the counter – properties that do not sell at the auction may become available for purchase the day following the public sale in our office