

VLS
H. F. No. 186

following the month in which the taxable event occurred, or on or before the 20th day of the month following the month in which the sale is reported under section 289A.18, subdivision 4; or

(2) \$250,000 or more, during a fiscal year ending June 30, 2013, and fiscal years thereafter, must remit by electronic means all net liabilities in the manner provided in paragraph (a) on returns due for periods beginning in the subsequent calendar year, except for 81.4 percent of the estimated June net liability, which is due two business days before June 30. The remaining amount of the June liability is due on August 20.

(d) Notwithstanding paragraph (b) or (c), a person prohibited by the person's religious beliefs from paying electronically shall be allowed to remit the payment by mail. The filer must notify the commissioner of revenue of the intent to pay by mail before doing so on a form prescribed by the commissioner. No extra fee may be charged to a person making payment by mail under this paragraph. The payment must be postmarked at least two business days before the due date for making the payment in order to be considered paid on a timely basis.

(e) For purposes of this subdivision, "net liability" means the liability minus the amount of vendor allowance authorized under section 297A.816.

EFFECTIVE DATE. This section is effective for sales and purchases made after June 30, 2017.

Sec. 2. Minnesota Statutes 2016, section 297A.77, subdivision 3, is amended to read:

Subd. 3. **Tax must be remitted.** The tax collected by a retailer under this section, except for the amount allowed to be retained by the seller under section 297A.816, must be remitted to the commissioner as provided in chapter 289A and this chapter.

EFFECTIVE DATE. This section is effective for sales and purchases made after June 30, 2017.

Sec. 3. **[297A.816] VENDOR ALLOWANCE.**

Subdivision 1. Eligibility. A retailer or seller may retain a portion of sales tax collected as a vendor allowance in compensation for the costs of collecting and administering the tax under this chapter. This section applies only if the tax minus the vendor allowance is both reported and remitted to the commissioner in a timely fashion as required under chapter 289A.

3.1 Subd. 2. **Tax not eligible for allowance.** Use taxes paid by the seller on the seller's own
3.2 purchases are not included in calculating the vendor allowance under this section. All other
3.3 sales and use taxes collected by a seller are eligible for the vendor allowance under this
3.4 section.

3.5 Subd. 3. **Calculation of allowance; minimum amounts.** (a) The amount of the vendor
3.6 allowance is equal to a percentage of the eligible taxes collected in the reporting period, as
3.7 defined under section 289A.18, subdivision 4, at the rates provided under paragraph (b).
3.8 The vendor allowance per reporting period may not be less than the lesser of \$10 or the
3.9 amount of eligible taxes collected during the reporting period.

3.10 (b) The vendor allowance authorized under this section must be calculated using the
3.11 following thresholds and rates:

3.12 (1) for vendors with sales less than \$60,000 in a fiscal year ending June 30 of a calendar
3.13 year, two percent;

3.14 (2) for vendors with sales between \$60,000 and \$600,000 in a fiscal year ending June
3.15 30 of a calendar year, one percent; and

3.16 (3) for vendors with sales greater than \$600,000 in a fiscal year ending June 30 of a
3.17 calendar year, 0.75 percent.

3.18 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June
3.19 30, 2017.