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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. **858**

02/06/2017 Authored by Johnson, B.,
The bill was read for the first time and referred to the Committee on Transportation and Regional Governance Policy
03/07/2017 Adoption of Report: Amended and re-referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to aeronautics; providing for registration of unmanned aircraft; providing
1.3 for a registration tax refund; amending Minnesota Statutes 2016, sections 360.013,
1.4 by adding subdivisions; 360.55, by adding a subdivision; 360.62.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2016, section 360.013, is amended by adding a subdivision
1.7 to read:

1.8 Subd. 62. **Unmanned aircraft.** "Unmanned aircraft" means an aircraft, as defined in
1.9 subdivision 37, that is operated without the possibility of human intervention from within
1.10 or on the aircraft.

1.11 Sec. 2. Minnesota Statutes 2016, section 360.013, is amended by adding a subdivision to
1.12 read:

1.13 Subd. 63. **Unmanned aircraft system.** "Unmanned aircraft system" means an unmanned
1.14 aircraft and all of its associated elements, including components and communication links,
1.15 that are required to control and operate the aircraft.

1.16 Sec. 3. Minnesota Statutes 2016, section 360.55, is amended by adding a subdivision to
1.17 read:

1.18 Subd. 9. **Unmanned aircraft systems.** (a) Any unmanned aircraft system in which the
1.19 unmanned aircraft weighs less than 55 pounds at takeoff, including payload and anything
1.20 affixed to the aircraft, either:

1.21 (1) must be registered in the state for an annual fee of \$25; or

2.1 (2) is not subject to registration or an annual fee if the unmanned aircraft system is owned
2.2 and operated solely for recreational purposes.

2.3 (b) An unmanned aircraft system that meets the requirements under paragraph (a) is
2.4 exempt from aircraft registration tax under sections 360.511 to 360.67.

2.5 Sec. 4. Minnesota Statutes 2016, section 360.62, is amended to read:

2.6 **360.62 TAX REFUND.**

2.7 Except as provided herein the tax upon any aircraft which has been paid for any year,
2.8 shall be refunded only for errors made in computing the tax or fees or for the error on the
2.9 part of an owner who may in error have registered an aircraft that was not before, nor at the
2.10 time of such registration, nor at any time thereafter during the tax period, subject to such
2.11 tax in this state; provided that after more than 24 months after such tax was paid no refund
2.12 shall be made for any tax paid on any aircraft. Refunds as provided by sections 360.511 to
2.13 360.67 shall be made in the manner provided by Laws 1947, chapter 416. The former owner
2.14 of a transferred aircraft by an assignment in writing endorsed upon the former owner's
2.15 registration certificate and delivered to the commissioner within the time provided herein
2.16 may sell and assign to the new owner thereof the right to have the tax paid by the former
2.17 owner accredited to such new owner who duly registers such aircraft. Any owner whose
2.18 aircraft ~~shall be~~ is destroyed or permanently removed from the state ~~shall be~~ is entitled to
2.19 a refund for the unused portion of the tax paid upon the destroyed or removed aircraft ~~so~~
2.20 ~~destroyed or removed from the state, such.~~ The refund to must be computed pro rata by the
2.21 month, and to be equal to the monthly tax rate multiplied by the number of full calendar
2.22 months remaining in the fiscal year, or multiplied by the number of full calendar months
2.23 remaining in that period between January 1, 1966, to and including June 30, 1967, whichever
2.24 period is applicable. An unmanned aircraft system that is destroyed or permanently removed
2.25 from the state is not entitled to a tax refund under this section.

2.26 In order to secure such refund, the aircraft owner shall submit a signed statement that
2.27 such aircraft has either been sold out of state or destroyed, the date of such sale or destruction,
2.28 and such other information as the commissioner may require. Any false statement willfully
2.29 and knowingly made in regard thereto shall be deemed a perjury and punished accordingly.
2.30 No refund shall be made if application is not made within 12 months after the date the
2.31 aircraft was sold out of state or destroyed.

3.1 Sec. 5. **UNMANNED AIRCRAFT REGISTRATION TAX REFUND;**
3.2 **APPROPRIATION.**

3.3 (a) The commissioner of transportation shall refund the tax paid for the most recent
3.4 registration period on an unmanned aircraft system under Minnesota Statutes, sections
3.5 360.531 to 360.67, to a person who:

3.6 (1) registers and pays the specified fee for the unmanned aircraft system under Minnesota
3.7 Statutes, section 360.55, subdivision 9, for the same registration period or an overlapping
3.8 registration period; or

3.9 (2) is exempt from payment of the tax under Minnesota Statutes, sections 360.531 to
3.10 360.67, and the fee under Minnesota Statutes, section 360.55, subdivision 9, as provided
3.11 under this act.

3.12 (b) An amount necessary for any refunds under paragraph (a) is appropriated in fiscal
3.13 year 2018 from the state airports fund to the commissioner of transportation for the purposes
3.14 of providing refunds.

3.15 Sec. 6. **EFFECTIVE DATE.**

3.16 This act is effective July 1, 2017.