

SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION

S.F. No. 100

(SENATE AUTHORS: CHAMBERLAIN)

DATE	D-PG	OFFICIAL STATUS
01/14/2021	96	Introduction and first reading Referred to Taxes

1.1A bill for an act

1.2relating to taxation; sales and use; providing for a vendor allowance; amending

1.3Minnesota Statutes 2020, section 297A.77, subdivision 3; proposing coding for

1.4new law in Minnesota Statutes, chapter 297A.

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

1.6Section 1. Minnesota Statutes 2020, section 297A.77, subdivision 3, is amended to read:

1.7Subd. 3. **Tax must be remitted.** The tax collected by a retailer under this section, except

1.8for the amount allowed to be retained by the seller under section 297A.816, must be remitted

1.9to the commissioner as provided in chapter 289A and this chapter.

1.10**EFFECTIVE DATE.** This section is effective for sales taxes remitted after June 30,

1.112021.

1.12Sec. 2. **[297A.816] VENDOR ALLOWANCE.**

1.13Subdivision 1. **Eligibility.** A retailer may retain a portion of sales tax collected as a

1.14vendor allowance in compensation for the costs of collecting and administering the tax

1.15under this chapter. This section applies only if the tax minus the vendor allowance is both

1.16reported and remitted to the commissioner in a timely fashion as required under chapter

1.17289A.

1.18Subd. 2. **Tax not eligible for allowance.** Use taxes paid by the retailer on the retailer's

1.19own purchases and local sales and use taxes collected by the retailer are not included in

1.20calculating the vendor allowance under this section.

1.21Subd. 3. **Calculation of allowance; maximum amounts.** The amount of the vendor

1.22allowance is equal to the sum of one-quarter of one percent of the tax collected in the

- 2.1 reporting period, up to \$250. The vendor allowance must not reduce the tax owed in the
- 2.2 reporting period to less than zero.
- 2.3 **EFFECTIVE DATE.** This section is effective for sales taxes remitted after June 30,
- 2.4 2021.