

SENATE  
STATE OF MINNESOTA  
SEVENTH SPECIAL SESSION

S.F. No. 9

(SENATE AUTHORS: CHAMBERLAIN)

DATE	D-PG	OFFICIAL STATUS
12/14/2020	7	Introduction and first reading
	7	Laid on table

1.1 A bill for an act

1.2 relating to taxation; sales and use and liquor gross receipts; allowing for retention

1.3 of certain collections.

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

1.5 Section 1. **TEMPORARY RETENTION OF CERTAIN TAX COLLECTIONS;**

1.6 **SUSPENSION OF REMITTANCE AND DEPOSIT REQUIREMENT.**

1.7 Subdivision 1. Definitions. (a) For purposes of this section, the following definitions

1.8 apply.

1.9 (b) "Qualified business" means a business that is a place of public accommodation closed

1.10 to ingress, egress, use, and occupation by the public under governor's Executive Order

1.11 20-99, that is classified under one of the following codes in the North American Industry

1.12 Classification System:

1.13 (1) 31212;

1.14 (2) 31213;

1.15 (3) 31214;

1.16 (4) 71394;

1.17 (5) 71395;

1.18 (6) 7223;

1.19 (7) 7224; and

1.20 (8) 7225.

2.1 (c) "Eligible taxes" means the following taxes collected for sales and purchases made  
2.2 in the applicable period:

2.3 (1) sales and use taxes under Minnesota Statutes, chapter 297A;

2.4 (2) local sales and use taxes subject to the provisions of Minnesota Statutes, section  
2.5 297A.99; and

2.6 (3) liquor gross receipts taxes under Minnesota Statutes, section 295.75.

2.7 (d) "Applicable period" means November 2020, December 2020, and January 2021.

2.8 **Subd. 2. Retention of certain collected taxes allowed; returns required.** (a)  
2.9 Notwithstanding the remittance requirements under Minnesota Statutes, section 289A.20,  
2.10 subdivision 4, a qualified business may retain, and is not required to remit, the amount of  
2.11 eligible taxes collected in the applicable period.

2.12 (b) Notwithstanding paragraph (a), the following requirements apply for eligible taxes  
2.13 collected in the applicable period:

2.14 (1) the filing requirement under Minnesota Statutes, section 289A.18;

2.15 (2) the civil penalties under Minnesota Statutes, section 289A.60, relating to late filing  
2.16 of returns; and

2.17 (3) the criminal penalties under Minnesota Statutes, section 289A.63, relating to late  
2.18 filing of returns.

2.19 **Subd. 3. Penalties and interest not applied.** (a) Notwithstanding subdivision 1 and  
2.20 Minnesota Statutes, sections 289A.55 and 289A.60, the commissioner of revenue must not  
2.21 impose any penalty for or apply any interest, as follows, to nonpayment of eligible taxes  
2.22 that are not remitted under subdivision 2, paragraph (a):

2.23 (1) the late payment penalties under Minnesota Statutes, section 289A.60, subdivision  
2.24 1, or interest under Minnesota Statutes, section 289A.55;

2.25 (2) the civil penalties under Minnesota Statutes, section 289A.60, relating to late payment  
2.26 of or failure to pay eligible taxes; and

2.27 (3) the criminal penalties under Minnesota Statutes, section 289A.63, relating to late  
2.28 payment of or failure to pay eligible taxes.

2.29 (b) This section does not limit the commissioner's authority to abate, reduce, or refund  
2.30 any penalty or interest under Minnesota Statutes, section 270C.34, or any other law.

3.1 Subd. 4. **Deposits not required.** Notwithstanding the requirements of Minnesota Statutes,  
3.2 sections 295.75, subdivision 11; 297A.94; and 297A.99, subdivision 11, the deposit  
3.3 requirement under Minnesota Statutes, section 295.75, the deposit and transfer requirements  
3.4 under Minnesota Statutes, section 297A.94, and the remittance requirement under Minnesota  
3.5 Statutes, section 297A.99, subdivision 11, do not apply to the amount of eligible taxes that  
3.6 are not remitted under subdivision 2.

3.7 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
3.8 applies to tax collections for sales and purchases made in November 2020, December 2020,  
3.9 and January 2021.

3.10 **Sec. 2. CERTAIN RETAINED TAX COLLECTIONS; SUBTRACTION.**

3.11 The amount of tax collections retained under section 1, subdivision 2, is a subtraction  
3.12 for the purposes of Minnesota Statutes, section 290.0132, subdivision 1, or 290.0134,  
3.13 subdivision 1.

3.14 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
3.15 31, 2020, and before January 1, 2022.