

SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION

S.F. No. 4522

(SENATE AUTHORS: ABELER, Newton and Hoffman)

DATE
04/21/2022

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7381

Introduction and first reading
Referred to Taxes

OFFICIAL STATUS

1.1A bill for an act

1.2relating to taxation; lawful gambling; modifying the combined net receipts tax;

1.3amending Minnesota Statutes 2020, section 297E.02, subdivision 6.

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

1.5Section 1. Minnesota Statutes 2020, section 297E.02, subdivision 6, is amended to read:

1.6Subd. 6. **Combined net receipts tax.** (a) In addition to the taxes imposed under

1.7subdivision 1, a tax is imposed on the combined net receipts of the organization. As used

1.8in this section, "combined net receipts" is the sum of the organization's gross receipts from

1.9lawful gambling less gross receipts directly derived from the conduct of paper bingo, raffles,

1.10and paddlewheels, as defined in section 297E.01, subdivision 8, and less the net prizes

1.11actually paid, other than prizes actually paid for paper bingo, raffles, and paddlewheels, for

1.12the fiscal year. The combined net receipts of an organization are subject to a tax computed

1.13according to the following schedule:

1.14If the combined net receiptsThe tax is:

1.15for the fiscal year are:

1.16Not over \$87,500~~nine~~ seven percent

1.17Over \$87,500, but not over\$7,875 ~~\$6,125~~ plus ~~48~~ 15 percent of

1.18\$122,500the amount over \$87,500, but not over

1.19\$122,500

1.20Over \$122,500, but not\$14,175 ~~\$11,375~~ plus ~~27~~ 23 percent

1.21over \$157,500of the amount over \$122,500, but not

1.22over \$157,500

1.23Over \$157,500\$23,625 ~~\$19,425~~ plus ~~36~~ 31 percent

1.24of the amount over \$157,500

2.1 (b) Gross receipts derived from sports-themed tipboards are exempt from taxation under
2.2 this section. For purposes of this paragraph, a sports-themed tipboard means a sports-themed
2.3 tipboard as defined in section 349.12, subdivision 34, under which the winning numbers
2.4 are determined by the numerical outcome of a professional sporting event.

2.5 **EFFECTIVE DATE.** This section is effective July 1, 2022.