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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 3801

02/26/2026 Authored by Hollins and Wolgamott The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to public safety; authorizing a tax donation checkoff to benefit crime
1.3 victims; amending Minnesota Statutes 2024, section 270C.445, subdivisions 6a,
1.4 6b, 6c, 8, by adding a subdivision; proposing coding for new law in Minnesota
1.5 Statutes, chapter 290.

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

1.7 Section 1. Minnesota Statutes 2024, section 270C.445, is amended by adding a subdivision
1.8 to read:

1.9 Subd. 5c. Minnesota victims of crime account checkoff. A tax preparer must give
1.10 written notice of the option to contribute to the Minnesota victims of crime account, as
1.11 provided in sections 290.435 and 290.436, to corporate clients that file an income tax return
1.12 and to individual clients who file an income tax return or a claim under chapter 290A. This
1.13 notification must be included with information sent to the client at the same time as the
1.14 preliminary worksheets or other documents used in preparing the client's return and must
1.15 include a line for displaying contributions.

1.16 EFFECTIVE DATE. This section is effective for taxable years beginning after December
1.17 31, 2027.

1.18 Sec. 2. Minnesota Statutes 2024, section 270C.445, subdivision 6a, is amended to read:

1.19 Subd. 6a. Exchange of data; State Board of Accountancy. The State Board of
1.20 Accountancy shall refer to the commissioner complaints it receives about tax preparers who
1.21 are not subject to the jurisdiction of the State Board of Accountancy and who are alleged
1.22 to have violated the provisions of this section, except subdivision 5a or 5c, or section
1.23 270C.4451.

2.1 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
2.2 31, 2027.

2.3 Sec. 3. Minnesota Statutes 2024, section 270C.445, subdivision 6b, is amended to read:

2.4 Subd. 6b. **Exchange of data; Lawyers Professional Responsibility Board.** The Lawyers
2.5 Professional Responsibility Board may refer to the commissioner complaints it receives
2.6 about tax preparers who are not subject to its jurisdiction and who are alleged to have
2.7 violated the provisions of this section, except subdivision 5a or 5c, or section 270C.4451.

2.8 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
2.9 31, 2027.

2.10 Sec. 4. Minnesota Statutes 2024, section 270C.445, subdivision 6c, is amended to read:

2.11 Subd. 6c. **Exchange of data; commissioner.** The commissioner shall refer information
2.12 and complaints about tax preparers who are alleged to have violated the provisions of this
2.13 section, except subdivision 5a or 5c, or section 270C.4451, to:

2.14 (1) the State Board of Accountancy, if the tax preparer is under its jurisdiction; and

2.15 (2) the Lawyers Professional Responsibility Board, if the tax preparer is under its
2.16 jurisdiction.

2.17 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
2.18 31, 2027.

2.19 Sec. 5. Minnesota Statutes 2024, section 270C.445, subdivision 8, is amended to read:

2.20 Subd. 8. **Limited exemptions.** (a) Except as provided in paragraph (b), the provisions
2.21 of subdivisions 3; 5; 5a; 5c; 6, paragraphs (a) to (n); and 7, do not apply to:

2.22 (1) an attorney admitted to practice under section 481.01;

2.23 (2) a registered accounting practitioner, a registered accounting practitioner firm, a
2.24 certified public accountant, or a certified public accountant firm, licensed in accordance
2.25 with chapter 326A;

2.26 (3) an enrolled agent who has passed the special enrollment examination administered
2.27 by the Internal Revenue Service;

2.28 (4) a person who provides, or assists in providing, tax preparation services within the
2.29 scope of duties as an employee under the direction or supervision of a person who is exempt
2.30 under this subdivision; or

3.1 (5) a person acting as a supervisor to a tax preparer who is exempt under this subdivision.

3.2 (b) The provisions of subdivisions 3; 6, paragraphs (a) to (n); and 7, apply to a tax
3.3 preparer who would otherwise be exempt under paragraph (a) if the tax preparer has:

3.4 (1) had a professional license suspended or revoked for cause, not including a failure to
3.5 pay a professional licensing fee, by any authority of any state, territory, or possession of
3.6 the United States, including a commonwealth, or the District of Columbia, any federal court
3.7 of record, or any federal agency, body, or board;

3.8 (2) irrespective of whether an appeal has been taken, been convicted of any crime
3.9 involving dishonesty or breach of trust;

3.10 (3) been censured, suspended, or disbarred under United States Treasury Department
3.11 Circular 230;

3.12 (4) been sanctioned by a court of competent jurisdiction, whether in a civil or criminal
3.13 proceeding, including suits for injunctive relief, relating to any taxpayer's tax liability or
3.14 the tax preparer's own tax liability, for:

3.15 (i) instituting or maintaining proceedings primarily for delay;

3.16 (ii) advancing frivolous or groundless arguments; or

3.17 (iii) failing to pursue available administrative remedies; or

3.18 (5) demonstrated a pattern of willful disreputable conduct by:

3.19 (i) failing to file a return that the tax preparer was required to file annually for two of
3.20 the three immediately preceding tax periods; or

3.21 (ii) failing to file a return that the tax preparer was required to file more frequently than
3.22 annually for three of the six immediately preceding tax periods.

3.23 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
3.24 31, 2027.

3.25 Sec. 6. **[290.435] MINNESOTA VICTIMS OF CRIME ACCOUNT CHECKOFF.**

3.26 (a) Every individual who files an income tax return or property tax refund claim form
3.27 may designate on their original return that \$1 or more be added to the tax or deducted from
3.28 the refund that would otherwise be payable by or to that individual and paid into the
3.29 Minnesota victims of crime account.

3.30 (b) The commissioner must, on the income tax return and the property tax refund claim
3.31 form, notify filers of their right to designate that a portion of their tax or refund be paid into

4.1 the Minnesota victims of crime account. The sum of the designated amounts to be paid must
4.2 be credited to the Minnesota victims of crime account for use under section 299A.708. All
4.3 interest earned on money accrued, gifts to the program, contributions to the program, and
4.4 reimbursements of expenditures in section 299A.708 must be credited to the account by the
4.5 commissioner of management and budget.

4.6 (c) The state pledges and agrees with all contributors to use the money contributed solely
4.7 for the purposes specified in section 299A.708.

4.8 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
4.9 31, 2027.

4.10 Sec. 7. **[290.436] CORPORATE MINNESOTA VICTIMS OF CRIME ACCOUNT**
4.11 **CHECKOFF.**

4.12 (a) A corporation that files an income tax return may designate on its original return that
4.13 \$1 or more be added to the tax or deducted from the refund that would otherwise be payable
4.14 by or to that corporation and paid into the Minnesota victims of crime account established
4.15 under section 299A.708 for use by the Department of Public Safety's Office of Justice
4.16 Programs. The commissioner must, on the corporate tax return, notify filers of their right
4.17 to designate that a portion of their tax return be paid into the Minnesota victims of crime
4.18 account for use as specified in section 299A.708. All interest earned on money accrued,
4.19 gifts to the program, contributions to the program, and reimbursements of expenditures in
4.20 section 299A.708 must be credited to the account by the commissioner of management and
4.21 budget.

4.22 (b) The state pledges and agrees with all corporate contributors to use the funds
4.23 contributed solely for the purposes specified in section 299A.708.

4.24 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
4.25 31, 2027.