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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 4949

04/13/2026 Authored by Zeleznikar, Norris, Gillman, Witte and Davids
The bill was read for the first time and referred to the Committee on Taxes

A bill for an act

relating to taxation; establishing a sports and events reimbursement program; requiring reports; amending Minnesota Statutes 2024, sections 168E.09, subdivision 2, by adding a subdivision; 290.62; 295.75, subdivision 11, by adding a subdivision; 295.81, by adding a subdivision; Minnesota Statutes 2025 Supplement, sections 295.81, subdivision 10; 297A.94; proposing coding for new law in Minnesota Statutes, chapters 116J; 270C.

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

Section 1. **[116J.8753] SPORTS AND EVENTS REIMBURSEMENT PROGRAM.**

Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Account" means the sports and events reimbursement program account.

(c) "Event" means any of the following and includes any activity related to or associated with the following:

(1) Amateur Athletic Union Junior Olympic Games;

(2) Big Ten football, men's or women's basketball, volleyball, wrestling, or other conference tournament;

(3) Bowl Season;

(4) College Football Playoff;

(5) Confederation of North, Central America, and Caribbean Association Football (CONCACAF) Gold Cup or other matches;

(6) Confederation Sudamericana de Football (CONMEBOL) Copa America;

(7) CrossFit Games;

(8) Federation of Gay Games;

(9) Formula 1 United States Grand Prix;

(10) International Ice Hockey Federation (IIHF) World Juniors, Men's, Women's, or any tournament sanctioned by USA hockey or the IIHF;

(11) International Skating Union (ISU) Worlds;

(12) International Soccer Match;

(13) Laver Cup;

(14) Major League Baseball All-Star Game;

(15) Major League Soccer All-Star Game or other special events or matches;

(16) National Basketball Association All-Star Game, Cup, or Draft;

(17) National Collegiate Athletic Association's (NCAA) Men's or Women's Final Four or preliminary round basketball tournament, Men's or Women's Frozen Four, Volleyball Championship, Wrestling Championship, Gymnastics Championship, or any sanctioned NCAA championship;

(18) National Football League Draft, Super Bowl, or combine;

(19) National Hockey League All-Star Game, Draft, Four Nations, Stadium Series, Winter Classic, or World Cup of Hockey;

(20) Rugby World Cup Men's or Women's;

(21) Ultimate Fighting Championship;

(22) United States Figure Skating Championship;

(23) Unrivaled Event;

(24) United States Olympic Team Trials in gymnastics, swimming, and wrestling, sanctioned by the national governing body, recognized by the United States Olympic Committee;

(25) Women's National Basketball Association All-Star Game or Draft;

(26) World Cup Soccer Matches for Men's or Women's;

(27) World Wrestling Entertainment Summer Slam, Royal Rumbles, Survivor Series, WrestleMania, TKO Takeover Weekend, or other premium live event;

(28) X Games; or

(29) Professional Golfers' Association (PGA) of America championship-level events for Men's or Women's.

(d) "Program" means the sports and events reimbursement program.

(e) "Local organizing committee" means a body with a demonstrated track record of attracting high-profile events to Minnesota that is responsible for the promotion and execution of an event.

(f) "Site selection organization" means an organization that has the ability to enter into a contract for an event listed in paragraph (c) with a local organizing committee.

Subd. 2. **Sports and events reimbursement program account.** The sports and events reimbursement program account is created in the special revenue fund in the state treasury. Except as otherwise appropriated by law, money in the account is appropriated to the commissioner of revenue for the purposes of this section. All money earned by the account must be credited to the account and remain available until expended.

Subd. 3. **Events eligible for funding.** (a) Only an event listed in subdivision 1, paragraph (c), is eligible for funding under this section.

(b) A listed event may receive funding through the program only if:

(1) a site selection organization, after considering one or more sites not in this state, selects a site in this state for the event to be held:

(i) one time; or

(ii) if the event is scheduled under an event contract or event support contract to be held each year for a period of years, one time in each year;

(2) a site selection organization selects a site in this state as:

(i) the sole site for the event; or

(ii) the sole site for the event in a region composed of this state and one or more adjoining states; and

(3) the event is held not more than one time in any year.

Subd. 4. **Administration of program.** (a) Prior to any determination under section 270C.45, subdivision 2, a local organizing committee must submit an application to the commissioner of revenue. Applications must be submitted in the form and manner provided by the commissioner of revenue but must include:

(1) a certification that the event meets the eligibility requirements for funding under subdivision 3 and all other funding requirements under this section; and

(2) documentation from a site selection organization selecting the site for the event.

(b) The commissioner must conduct due diligence in administering the program, including contracting with professionals as needed to assist in the due diligence.

Subd. 5. **Allowable expenses.** Money in the account may be used to fulfill obligations of the state to a local organizing committee under an event contract including the payment of:

(1) the costs relating to the preparations necessary or desirable for conducting the event; and

(2) the costs of conducting the event, including the costs of an improvement or renovation to an existing facility and the costs of the acquisition or construction of a new facility or other facility.

Subd. 6. **Rulemaking.** The commissioner of revenue may adopt rules necessary to implement this section.

Subd. 7. **Reporting.** (a) A local organizing committee must provide the following information to the commissioner of revenue:

(1) annual audited statements of any financial records required by a site selection organization; and

(2) data obtained by the local organizing committee relating to:

(i) attendance at the event, including an estimate of the number of people expected to attend the event who are not residents of Minnesota; and

(ii) the economic impact of the event.

(b) A local organizing committee must provide an annual audited financial statement required by the commissioner of revenue no later than the end of the fourth month after the last day of the period covered by the financial statement.

(c) After the conclusion of an event, a local organizing committee must provide information about the event, such as attendance figures, including an estimate of the number of people who attended the event who are not residents of Minnesota, financial information, or other public information held by the committee as requested by the commissioner of revenue.

Sec. 2. Minnesota Statutes 2024, section 168E.09, is amended by adding a subdivision to read:

Subd. 1a. **Deposit of revenues; sports and events reimbursement program account.** After deposits under subdivision 1, the commissioner must deposit the share of revenues of the taxes imposed under this chapter that are directly attributable to an event in the amount determined under section 270C.45 to the sports and events reimbursement program account.

EFFECTIVE DATE. This section is effective for revenues collected for sales and purchases made after .....

Sec. 3. Minnesota Statutes 2024, section 168E.09, subdivision 2, is amended to read:

Subd. 2. **Deposits.** After deposits under ~~subdivision~~ subdivisions 1 and 1a, the commissioner must deposit the balance of proceeds from the retail delivery fee in the transportation advancement account under section 174.49.

EFFECTIVE DATE. This section is effective for revenues collected for sales and purchases made after .....

Sec. 4. **[270C.45] CALCULATION AND DEPOSIT OF REVENUES TO THE SPORTS AND EVENTS REIMBURSEMENT PROGRAM ACCOUNT.**

Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have the meanings given them.

(b) "Event" has the meaning given in section 116J.8753, subdivision 1, paragraph (c).

(c) "Local organizing committee" has the meaning given in section 116J.8753, subdivision 1, paragraph (e).

(d) "Site selection organization" has the meaning given in section 116J.7853, subdivision 1, paragraph (f).

(e) "University" means the University of Minnesota.

Subd. 2. **Determination of incremental increase in certain tax receipts.** (a) Following each event, a local organizing committee must request a determination of the incremental increase in tax revenues in the market area directly attributable to the event. The request must be submitted to the university in the form and manner prescribed by the university and the commissioner.

(b) Within ten days of the conclusion of an event, the university must commence an estimate of the incremental increase in tax revenues listed in paragraph (c) that the university determines are directly attributable to the preparation for and presentation of an event for a one-year period that begins two months before the date on which the event will begin. The university must use the information submitted by the local organizing committee under paragraph (a) for each event.

(c) Revenues from the following taxes must be included in the determination of incremental increase under paragraph (b):

(1) notwithstanding section 297A.61, subdivision 4, the tax imposed under section 297A.62, subdivision 1;

(2) the taxes imposed under section 297A.64, subdivisions 1 and 2;

(3) the tax imposed under section 295.75;

(4) the tax imposed under section 295.81;

(5) the fee imposed under section 168E.03; and

(6) the taxes imposed under sections 290.02 and 290.03.

Subd. 3. **Deposit of revenues.** Within 30 days after the determination of incremental increase in the tax revenues under subdivision 2, paragraph (b), the commissioner must disburse the amount of the incremental increase to the local organizing committee for the purposes enumerated in section 116J.8753, subdivision 5. The commissioner of employment and economic development must not make any disbursement to an entity other than the local organizing committee that requested a determination of incremental increase for an event under subdivision 2, paragraph (a).

EFFECTIVE DATE. This section is effective .....

Sec. 5. Minnesota Statutes 2024, section 290.62, is amended to read:

290.62 DISTRIBUTION OF REVENUES.

Subdivision 1. **Deposit of revenues; general fund; refunds.** Except as provided in subdivision 2, all revenues derived from the taxes, interest, penalties and charges under this chapter shall, notwithstanding any other provisions of law, be paid into the state treasury and credited to the general fund, and be distributed as follows:

(1) There shall, notwithstanding any other provision of the law, be paid from this general fund all refunds of taxes erroneously collected from taxpayers under this chapter as provided herein;

(2) There is hereby appropriated to the persons entitled to payment herein, from the fund or account in the state treasury to which the money was credited, an amount sufficient to make the refund and payment.

Subd. 2. **Deposit of revenues; sports and events reimbursement program.** The commissioner must deposit the share of revenues of the taxes imposed under this chapter that are directly attributable to an event in the amount determined under section 270C.45 to the sports and events reimbursement program account.

EFFECTIVE DATE. This section is effective for revenues collected in taxable years beginning after .....

Sec. 6. Minnesota Statutes 2024, section 295.75, subdivision 11, is amended to read:

Subd. 11. **Deposit of revenues; sports and events reimbursement program account.** Except as provided in subdivision 11a, the commissioner shall deposit all revenues, including penalties and interest, derived from the tax imposed by this section in the general fund.

EFFECTIVE DATE. This section is effective for revenues collected for sales and purchases made after .....

Sec. 7. Minnesota Statutes 2024, section 295.75, is amended by adding a subdivision to read:

Subd. 11a. **Deposit of revenues; sports and events reimbursement program account.** The commissioner must deposit the share of revenues of the taxes imposed under this chapter that are directly attributable to an event in the amount determined under section 270C.45 to the sports and events reimbursement program account.

EFFECTIVE DATE. This section is effective for revenues collected for sales and purchases made after .....

Sec. 8. Minnesota Statutes 2025 Supplement, section 295.81, subdivision 10, is amended to read:

Subd. 10. **Deposit of revenues; account established.** Except as provided in subdivision 10a, the commissioner must deposit the revenues, including penalties and interest, derived from the tax imposed by this section in the general fund.

EFFECTIVE DATE. This section is effective for revenues collected for sales and purchases made after .....

Sec. 9. Minnesota Statutes 2024, section 295.81, is amended by adding a subdivision to read:

Subd. 10a. **Deposit of revenues; sports and events reimbursement program account.** The commissioner must deposit the share of revenues of the taxes imposed under this chapter that are directly attributable to an event in the amount determined under section 270C.45 to the sports and events reimbursement program account.

EFFECTIVE DATE. This section is effective for revenues collected for sales and purchases made after .....

Sec. 10. Minnesota Statutes 2025 Supplement, section 297A.94, is amended to read:

297A.94 DEPOSIT OF REVENUES.

(a) Except as provided in this section, the commissioner shall deposit the revenues, including interest and penalties, derived from the taxes imposed by this chapter in the state treasury and credit them to the general fund.

(b) The commissioner shall deposit taxes in the Minnesota agricultural and economic account in the special revenue fund if:

(1) the taxes are derived from sales and use of property and services purchased for the construction and operation of an agricultural resource project; and

(2) the purchase was made on or after the date on which a conditional commitment was made for a loan guaranty for the project under section 41A.04, subdivision 3.

The commissioner of management and budget shall certify to the commissioner the date on which the project received the conditional commitment. The amount deposited in the loan guaranty account must be reduced by any refunds and by the costs incurred by the Department of Revenue to administer and enforce the assessment and collection of the taxes.

(c) The commissioner shall deposit the revenues, including interest and penalties, derived from the taxes imposed on sales and purchases included in section 297A.61, subdivision 3, paragraph (g), clauses (1) and (4), in the state treasury, and credit them as follows:

(1) first to the general obligation special tax bond debt service account in each fiscal year the amount required by section 16A.661, subdivision 3, paragraph (b); and

(2) after the requirements of clause (1) have been met, the balance to the general fund.

(d) Beginning with sales taxes remitted after July 1, 2017, the commissioner shall deposit in the state treasury the revenues collected under section 297A.64, subdivision 1, including interest and penalties and minus refunds, and credit them to the highway user tax distribution fund.

(e) The commissioner shall deposit the revenues, including interest and penalties, collected under section 297A.64, subdivision 5, in the state treasury and credit them to the general fund. By July 15 of each year the commissioner shall transfer to the highway user tax distribution fund an amount equal to the excess fees collected under section 297A.64, subdivision 5, for the previous calendar year.

(f) Beginning with sales taxes remitted after July 1, 2017, in conjunction with the deposit of revenues under paragraph (d), the commissioner shall deposit into the state treasury and credit to the highway user tax distribution fund an amount equal to the estimated revenues derived from the tax rate imposed under section 297A.62, subdivision 1, on the lease or rental for not more than 28 days of rental motor vehicles subject to section 297A.64. The commissioner shall estimate the amount of sales tax revenue deposited under this paragraph based on the amount of revenue deposited under paragraph (d).

(g) Each month the commissioner must deposit an amount equal to the estimated revenues derived from the taxes imposed under section 297A.62, subdivision 1, on the sale and purchase of motor vehicle repair and replacement parts in the state treasury and credit:

(1) a percentage to the highway user tax distribution fund as follows:

(i) 43.5 percent in each of fiscal years 2024 and 2025;

(ii) 43 percent in fiscal year 2026;

(iii) 41 percent in fiscal year 2027;

(iv) 36 percent in fiscal year 2028;

(v) 30 percent in fiscal year 2029;

(vi) 36 percent in each of fiscal years 2030 to 2034;

(vii) 38.5 percent in fiscal year 2035;

(viii) 41 percent in fiscal year 2036; and

(ix) 43.5 percent in fiscal year 2037 and thereafter;

(2) a percentage to the transportation advancement account under section 174.49 as follows:

(i) 3.5 percent in fiscal year 2024;

(ii) 4.5 percent in fiscal year 2025;

(iii) 5.5 percent in fiscal year 2026;

(iv) 7.5 percent in fiscal year 2027;

(v) 14.5 percent in fiscal year 2028;

(vi) 21.5 percent in fiscal year 2029;

(vii) 28.5 percent in fiscal year 2030;

(viii) 36.5 percent in fiscal year 2031;

(ix) 44.5 percent in fiscal year 2032; and

(x) 56.5 percent in fiscal year 2033 and thereafter; and

(3) the remainder in each fiscal year to the general fund.

After each February forecast, and prior to the following April 15, the commissioner shall estimate the monthly deposit amount for use in the following fiscal year based on the estimate of average revenue derived from the taxes imposed under section 297A.62, subdivision 1, on the sale and purchase of motor vehicle repair and replacement parts from the department's three most recent consumption tax models. For purposes of this paragraph, "motor vehicle" has the meaning given in section 297B.01, subdivision 11, and "motor vehicle repair and replacement parts" includes (i) all parts, tires, accessories, and equipment incorporated into or affixed to the motor vehicle as part of the motor vehicle maintenance and repair, and (ii) paint, oil, and other fluids that remain on or in the motor vehicle as part of the motor vehicle maintenance or repair. For purposes of this paragraph, "tire" means any tire of the type used on highway vehicles, if wholly or partially made of rubber and if marked according to federal regulations for highway use.

(h) 81.56 percent of the revenues, including interest and penalties, transmitted to the commissioner under section 297A.65, must be deposited by the commissioner in the state treasury as follows:

(1) 47.5 percent of the receipts must be deposited in the heritage enhancement account in the game and fish fund, and may be spent only on activities that improve, enhance, or protect fish and wildlife resources, including conservation, restoration, and enhancement of land, water, and other natural resources of the state;

(2) 22.5 percent of the receipts must be deposited in the natural resources fund, and may be spent only for state parks and trails;

(3) 22.5 percent of the receipts must be deposited in the natural resources fund, and may be spent only on metropolitan park and trail grants;

(4) three percent of the receipts must be deposited in the natural resources fund, and may be spent only on local trail grants;

(5) two percent of the receipts must be deposited in the natural resources fund, and may be spent only for the Minnesota Zoological Garden, the Como Park Zoo and Conservatory, and the Duluth Zoo; and

(6) 2.5 percent of the receipts must be deposited in the pollinator account established in section 103B.101, subdivision 19.

(i) 1.5 percent of the revenues, including interest and penalties, transmitted to the commissioner under section 297A.65 must be deposited in a regional parks and trails account in the natural resources fund and may only be spent for parks and trails of regional significance outside of the seven-county metropolitan area under section 85.535, based on recommendations from the Greater Minnesota Regional Parks and Trails Commission under section 85.536.

(j) 1.5 percent of the revenues, including interest and penalties, transmitted to the commissioner under section 297A.65 must be deposited in an outdoor recreational opportunities for underserved communities account in the natural resources fund and may only be spent on projects and activities that connect diverse and underserved Minnesotans through expanding cultural environmental experiences, exploration of their environment, and outdoor recreational activities.

(k) The revenue dedicated under paragraph (h) may not be used as a substitute for traditional sources of funding for the purposes specified, but the dedicated revenue shall supplement traditional sources of funding for those purposes. Land acquired with money deposited in the game and fish fund under paragraph (h) must be open to public hunting and fishing during the open season, except that in aquatic management areas or on lands where angling easements have been acquired, fishing may be prohibited during certain times

of the year and hunting may be prohibited. At least 87 percent of the money deposited in the game and fish fund for improvement, enhancement, or protection of fish and wildlife resources under paragraph (h) must be allocated for field operations.

(l) The commissioner must deposit the revenues, including interest and penalties minus any refunds, derived from the sale of items regulated under section 624.20, subdivision 1, that may be sold to persons 18 years old or older and that are not prohibited from use by the general public under section 624.21, in the state treasury and credit:

(1) 25 percent to the volunteer fire assistance grant account established under section 88.068;

(2) 25 percent to the fire safety account established under section 297I.06, subdivision 3; and

(3) the remainder to the general fund.

For purposes of this paragraph, the percentage of total sales and use tax revenue derived from the sale of items regulated under section 624.20, subdivision 1, that are allowed to be sold to persons 18 years old or older and are not prohibited from use by the general public under section 624.21, is a set percentage of the total sales and use tax revenues collected in the state, with the percentage determined under Laws 2017, First Special Session chapter 1, article 3, section 39.

(m) The commissioner must deposit the share of revenues of the taxes imposed under this chapter that are directly attributable to an event in the amount determined under section 270C.45 to the sports and events reimbursement program account.

~~(m)~~ (n) The revenues deposited under paragraphs (a) to ~~(l)~~ (m) do not include the revenues, including interest and penalties, generated by the sales tax imposed under section 297A.62, subdivision 1a, which must be deposited as provided under the Minnesota Constitution, article XI, section 15.

EFFECTIVE DATE. This section is effective for revenue collected for sales and purchases made after .....