

SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 3550

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DATE	D-PG	OFFICIAL STATUS
02/17/2026	6309	Introduction and first reading Referred to Taxes
03/02/2026	6462	Authors added Kupec; Seeberger; Putnam; Hauschild

1.1 A bill for an act

1.2 relating to taxation; lowering the threshold and increasing the maximum refund

1.3 for the special property tax refund; establishing an excise tax on certain social

1.4 media platform businesses; establishing a onetime public safety aid for local and

1.5 Tribal governments; requiring a report; appropriating money; amending Minnesota

1.6 Statutes 2024, section 290A.04, subdivision 2h; proposing coding for new law in

1.7 Minnesota Statutes, chapter 295.

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

1.9 Section 1. Minnesota Statutes 2024, section 290A.04, subdivision 2h, is amended to read:

1.10 Subd. 2h. **Additional refund.** (a) If the gross property taxes payable on a homestead

1.11 increase more than ~~12~~ eight percent over the property taxes payable in the prior year on the

1.12 same property that is owned and occupied by the same owner on January 2 of both years,

1.13 and the amount of that increase is \$100 or more, a claimant who is a homeowner shall be

1.14 allowed an additional refund equal to 60 percent of the amount of the increase over the

1.15 greater of ~~12~~ eight percent of the prior year's property taxes payable or \$100. This subdivision

1.16 shall not apply to any increase in the gross property taxes payable attributable to

1.17 improvements made to the homestead after the assessment date for the prior year's taxes.

1.18 The maximum refund allowed under this subdivision is ~~\$1,000~~ \$1,500.

1.19 (b) For purposes of this subdivision "gross property taxes payable" means property taxes

1.20 payable determined without regard to the refund allowed under this subdivision.

1.21 (c) In addition to the other proofs required by this chapter, each claimant under this

1.22 subdivision shall file with the property tax refund return a copy of the property tax statement

1.23 for taxes payable in the preceding year or other documents required by the commissioner.

2.1 (d) Upon request, the appropriate county official shall make available the names and
 2.2 addresses of the property taxpayers who may be eligible for the additional property tax
 2.3 refund under this section. The information shall be provided electronically. The county may
 2.4 recover its costs by charging the person requesting the information the reasonable cost for
 2.5 preparing the data. The information may not be used for any purpose other than for notifying
 2.6 the homeowner of potential eligibility and assisting the homeowner, without charge, in
 2.7 preparing a refund claim.

2.8 **EFFECTIVE DATE.** This section is effective for refund claims based on taxes payable
 2.9 in 2026 and thereafter.

2.10 Sec. 2. **[295.90] SOCIAL MEDIA DATA COLLECTION EXCISE TAX.**

2.11 Subdivision 1. **Tax imposed.** A tax is imposed on the collection of consumer data by a
 2.12 social media platform business as provided under this section.

2.13 Subd. 2. **Rate of tax.** The tax is imposed on social media platform businesses based on
 2.14 the number of Minnesota social media platform consumers from whom a social media
 2.15 platform business collects data within a month:

<u>Minnesota consumers</u>	<u>Tax</u>
<u>Fewer than or equal to 100,000</u>	<u>Zero</u>
<u>Over 100,000 but not more than 500,000</u>	<u>\$0.10 per month on the number of Minnesota consumers over 100,000 but not more than 500,000</u>
<u>Over 500,000 but not more than 1,000,000</u>	<u>\$40,000 plus \$0.25 per month on the number of Minnesota consumers over 500,000 but not more than 1,000,000</u>
<u>Over 1,000,000</u>	<u>\$165,000 plus \$0.50 per month on the number of Minnesota consumers over 1,000,000</u>

2.26 Subd. 3. **Definitions.** (a) For purposes of this section, the following terms have the
 2.27 meanings given.

2.28 (b) "Commissioner" means the commissioner of revenue.

2.29 (c) "Consumer" means an individual who establishes an account on an app or website
 2.30 owned by a social media platform business whose consumer data is collected by the social
 2.31 media platform business, regardless of whether the individual is charged for establishing
 2.32 the account.

2.33 (d) "Consumer data" means any information that identifies, relates to, describes, is
 2.34 capable of being associated with, or could reasonably be linked with a consumer, whether

3.1 directly submitted to the social media platform business by the consumer or derived from
3.2 other sources.

3.3 (e) "Minnesota consumer" means a consumer who is a resident of Minnesota.

3.4 (f) "Resident" has the meaning given in section 290.01, subdivision 7.

3.5 (g) "Social media platform" has the meaning given in section 325M.31, paragraph (j).

3.6 (h) "Social media platform business" means a for-profit entity that operates a social
3.7 media platform that engages, collects, maintains, uses, processes, sells, or shares consumer
3.8 data in support of the entity's business activities and collects consumer data on more than
3.9 100,000 individual Minnesota consumers in a month within the calendar year.

3.10 Subd. 4. **Consumers.** (a) Until the contrary is established, it is presumed that a consumer
3.11 whose information on record with or available to a social media platform business indicates
3.12 a Minnesota home address, a Minnesota mailing address, or an internet protocol address
3.13 connected with a Minnesota location is a Minnesota consumer for purposes of this section.
3.14 The burden of proving that a consumer is not a Minnesota resident is on the social media
3.15 platform business.

3.16 (b) A Minnesota consumer must be counted only once in the calculation of the monthly
3.17 tax imposed on a social media platform business.

3.18 (c) Business entities that are part of a controlled group of corporations as defined in
3.19 section 1563(a) of the Internal Revenue Code must be treated as a single entity for purposes
3.20 of meeting the definition of a social media platform business under this section.

3.21 (d) The single member of a single member limited liability company must be treated as
3.22 a consumer under this section.

3.23 Subd. 5. **Credit against tax paid to another jurisdiction.** A social media platform
3.24 business that has paid tax under this section may claim a credit against the tax paid with
3.25 respect to a Minnesota consumer if another state imposes an excise tax identical to the tax
3.26 imposed under this section with respect to the same consumer.

3.27 Subd. 6. **Record keeping.** A social media platform business must maintain records as
3.28 required by the commissioner.

3.29 Subd. 7. **Administration.** Unless specifically provided otherwise, the audit, assessment,
3.30 refund, penalty, interest, enforcement, collection remedies, appeal, and administrative
3.31 provisions of chapters 270C and 289A that are applicable to taxes imposed under chapter
3.32 297A apply to the tax imposed under this section.

4.1 Subd. 8. **Returns; payment of tax.** (a) A social media platform business must report
4.2 the tax on a return prescribed by the commissioner and must remit the tax in a form and
4.3 manner prescribed by the commissioner. The return and the tax must be filed and paid using
4.4 the filing cycle and due dates provided for taxes imposed under section 289A.20, subdivision
4.5 4, and chapter 297A.

4.6 (b) Interest must be paid on an overpayment refunded or credited to the taxpayer from
4.7 the date of payment of the tax until the date the refund is paid or credited. For purposes of
4.8 this subdivision, the date of payment is the due date of the return or the date of actual
4.9 payment of the tax, whichever is later.

4.10 Subd. 9. **Deposit of revenues.** The commissioner must deposit the revenues, including
4.11 penalties and interest, derived from the tax imposed by this section in the general fund.

4.12 Subd. 10. **Personal debt.** The tax imposed by this section, and interest and penalties
4.13 imposed with respect to it, are a personal debt of the person required to file a return from
4.14 the time that the liability for it arises, irrespective of when the time for payment of the
4.15 liability occurs. In the case of a fiduciary, the debt must be that of the person in the person's
4.16 official or fiduciary capacity only, unless the person has voluntarily distributed the assets
4.17 held in that capacity without reserving sufficient assets to pay the tax, interest, and penalties,
4.18 in which event the person is personally liable for any deficiency.

4.19 **EFFECTIVE DATE.** This section is effective for consumer data collected after
4.20 December 31, 2026.

4.21 Sec. 3. **2026 PUBLIC SAFETY AID.**

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

4.24 (b) "Commissioner" means the commissioner of revenue.

4.25 (c) "Local unit" means (1) a town with a population of at least 10,000, or (2) a statutory
4.26 or home rule charter city.

4.27 (d) "Population" means population estimates made or conducted by the United States
4.28 Bureau of the Census; the Metropolitan Council pursuant to Minnesota Statutes, section
4.29 473.24; or the state demographer pursuant to Minnesota Statutes, section 4A.02, paragraph
4.30 (d), whichever is the most recent estimate available as of January 1, 2026.

4.31 (e) "Tribal governments" has the meaning given to "Minnesota Tribal governments" in
4.32 Minnesota Statutes, section 10.65, subdivision 2, clause (4).

5.1 (f) "Tribal population" means population estimates made or conducted by the United
5.2 States Bureau of the Census of the federally recognized American Indian reservations and
5.3 off-reservation trust lands in Minnesota, whichever is the most recent estimate available as
5.4 of January 1, 2026.

5.5 Subd. 2. **County aid.** A county's public safety aid equals the sum of:

5.6 (1) the product of (i) the county's population, and (ii) the county basic allowance; plus

5.7 (2) the product of (i) the county's population minus the total population of every local
5.8 unit located in that county, and (ii) the county additional allowance.

5.9 Subd. 3. **Tribal government aid.** A Tribal government's public safety aid equals the
5.10 sum of:

5.11 (1) the product of (i) the Tribe's population, and (ii) the county basic allowance; plus

5.12 (2) the product of (i) the Tribe's population, and (ii) the county additional allowance.

5.13 Subd. 4. **Local unit aid.** A local unit's public safety aid equals the product of (1) the
5.14 local unit's population, and (2) the local unit allowance.

5.15 Subd. 5. **Commissioner to calculate allowances.** (a) The commissioner must calculate
5.16 the county basic allowance so that the total amount of aid distributed under subdivision 2,
5.17 clause (1), and subdivision 3, clause (1), equals 70 percent of the amount appropriated for
5.18 aid to counties and Tribal governments under subdivision 8.

5.19 (b) The commissioner must calculate the county additional allowance so that the total
5.20 amount of aid distributed under subdivision 2, clause (2), and subdivision 3, clause (2),
5.21 equals 30 percent of the amount appropriated for aid to counties and Tribal governments
5.22 under subdivision 8.

5.23 (c) The commissioner must calculate the local unit allowance so that the total amount
5.24 of aid distributed under subdivision 4 equals the amount appropriated for aid to local units
5.25 under subdivision 8.

5.26 Subd. 6. **Eligible uses.** (a) A county, Tribal government, or local unit must use the aid
5.27 under this section to provide public safety, including community violence prevention and
5.28 intervention programs; community engagement; mental health crisis response; victim
5.29 services; training programs; first responder wellness; fire, rescue, and emergency services
5.30 equipment; or other personnel or equipment costs.

5.31 (b) Notwithstanding paragraph (a), a county, Tribal government, or local unit may not
5.32 apply the aid under this section toward:

6.1 (1) an employer contribution to the public employees police and fire fund if the county,
6.2 Tribal government, or local unit received police state aid under Minnesota Statutes, chapter
6.3 477C, in calendar year 2025;

6.4 (2) any costs associated with alleged wrongdoing or misconduct;

6.5 (3) the purchase of an armored or tactical vehicle or substantially similar vehicle;

6.6 (4) the purchase of tear gas, chemical munitions, or substantially similar items; or

6.7 (5) the construction, reconstruction, remodeling, expansion, or improvement of a police
6.8 station, including related facilities. For purposes of this clause, "related facilities" includes
6.9 access roads, lighting, sidewalks, and utility components on or adjacent to the property on
6.10 which the police station is located that are necessary for safe access to and use of the building.

6.11 Subd. 7. **Certification; payment date.** The commissioner must certify the amount of
6.12 public safety aid payable to each county, Tribal government, and local unit under this section
6.13 by September 1, 2026. The commissioner must pay public safety aid to each county, Tribal
6.14 government, and local unit by December 26, 2026.

6.15 Subd. 8. **Appropriation.** (a) \$..... is appropriated in fiscal year 2027 from the general
6.16 fund to the commissioner of revenue for public safety aid under this section. This is a onetime
6.17 appropriation.

6.18 (b) Of the amount in paragraph (a), 30 percent is for aid to counties and Tribal
6.19 governments and 70 percent is for aid to local units.

6.20 Subd. 9. **Report.** (a) By, 2027, each county, Tribal government, and local unit that
6.21 receives public safety aid under this section must report the following information to the
6.22 commissioner of public safety in the form and manner prescribed by the commissioner of
6.23 public safety:

6.24 (1) the amount of aid received; and

6.25 (2) how the aid was used or is intended to be used.

6.26 (b) By, 2027, the commissioner of public safety must compile the information
6.27 received from counties, Tribal governments, and local units under paragraph (a) and submit
6.28 the compilation in a report to the chairs and ranking minority members of the legislative
6.29 committees with jurisdiction over public safety and taxes.

6.30 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2026.