

State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 3089

03/14/2016 Authored by Applebaum, Rosenthal, Selcer, Halverson, Lillie and others  
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 taxes; sales and use; providing a small business refund for the cost  
1.3 of using a certified service provider or a certified automated system; proposing  
1.4 coding for new law in Minnesota Statutes, chapter 297A.

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

1.6 Section 1. **[297A.816] SMALL BUSINESS COLLECTION CREDIT.**

1.7 Subdivision 1. **Eligibility.** A retailer or seller that is a small business may apply  
1.8 to the commissioner for a refund for the annual cost of employing a certified service  
1.9 provider or a certified automated system to collect and remit the appropriate amount of  
1.10 sales taxes collected on their sales.

1.11 Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the  
1.12 meanings given in this subdivision.

1.13 (b) "Certified service provider" and "certified automated system" have the meanings  
1.14 given in article II of the Streamlined Sales and Use Tax Agreement, as amended through  
1.15 May 15, 2014.

1.16 (c) "Small business" means a small business as defined in section 645.445.

1.17 Subd. 3. **Application; administration.** Upon application on forms prescribed  
1.18 by the commissioner, a refund of the costs under subdivision 1 must be paid to the  
1.19 qualifying small business. The application must provide sufficient information to permit  
1.20 the commissioner to verify that the business qualifies and to document the actual costs  
1.21 incurred. An applicant may file one application per calendar year for expenses incurred in  
1.22 its latest fiscal year ending prior to the date of application.

1.23 Subd. 4. **Interest.** Interest must be paid on the refund at the rate in section  
1.24 270C.405, from 90 days after the refund claim is filed with the commissioner.

2.1            Subd. 5. **Appropriation.** The amount required to pay the refunds under this section  
2.2            is appropriated to the commissioner from the general fund.

2.3            **EFFECTIVE DATE.** This section is effective beginning with costs after June  
2.4            30, 2016.