

SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION

S.F. No. 1597

(SENATE AUTHORS: NELSON, Rest, Pratt, Miller and Jasinski)

| DATE | D-PG | OFFICIAL STATUS |
|------------|------|---|
| 03/01/2021 | 613 | Introduction and first reading Referred to Taxes |
| 03/04/2021 | 705 | Authors added Rest; Pratt |
| 03/08/2021 | 735 | Authors added Miller; Jasinski |

- 1.1 A bill for an act
- 1.2 relating to taxation; sales and use; excluding certain vendors from remitting June
- 1.3 sales tax collections on an accelerated basis; amending Minnesota Statutes 2020,
- 1.4 section 289A.20, subdivision 4.
- 1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.6 Section 1. Minnesota Statutes 2020, section 289A.20, subdivision 4, is amended to read:
- 1.7 Subd. 4. **Sales and use tax.** (a) The taxes imposed by chapter 297A are due and payable
- 1.8 to the commissioner monthly on or before the 20th day of the month following the month
- 1.9 in which the taxable event occurred, or following another reporting period as the
- 1.10 commissioner prescribes or as allowed under section 289A.18, subdivision 4, paragraph (f)
- 1.11 or (g), except that use taxes due on an annual use tax return as provided under section
- 1.12 289A.11, subdivision 1, are payable by April 15 following the close of the calendar year.
- 1.13 (b) A vendor having a liability of \$250,000 or more during a fiscal year ending June 30,
- 1.14 except a vendor of construction materials as defined in paragraph (e), must remit the June
- 1.15 liability for the next year in the following manner:
- 1.16 (1) Two business days before June 30 of calendar year 2020 and 2021, the vendor must
- 1.17 remit 87.5 percent of the estimated June liability to the commissioner. Two business days
- 1.18 before June 30 of calendar year 2022 and thereafter, the vendor must remit 84.5 percent of
- 1.19 the estimated June liability to the commissioner.
- 1.20 (2) On or before August 20 of the year, the vendor must pay any additional amount of
- 1.21 tax not remitted in June.
- 1.22 (c) A vendor having a liability of:

(1) \$10,000 or more, but less than \$250,000 during a fiscal year ending June 30, 2013, and fiscal years thereafter, must remit by electronic means all liabilities on returns due for periods beginning in all subsequent calendar years on or before the 20th day of the month following the month in which the taxable event occurred, or on or before the 20th day of the month following the month in which the sale is reported under section 289A.18, subdivision 4; or

(2) \$250,000 or more, during a fiscal year ending June 30, 2013, and fiscal years thereafter, must remit by electronic means all liabilities in the manner provided in paragraph (a) on returns due for periods beginning in the subsequent calendar year, except for 90 percent of the estimated June liability, which is due two business days before June 30. The remaining amount of the June liability is due on August 20.

(d) Notwithstanding paragraph (b) or (c), a person prohibited by the person's religious beliefs from paying electronically shall be allowed to remit the payment by mail. The filer must notify the commissioner of revenue of the intent to pay by mail before doing so on a form prescribed by the commissioner. No extra fee may be charged to a person making payment by mail under this paragraph. The payment must be postmarked at least two business days before the due date for making the payment in order to be considered paid on a timely basis.

(e) For the purposes of paragraph (b), "vendor of construction materials" means a business that is classified in the following business groups according to the North American Industrial Classification System:

(1) 3211 - sawmills and wood preservation;

(2) 3212 - veneer, plywood, and wood products manufacturing;

(3) 32191 - millwork manufacturing;

(4) 3273 - cement and concrete product manufacturing; and

(5) 4233 - lumber and other construction materials merchant wholesalers.

EFFECTIVE DATE. This section is effective for sales and purchases made after June 30, 2021.