SENATE
STATE OF MINNESOTA
EIGHTY-SEVENTH LEGISLATURE

S.F. No. 2237

(SENATE AUTHORS: NIENOW)

DATE	D-PG	OFFICIAL STATUS
03/05/2012	4105	Introduction and first reading Referred to Taxes

A bill for an act

relating to taxation; phasing out the combined receipts tax; amending Minnesota Statutes 2010, section 297E.02, subdivision 6.

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

Section 1. Minnesota Statutes 2010, section 297E.02, subdivision 6, is amended to read:

Subd. 6. **Combined receipts tax.** (a) In addition to the taxes imposed under subdivisions 1 and 4, a tax is imposed on the combined receipts of the organization. As used in this section, "combined receipts" is the sum of the organization's gross receipts from lawful gambling less gross receipts directly derived from the conduct of bingo, raffles, and paddle wheels, as defined in section 297E.01, subdivision 8, for the fiscal year. The combined receipts of an organization are subject to a tax computed according to the following schedule:

If the combined receipts for the fiscal year are:	The tax is:
Not over $500,000	zero
Over $500,000, but not over $700,000	1.7 percent of the amount over $500,000, but not over $700,000
Over $700,000, but not over $900,000	$3,400 plus 3.4 percent of the amount over $700,000, but not over $900,000
Over $900,000	$10,200 plus 5.1 percent of the amount over $900,000

(b) For fiscal years beginning after December 31, 2011, each of the rates in paragraph (a) is reduced by the following percentage points until each of them is reduced to zero:

(1) the 1.7 percent rate by 0.3 percentage points each year;

(2) the 3.4 percent rate by 0.6 percentage points each year; and

(3) the 5.1 percent rate by 0.9 percentage points each year.

(c) The tax under this subdivision no longer applies, effective for fiscal years beginning after June 30, 2017.

EFFECTIVE DATE. This section is effective the day following final enactment.