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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 157

01/17/2019 Authored by Brand, Lippert, Freiberg, Cantrell, Poston 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 taxation; sales and use; exempting prepared food used in certain nonprofit
1.3 food programs; amending Minnesota Statutes 2018, section 297A.70, by adding
1.4 a subdivision.

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

1.6 Section 1. Minnesota Statutes 2018, section 297A.70, is amended by adding a subdivision
1.7 to read:

1.8 Subd. 21. Prepared food used by certain nonprofits. Sales of prepared food to a
1.9 nonprofit organization that, as part of its charitable mission, is sponsoring and managing
1.10 the provision of meals and other food through the federal Child and Adult Care Food Program
1.11 to unaffiliated centers and sites are exempt from sales tax. Only prepared food purchased
1.12 from a caterer or other business under a contract with the nonprofit and used directly in the
1.13 Child and Adult Care Food Program qualifies for this exemption. Prepared food purchased
1.14 by the nonprofit for other purposes remains taxable.

1.15 EFFECTIVE DATE. This section is effective for sales and purchases made after June
1.16 30, 2019.