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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. 1822

02/27/2017 Authored by Petersburg and Davids
The bill was read for the first time and referred to the Committee on Transportation Finance
03/08/2017 Adoption of Report: Re-referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to taxation; sales and use; clarifying that deposits of motor vehicle lease
1.3 sales tax revenue do not include the constitutionally dedicated legacy amount;
1.4 amending Minnesota Statutes 2016, section 297A.815, subdivision 3.

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

1.6 Section 1. Minnesota Statutes 2016, section 297A.815, subdivision 3, is amended to read:

1.7 Subd. 3. Motor vehicle lease sales tax revenue. (a) For purposes of this subdivision,
1.8 "net revenue" means an amount equal to the revenues, including interest and penalties,
1.9 collected under this section, during the fiscal year; less \$32,000,000 in each fiscal year.

1.10 (b) On or before June 30 of each fiscal year, the commissioner of revenue shall estimate
1.11 the amount of the net revenue for the current fiscal year.

1.12 (c) On or after July 1 of the subsequent fiscal year, the commissioner of management
1.13 and budget shall transfer the net revenue as estimated in paragraph (b) from the general
1.14 fund, as follows:

1.15 (1) \$9,000,000 annually until January 1, 2015, and 50 percent annually thereafter to the
1.16 county state-aid highway fund. Notwithstanding any other law to the contrary, the
1.17 commissioner of transportation shall allocate the funds transferred under this clause to the
1.18 counties in the metropolitan area, as defined in section 473.121, subdivision 4, excluding
1.19 the counties of Hennepin and Ramsey, so that each county shall receive of such amount the
1.20 percentage that its population, as defined in section 477A.011, subdivision 3, estimated or
1.21 established by July 15 of the year prior to the current calendar year, bears to the total
1.22 population of the counties receiving funds under this clause; and

1.23 (2) the remainder to the greater Minnesota transit account.

2.1 (d) The revenues deposited under this subdivision do not include the revenues, including  
2.2 interest and penalties, generated by the sales tax imposed under section 297A.62, subdivision  
2.3 1a, which must be deposited as provided under the Minnesota Constitution, article XI,  
2.4 section 15.

2.5 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
2.6 applies beginning with the estimate that must be completed before June 30, 2017, for a  
2.7 transfer that occurs on or after July 1, 2017.