

SENATE

STATE OF MINNESOTA

EIGHTY-NINTH SESSION

S.F. No. 1294

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DATE	D-PG	OFFICIAL STATUS
03/02/2015	505	Introduction and first reading Referred to Jobs, Agriculture and Rural Development
03/04/2015	534	Author added Champion
04/13/2015	1518	Withdrawn and re-referred to Taxes

A bill for an act
relating to taxation; property; authorizing a state general tax refund for certain
businesses; proposing coding for new law in Minnesota Statutes, chapter 469.
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **[469.501] STATE GENERAL TAX REFUND.**

Subdivision 1. **Definitions.** (a) When used in this section, the following terms
have the meanings given them.

(b) "Commissioner" means the commissioner of employment and economic
development.

(c) "Job creation zone" means an area including one or more contiguous census
tracts, as determined and measured by the United States Census Bureau where the
unemployment rate is at least 75 percent higher than the statewide average unemployment
rate as estimated by the United States Census Bureau using data collected in the most
recent American Community Survey.

(d) "Employee" and "wages" have the meanings given them in section 290.92,
subdivision 1.

Subd. 2. **Refund; authorized.** The commissioner may approve an application for a
refund of the state general tax paid under section 275.025 applicable to that portion of
the property occupied by an eligible business. The owner of an eligible business must
apply annually to the commissioner by July 1 of each year on a form prescribed by the
commissioner in order to receive a refund for that year. Upon approval, the commissioner
shall notify the commissioner of revenue by September 1. The refund is equal to the state
general tax payable on the property where the eligible business is located multiplied
by a ratio, the numerator of which is the area of the property occupied by the eligible

business and the denominator of which is the total area of the property where the business is located. The commissioner of revenue shall pay the amount determined under this section to the eligible business owner by December 1. The refund is subject to reduction under subdivision 4.

Subd. 3. **Eligible business.** An eligible business is an employer that (1) is located in a job creation zone as defined under subdivision 1; (2) pays at least 50 percent of the wages to employees who reside either within the job creation zone where the business is located or any contiguous census tract; and (3) is a for-profit business.

Subd. 4. **Appropriation.** The amount necessary to make the refunds under this section is appropriated annually to the commissioner of revenue, provided that the total of state general tax refunds shall not exceed five percent of the base amount in section 275.025, subdivision 1, for that year. If the total amount of refunds approved under this section exceeds five percent of the base amount in section 275.025, subdivision 1, for that year, the amounts of the refunds shall be reduced proportionately.

Subd. 5. **Sunset.** This section applies to refunds for state general tax payments made for taxes payable in 2015 through taxes payable in 2025.

EFFECTIVE DATE. This section is effective for applications filed in calendar year 2015 for refunds of the state general tax payable in 2015 through 2025.