

**SENATE  
STATE OF MINNESOTA  
NINETY-FIRST SESSION**

**S.F. No. 1947**

(SENATE AUTHORS: DAHMS)

DATE  
03/04/2019

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Introduction and first reading  
Referred to Taxes

OFFICIAL STATUS

1.1 A bill for an act  
1.2 relating to taxation; sales and use; providing a construction exemption for a school  
1.3 in Independent School District No. 414, Minneota; amending Minnesota Statutes  
1.4 2018, sections 297A.71, by adding a subdivision; 297A.75, subdivision 1.

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

1.6 Section 1. Minnesota Statutes 2018, section 297A.71, is amended by adding a subdivision  
1.7 to read:

1.8 Subd. 51. **Minneota school.** (a) Materials and supplies used in and equipment  
1.9 incorporated in the remodeling, upgrading, and expansion of the school building in  
1.10 Independent School District No. 414, Minneota, are exempt. The tax on purchases exempt  
1.11 under this subdivision must be imposed and collected as if the rate under section 297A.62,  
1.12 subdivision 1, applied and then refunded in the manner provided in section 297A.75.

1.13 (b) The exemption in this subdivision applies to purchases made after January 1, 2018,  
1.14 and before January 1, 2021.

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

1.16 Sec. 2. Minnesota Statutes 2018, section 297A.75, subdivision 1, is amended to read:

1.17 Subdivision 1. **Tax collected.** The tax on the gross receipts from the sale of the following  
1.18 exempt items must be imposed and collected as if the sale were taxable and the rate under  
1.19 section 297A.62, subdivision 1, applied. The exempt items include:

1.20 (1) building materials for an agricultural processing facility exempt under section  
1.21 297A.71, subdivision 13;

- 2.1 (2) building materials for mineral production facilities exempt under section 297A.71,  
2.2 subdivision 14;
- 2.3 (3) building materials for correctional facilities under section 297A.71, subdivision 3;
- 2.4 (4) building materials used in a residence for disabled veterans exempt under section  
2.5 297A.71, subdivision 11;
- 2.6 (5) elevators and building materials exempt under section 297A.71, subdivision 12;
- 2.7 (6) materials and supplies for qualified low-income housing under section 297A.71,  
2.8 subdivision 23;
- 2.9 (7) materials, supplies, and equipment for municipal electric utility facilities under  
2.10 section 297A.71, subdivision 35;
- 2.11 (8) equipment and materials used for the generation, transmission, and distribution of  
2.12 electrical energy and an aerial camera package exempt under section 297A.68, subdivision  
2.13 37;
- 2.14 (9) commuter rail vehicle and repair parts under section 297A.70, subdivision 3, paragraph  
2.15 (a), clause (10);
- 2.16 (10) materials, supplies, and equipment for construction or improvement of projects and  
2.17 facilities under section 297A.71, subdivision 40;
- 2.18 (11) materials, supplies, and equipment for construction, improvement, or expansion  
2.19 of:
- 2.20 (i) an aerospace defense manufacturing facility exempt under Minnesota Statutes 2014,  
2.21 section 297A.71, subdivision 42;
- 2.22 (ii) a biopharmaceutical manufacturing facility exempt under section 297A.71, subdivision  
2.23 45;
- 2.24 (iii) a research and development facility exempt under Minnesota Statutes 2014, section  
2.25 297A.71, subdivision 46; and
- 2.26 (iv) an industrial measurement manufacturing and controls facility exempt under  
2.27 Minnesota Statutes 2014, section 297A.71, subdivision 47;
- 2.28 (12) enterprise information technology equipment and computer software for use in a  
2.29 qualified data center exempt under section 297A.68, subdivision 42;
- 2.30 (13) materials, supplies, and equipment for qualifying capital projects under section  
2.31 297A.71, subdivision 44, paragraph (a), clause (1), and paragraph (b), and subdivision 51;

3.1 (14) items purchased for use in providing critical access dental services exempt under  
3.2 section 297A.70, subdivision 7, paragraph (c);

3.3 (15) items and services purchased under a business subsidy agreement for use or  
3.4 consumption primarily in greater Minnesota exempt under section 297A.68, subdivision  
3.5 44;

3.6 (16) building materials, equipment, and supplies for constructing or replacing real  
3.7 property exempt under section 297A.71, subdivision 49; and

3.8 (17) building materials, equipment, and supplies for constructing or replacing real  
3.9 property exempt under section 297A.71, subdivision 50, paragraph (b).

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