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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. **2143**

04/07/2015 Authored by Zerwas, Davids, Drazkowski, Miller, Schoen and others

The bill was read for the first time and referred to the Committee on Health and Human Services Reform

1.1 A bill for an act  
1.2 relating to taxation; health care provider tax; expanding the exemption for  
1.3 ambulance services; amending Minnesota Statutes 2014, sections 295.50,  
1.4 subdivision 4; 295.52, subdivision 5.

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

1.6 Section 1. Minnesota Statutes 2014, section 295.50, subdivision 4, is amended to read:

1.7 Subd. 4. **Health care provider.** (a) "Health care provider" means:

1.8 (1) a person whose health care occupation is regulated or required to be regulated by  
1.9 the state of Minnesota furnishing any or all of the following goods or services directly to a  
1.10 patient or consumer: medical, surgical, optical, visual, dental, hearing, nursing services,  
1.11 drugs, laboratory, diagnostic or therapeutic services;

1.12 (2) a person who provides goods and services not listed in clause (1) that qualify for  
1.13 reimbursement under the medical assistance program provided under chapter 256B;

1.14 (3) a staff model health plan company; or

1.15 ~~(4) an ambulance service required to be licensed; or~~

1.16 ~~(5)~~ (4) a person who sells or repairs hearing aids and related equipment or  
1.17 prescription eyewear.

1.18 (b) Health care provider does not include:

1.19 (1) hospitals; medical supplies distributors, except as specified under paragraph

1.20 (a), clause ~~(5)~~ (4); nursing homes licensed under chapter 144A or licensed in any other

1.21 jurisdiction; wholesale drug distributors; pharmacies; surgical centers; bus and taxicab

1.22 transportation, or any other providers of transportation services other than ambulance

1.23 services required to be licensed; supervised living facilities for persons with developmental

1.24 disabilities, licensed under Minnesota Rules, parts 4665.0100 to 4665.9900; housing

2.1 with services establishments required to be registered under chapter 144D; board  
 2.2 and lodging establishments providing only custodial services that are licensed under  
 2.3 chapter 157 and registered under section 157.17 to provide supportive services or health  
 2.4 supervision services; adult foster homes as defined in Minnesota Rules, part 9555.5105;  
 2.5 day training and habilitation services for adults with developmental disabilities as defined  
 2.6 in section 252.41, subdivision 3; boarding care homes, as defined in Minnesota Rules, part  
 2.7 4655.0100; and adult day care centers as defined in Minnesota Rules, part 9555.9600;

2.8 (2) home health agencies as defined in Minnesota Rules, part 9505.0175, subpart  
 2.9 15; a person providing personal care services and supervision of personal care services  
 2.10 as defined in Minnesota Rules, part 9505.0335; a person providing home care nursing  
 2.11 services as defined in Minnesota Rules, part 9505.0360; and home care providers required  
 2.12 to be licensed under chapter 144A;

2.13 (3) a person who employs health care providers solely for the purpose of providing  
 2.14 patient services to its employees;

2.15 (4) an educational institution that employs health care providers solely for the  
 2.16 purpose of providing patient services to its students if the institution does not receive fee  
 2.17 for service payments or payments for extended coverage; and

2.18 (5) an ambulance service, licensed under section 144E.10; or

2.19 (6) a person who receives all payments for patient services from health care providers,  
 2.20 surgical centers, or hospitals for goods and services that are taxable to the paying health  
 2.21 care providers, surgical centers, or hospitals, as provided under section 295.53, subdivision  
 2.22 1, clause (3) or (4), or from a source of funds that is exempt from tax under this chapter.

2.23 **EFFECTIVE DATE.** This section is effective for gross receipts received after  
 2.24 June 30, 2015.

2.25 Sec. 2. Minnesota Statutes 2014, section 295.52, subdivision 5, is amended to read:

2.26 Subd. 5. **Volunteer Ambulance services.** Volunteer Ambulance services are  
 2.27 not subject to the tax under this section. For purposes of this requirement, "volunteer  
 2.28 ambulance service" means an ambulance service in which all of the individuals whose  
 2.29 primary responsibility is direct patient care meet the definition of volunteer licensed under  
 2.30 section 144E.001, subdivision 15. The ambulance service may employ administrative and  
 2.31 support staff, and remain eligible for this exemption, if the primary responsibility of  
 2.32 these staff is not direct patient care 144E.10.

2.33 **EFFECTIVE DATE.** This section is effective for gross receipts received after  
 2.34 June 30, 2015.