

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

**S.F. No. 1680**

(SENATE AUTHORS: NEWTON)

DATE  
03/04/2021

D-PG

678 Introduction and first reading  
Referred to Taxes

OFFICIAL STATUS

- 1.1 A bill for an act
- 1.2 relating to taxation; sales and use; requiring the commissioner to publish applicable
- 1.3 rates by nine-digit zip code; amending Minnesota Statutes 2020, section 297A.99,
- 1.4 subdivision 10.
- 1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.6 Section 1. Minnesota Statutes 2020, section 297A.99, subdivision 10, is amended to read:
- 1.7 Subd. 10. **Use of zip code in determining location of sale.** (a) The lowest combined
- 1.8 tax rate imposed in the zip code area applies if the area includes more than one tax rate in
- 1.9 any level of taxing jurisdictions. If a nine-digit zip code designation is not available for a
- 1.10 street address or if a seller is unable to determine the nine-digit zip code designation of a
- 1.11 purchaser after exercising due diligence to determine the designation, the seller may apply
- 1.12 the rate for the five-digit zip code area.
- 1.13 (b) The commissioner shall publish and separately state all applicable tax rates in a
- 1.14 nine-digit zip code using software approved by the governing board. At least 30 days before
- 1.15 the effective date of a tax authorized under this section, the commissioner shall notify sellers
- 1.16 of all nine-digit zip codes that are affected by changes to taxes authorized in this section.
- 1.17 The notification must include and separately state the changes to the tax in any jurisdiction
- 1.18 to which a tax authorized under this section applies.
- 1.19 (c) For the purposes of this subdivision, there is a rebuttable presumption that a seller
- 1.20 has exercised due diligence if the seller has attempted to determine the nine-digit zip code
- 1.21 designation by utilizing software approved by the governing board that makes this designation
- 1.22 from the street address and the five-digit zip code of the purchaser.

2.1        (d) Notwithstanding subdivision 13, this subdivision applies to all local sales taxes  
2.2 without regard to the date of authorization. This subdivision does not apply when the  
2.3 purchased product is received by the purchaser at the business location of the seller.

2.4        **EFFECTIVE DATE.** This section is effective for sales and purchases made after June  
2.5 30, 2021.