

SENATE

STATE OF MINNESOTA

EIGHTY-NINTH SESSION

S.F. No. 638

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DATE	D-PG	OFFICIAL STATUS
02/09/2015	236	Introduction and first reading Referred to Taxes

A bill for an act  
relating to taxation; sales and use; clarifying exemption on nonprofit tickets or  
admissions; amending Minnesota Statutes 2014, section 297A.70, subdivision 10.  
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2014, section 297A.70, subdivision 10, is amended to  
read:

Subd. 10. **Nonprofit tickets or admissions.** (a) Tickets or admissions to an event  
are exempt if all the gross receipts are recorded as such, in accordance with generally  
accepted accounting principles, on the books of one or more organizations whose primary  
mission is to provide an opportunity for citizens of the state to participate in the creation,  
performance, or appreciation of the arts, and provided that each organization is:

(1) an organization described in section 501(c)(3) of the Internal Revenue Code in  
which voluntary contributions make up at least five percent of the organization's annual  
revenue in its most recently completed 12-month fiscal year, or in the current year if the  
organization has not completed a 12-month fiscal year;

(2) a municipal board that promotes cultural and arts activities; or

(3) the University of Minnesota, a state college and university, or a private nonprofit  
college or university provided that the event is held at a facility owned by the educational  
institution holding the event.

The exemption only applies if the entire proceeds, after reasonable expenses, are used  
solely to provide opportunities for citizens of the state to participate in the creation,  
performance, or appreciation of the arts.

(b) Tickets or admissions to the premises of the Minnesota Zoological Garden are  
exempt, provided that the exemption under this paragraph does not apply to tickets or

admissions to performances or events held on the premises unless the performance or event is sponsored and conducted exclusively by the Minnesota Zoological Board or employees of the Minnesota Zoological Garden.

(c) Tickets or admissions to a performance or event on the premises of a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code are exempt if:

(1) the nonprofit organization was established to preserve Minnesota's rural agricultural heritage and focuses on educating the public about rural history and how farms in Minnesota helped to provide food for the nation and the world;

(2) the premises of the nonprofit organization is at least 115 acres;

(3) the performance or event is sponsored and conducted exclusively by volunteers, employees of the nonprofit organization, or members of the board of directors of the nonprofit organization; and

(4) the performance or event is consistent with the nonprofit organization's purposes under section 501(c)(3) of the Internal Revenue Code.

**EFFECTIVE DATE.** This section is effective retroactively for sales and purchases made after December 31, 2007.