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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. **1661**

03/21/2013 Authored by Davids
The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to taxation; sales and use; providing for a multiple points of use certificate;
1.3 amending Minnesota Statutes 2012, section 297A.668, by adding a subdivision.

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

1.5 Section 1. Minnesota Statutes 2012, section 297A.668, is amended by adding a
1.6 subdivision to read:

1.7 Subd. 6a. Multiple points of use. (a) Notwithstanding the provisions of
1.8 subdivisions 2 and 3, a business purchaser that is not a holder of a direct pay permit that
1.9 purchases electronically delivered goods or services that will be concurrently available for
1.10 use in more than one taxing jurisdiction may deliver to the seller in conjunction with its
1.11 purchase a multiple points of use certificate disclosing this fact.

1.12 (b) Upon receipt of the multiple points of use certificate, the seller is relieved of the
1.13 obligation to collect, pay, or remit the applicable tax and the purchaser is obligated to
1.14 collect, pay, or remit the applicable tax on a direct pay basis.

1.15 (c) The purchaser delivering the multiple points of use certificate has sole discretion
1.16 to use any reasonable but consistent and uniform method of apportionment that is supported
1.17 by the purchaser's business records as they exist at the time of the consummation of the sale.

1.18 (d) The multiple points of use certificate remains in effect for all future sales by the
1.19 seller to the purchaser until it is revoked by the purchaser in writing.

1.20 (e) A holder of a direct pay permit is not required to deliver a multiple points of use
1.21 certificate to the seller. A direct pay permit holder shall follow the provisions of paragraph
1.22 (c) in apportioning the tax due on electronically delivered goods or services that will be
1.23 concurrently available for use in more than one taxing jurisdiction.

1.24 (f) A seller is relieved of liability if:

2.1 (1) the seller obtains a fully completed multiple points of use certificate or all the
2.2 relevant information required by section 297A.72, subdivision 2, at the time of the sale or
2.3 within 90 days after the date of the sale; or

2.4 (2) within 120 days after a request for substantiation by the commissioner, the
2.5 seller either:

2.6 (i) obtains in good faith a fully completed multiple points of use certificate or all the
2.7 relevant information required by section 297A.72, subdivision 2, from the purchaser; or

2.8 (ii) proves by other means that the transaction was not subject to tax.

2.9 **EFFECTIVE DATE.** This section is effective for sales and purchases made after
2.10 June 30, 2013.