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State of Minnesota

HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 2322

02/25/2014 Authored by Nornes; Dettmer; Anderson, M., and Kiel
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; exempting agricultural drain tiles from
1.3 sales tax; amending Minnesota Statutes 2012, section 297A.69, by adding a
1.4 subdivision.

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

1.6 Section 1. Minnesota Statutes 2012, section 297A.69, is amended by adding a
1.7 subdivision to read:

1.8 Subd. 8. Drainage tiles. Drainage tiles used for an agricultural drainage system are
1.9 exempt whether purchased by the owner of the agricultural property or a person contracted
1.10 to install a drainage system on agricultural property. For purposes of this subdivision,
1.11 "agricultural drainage system" means a system installed to improve the productivity of
1.12 agricultural land. It does not include a public drainage project or system regulated under
1.13 chapter 103E. For purposes of this subdivision, "agricultural property" means property
1.14 that is classified as class 2a agricultural land under section 273.13, subdivision 23.

1.15 EFFECTIVE DATE. This section is effective for sales and purchases made after
1.16 June 30, 2014.