168E.05 EXEMPTIONS.

Subdivision 1. **Transactions.** The following retail deliveries are exempt from the fee imposed by this chapter:

(1) a retail delivery to a purchaser who is exempt from tax under chapter 297A;

(2) a retail delivery on a motor vehicle for which a permit issued by the commissioner of transportation or a road authority is required under chapter 169 or 221 and the retailer has maintained books and records through reasonable and verifiable standards that the retail delivery was on a qualifying vehicle;

(3) a retail delivery resulting from a retail sale of food and food ingredients or prepared food;

(4) a retail delivery resulting from a retail sale by a food and beverage service establishment, regardless of whether the retail delivery is made by a third party other than the food and beverage service establishment;

(5) a retail delivery resulting from a retail sale of drugs and medical devices, accessories and supplies, or baby products;

(6) a retail delivery resulting from a retail sale of fuel products purchased by and delivered to a political subdivision or a trade or business; and

(7) a retail delivery resulting from a retail sale of road construction materials purchased by and delivered to a political subdivision or a trade or business.

Subd. 2. **Small businesses.** (a) The fee imposed by this chapter and the requirements of this chapter do not apply to:

(1) a retailer that made retail sales totaling less than $1,000,000 in the previous calendar year; and

(2) a marketplace provider when facilitating the sale of a retailer that made retail sales totaling less than $100,000 in the previous calendar year through the marketplace provider.

(b) A retailer or marketplace provider must begin collecting and remitting the delivery fee to the commissioner on the first day of a calendar month occurring no later than 60 days after the retailer or marketplace provider exceeds a retail sales threshold in paragraph (a).

History: *2023 c 68 art 3 s 10; 1Sp2025 c 8 art 2 s 30*