

# Minnesota Application for Business Registration Instruction Booklet

(Revised March 2016)

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### Instructions for registering your business for:

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- Cigarette and tobacco taxes
- Lawful gambling taxes
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- Petroleum taxes
- Other special taxes
- Income, franchise and unrelated business income taxes
- MinnesotaCare taxes

*Information in this booklet is available in other formats upon request.*

## How to register

Online: [www.revenue.state.mn.us](http://www.revenue.state.mn.us)

Phone: 651-282-5225 or 1-800-657-3605  
8:00 a.m. – 4:00 p.m. Monday through Friday

Fax: 651-556-5155

Mail: Minnesota Revenue  
Business Registration  
Mail Station 4410  
St. Paul, MN 55146-4410

You can find tax forms and information, pay electronically, and—for some tax types—file electronically at:

[www.revenue.state.mn.us](http://www.revenue.state.mn.us).

## Need help or have questions?

Email: [Business.Registration@state.mn.us](mailto:Business.Registration@state.mn.us)

Phone: 651-282-5225 or 1-800-657-3605  
8:00 a.m. – 4:00 p.m.  
Monday through Friday

### Minnesota Department of Revenue

Website . . . . . [www.revenue.state.mn.us](http://www.revenue.state.mn.us)

Business Education . . . . . 651-297-4213  
[mdor.mbe@state.mn.us](mailto:mdor.mbe@state.mn.us)

Alcohol taxes . . . . . 651-556-3036  
[alc.taxes@state.mn.us](mailto:alc.taxes@state.mn.us)

Cigarette and tobacco taxes . . . . . 651-556-3035  
[cigarette.tobacco@state.mn.us](mailto:cigarette.tobacco@state.mn.us)

Corporation franchise, S corporation, fiduciary, partnership, estate . . . . . 651-556-3075  
[BusinessIncome.tax@state.mn.us](mailto:BusinessIncome.tax@state.mn.us)

Environmental taxes . . . . . 651-282-5770  
[environmental.tax@state.mn.us](mailto:environmental.tax@state.mn.us)

Insurance taxes . . . . . 651-556-3024  
[insurance.taxes@state.mn.us](mailto:insurance.taxes@state.mn.us)

MinnesotaCare tax . . . . . 651-282-5533  
[MinnesotaCare.tax@state.mn.us](mailto:MinnesotaCare.tax@state.mn.us)

Order forms . . . . . 651-282-5225  
1-800-657-3605

Other special taxes . . . . . 651-556-3060  
[special.taxes@state.mn.us](mailto:special.taxes@state.mn.us)

Petroleum taxes . . . . . 651-296-0889  
[petroleum.tax@state.mn.us](mailto:petroleum.tax@state.mn.us)

Sales and use tax, including local taxes . . . . . 651-296-6181  
1-800-657-3777  
[SalesUse.tax@state.mn.us](mailto:SalesUse.tax@state.mn.us)

Unrelated business income tax . . . . . 651-297-5199  
[ubi.taxes@state.mn.us](mailto:ubi.taxes@state.mn.us)

Withholding tax . . . . . 651-282-9999  
1-800-657-3594  
[withholding.tax@state.mn.us](mailto:withholding.tax@state.mn.us)

### Other important information

Internal Revenue Service . . . . [www.irs.gov](http://www.irs.gov)  
Request FEIN . . . . . 1-800-829-4933

To request a Minnesota unemployment insurance number:  
651-296-6141 . . . . . [www.uimn.org](http://www.uimn.org)

MN Secretary of State . . . 651-296-2803  
1-877-551-6767 . [www.sos.state.mn.us](http://www.sos.state.mn.us)

### Receive electronic updates

Subscribe to receive updates electronically, including updates to law changes, rules, fact sheets, and other information regarding specific tax types or topics. To subscribe, go to our website and click on the red envelope in the bottom right corner of the screen.

# General Information

## Minnesota ID Number

You need a Minnesota tax ID number if you:

- make taxable sales or leases in Minnesota,
- perform taxable services in Minnesota,
- withhold Minnesota income taxes from employees' wages,
- make estimated business tax payments,
- file a Minnesota corporation franchise, S corporation, partnership or unrelated business income tax return,
- file fiduciary income tax returns as an estate, trust or personal representative,
- file or pay MinnesotaCare taxes or special taxes, such as insurance premium, petroleum, alcohol or tobacco taxes,
- are a vendor of goods or services to a state government agency or to a business receiving payments from a state agency,
- have use tax to report (see Sales Tax Fact Sheet 146, *Use Tax for Businesses*, or Sales Tax Fact Sheet 156, *Use Tax for Individuals*), or
- have solid-waste management (SWM) taxes to report (first, register for sales and use tax online, then call 651-282-5770 to register for SWM taxes).

If you already have a Minnesota tax ID number, you may need to apply for a new one if:

- your business changes its legal organization, or
- you are required to apply for a new federal employer ID number (FEIN).

You do not need a Minnesota tax ID number to:

- apply as a nonprofit for an exemption from Minnesota sales tax. Instead, complete Form ST16, *Application for Non-profit Exempt Status—Sales Tax*.
- open a bank account for your business. If you need a federal employer ID number (FEIN), go to the IRS website at [www.irs.gov](http://www.irs.gov).

## Report Business Changes

If you change the name, address or ownership of your business; change officers; close your business; no longer have employees; or make any other change (even if it does not affect the status of your tax ID number); notify our office.

To update your business information online, go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us), click “e-Services Login for Businesses” in the upper right hand corner of the page, log in, and click “Update business info.” If you do not have Internet access, call 651-282-5225

or 1-800-657-3605. Be sure to have your current Minnesota tax ID number ready when you call, and include it on all correspondence.

Employers who cancel their Minnesota ID number for withholding are required to file a year-end return (if you're a quarterly filer) or an annual return (if you're an annual filer) within 30 days after the end of the period in which you cancel the number.

## Penalties

Minnesota law provides for a \$100 penalty if you do not apply for a tax ID number before the date you first withhold Minnesota taxes from an employee's wages. State law also provides for criminal penalties for making taxable retail sales in Minnesota before a Minnesota tax ID number is issued.

## Use of Information

Under state law, most information on your application is nonpublic. The information that is nonpublic may not be given to others without your consent except to the IRS, other state agencies or other states that guarantee the same privacy. Information on this application may be used in connection with an audit of any tax return that you may be required to file with the Minnesota Department of Revenue. The information referring to business owners or corporate officers, including Social Security numbers, may be used to collect any delinquent sales, withholding and/or MinnesotaCare taxes. The Social Security numbers are required according to Minnesota Statutes (M.S.) 270C.306; 290.92, subd. 24; and Rule 8130.2500, subp. 6. Your Minnesota tax ID number is public data.

## Successor Liability

If you are buying or acquiring a business or its assets, it is your responsibility to check for sales or withholding tax liens filed against it by the Minnesota Department of Revenue. If you don't, you may be liable for the delinquent taxes of the business. This is true even if the acquisition is a gift.

If there is a lien, notify our office of the transfer at least 20 days **before** you buy or take possession of the assets. Be sure to include the Minnesota tax ID number of the transferring business. If you do not notify our office of the transfer, you may be liable for any unpaid sales and withholding taxes.

# General information *(continued)*

Do not attach your transfer notification to Form ABR. Instead, mail it separately to:

Minnesota Department of Revenue  
Attn: Successor Liability  
PO Box 64651  
St. Paul, MN 55164-0651

For additional information, see Collection Fact Sheet 1, *Business Successor Liability*, which is available on our website.

## Power of Attorney

If you want to appoint an individual—such as an attorney, accountant, agent, tax return preparer, tax provider or any other person—to represent you as an attorney-in-fact

or to perform certain acts on your behalf, you must complete, sign and return Form REV184, *Power of Attorney*. Download the form from our website or call our automated phone line (see page 2).

Without a Form REV184—or similar notice that grants power of attorney—on file, the department may not discuss your state taxes with anyone else, unless permitted by law.

## Electronic filing and paying

Minnesota's electronic file and pay system, e-Services, allows you—either over the Internet or by phone—to electronically pay all of your Minnesota taxes and to electronically file selected tax returns. Both options are free and available 24 hours a day.

To electronically file and/or pay your tax, go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and click “e-Services Login for Businesses” in the upper right hand corner of the page. If you don't have Internet access, you can file or pay by calling 1-800-570-3329 from a touch-tone phone.

# All applicants

To apply for a new Minnesota tax ID number, you must fill out pages 1 and 2 of Form ABR and the registration sections that apply to you. For example, if your corporation will employ Minnesota residents and make taxable sales, fill out pages 1 and 2 of Form ABR and the registration sections for withholding tax, sales and use tax, and income/franchise tax. Do not register for the tax types you are not required to collect or pay. If you are faxing or mailing in your application, return only the sections you fill out.

You must register for at least one tax type, unless you are applying for a tax ID number only to receive payment from a state agency.

The department will not issue a tax ID number more than one year in advance of beginning operations.

### Line 1 Federal tax ID number

Fill in your federal tax ID number. If you applied for a federal tax ID number, but haven't received it, write in “applied for.” Contact us (see page 2) when you receive your number.

If you are not required to have a federal ID number, write in “NA” for not applicable.

If you need to request a federal tax ID number, you may apply online at the IRS website at [www.irs.gov](http://www.irs.gov). No registration is required to use the system, and your federal tax ID number will be issued within minutes.

If you don't have access to the Internet, call the IRS at toll-free 1-800-829-4933.

### Line 2 Current or prior Minnesota ID number(s)

A business organization needs only one Minnesota tax ID number to report and pay all tax types.

If your current or prior number is no longer being used (e.g., due to dissolution of a partnership, sale, closing or bankruptcy), fill in the effective date of the cancellation.

### Line 3 Reason you are applying

If you purchased an existing business, you may be liable for any unpaid sales or withholding taxes the existing business may owe. Be sure to read “Successor Liability” on page 2.

If you receive grants or payments from a state agency for any reason, you are required to have a Minnesota ID number for informational purposes only.

### Line 5a Qualified business participating in a Jobs Opportunity Building Zone (JOBZ)

You are a qualified business if your place of business is located within a JOBZ or designated agricultural processing facility zone and you have signed a Business Subsidy Agreement with the zone administrator. If you are a qualified business, enter your 10-digit JOBZ ID number.

As a qualified business you may be eligible to receive certain tax benefits, such as exemptions from sales and income taxes, adjustments to minimum fees, and a jobs credit.

Complete details on the tax benefits available to qualified businesses are included in

the tax return instructions for each appropriate tax type.

### Line 10 Legal organization

Read the descriptions on page 4, and check the box to indicate your legal organization. If you are changing the type of legal organization, check the box to indicate your *new* legal organization type.

### Line 11a Register for specific tax types

Check all the boxes for the tax types your business is required to collect or pay. For each box you check, fill out the registration section for that tax type.

For information on who must register for a specific business tax, see the instructions for that tax type on pages 4–8 or 10. To determine the income, franchise or unrelated business income tax you may be required to pay, see page 9.

**Example:** If you are a corporation that will make taxable sales and employ Minnesota residents, check the boxes for sales and use tax, withholding tax and corporate franchise. Also fill out the corresponding registration sections on pages 3–5 and 7 of Form ABR.

### Lines 15 and 16 Owners, officers, trustees or partners

The identities of the owners, partners, shareholders and officers—including Social Security or federal tax ID numbers—are required under state law (*M.S. 270C.306; 290.92, subd. 24; and Rule 8130.2500, subp. 6*).

# All applicants *(continued)*

## Line 10—Legal organizations

See page 10 to determine if you're also required to file an annual Minnesota income, franchise or unrelated business income tax return.

- A **sole proprietor** is an individual who owns an unincorporated business not in partnership with others, including a limited liability company with one member that chooses to be taxed as a sole proprietorship. If you are a sole proprietor, there is no need to register unless a Minnesota tax ID number is required for another purpose.
- A **partnership** is two or more persons or entities (e.g. two corporations). Check the appropriate box to indicate if your business is a general partnership, limited liability partnership (LLP), or a limited partnership (LP).
- You are an **S corporation** (including limited liability companies considered to be an S corporation for federal tax purposes) if you elected to be taxed under Subchapter S of IRC section 1362, **and the IRS approved your election.**
- A **limited liability company (LLC)** is an authorized organization registered with the Minnesota Secretary of State.
  - An LLC with **one member only** may be taxed as a corporation, S corporation or sole proprietorship.
  - An LLC with **two or more members** (e.g., partnerships and limited partnerships) may choose to be taxed as a partnership, corporation or S corporation. Both federal and state ID numbers are required, even if the LLC has no employees.
- A **cooperative** may be a corporation or an unincorporated association.
- You are an **estate or trust (fiduciary)** for Minnesota tax purposes if you are required to file federal Form 1041, *U.S. Income Tax Return for Estates and Trusts*.
- You are a **C corporation** if you are incorporated.
- A **nonprofit corporation** is an entity registered as such with the Minnesota Secretary of State.
- A **nonprofit organization** is an association not formally incorporated under state law and is registered as such with the Minnesota Secretary of State.
- A **qualified joint venture** is an unincorporated husband-wife business that has elected out of partnership tax status for federal tax purposes. Spouses electing qualified joint venture status are treated as sole proprietors.

Fill in the requested information for each owner, general partner or officer. If you need more space, attach a separate sheet.

**Personal liability.** Under certain circumstances, any officer, partner, employee, lender, surety or other person who singly or jointly controls, supervises or is responsible

for filing returns and paying taxes, may be found personally liable for the business's unpaid taxes. (M.S. 270C.56)

## Sales and use tax

### Who must register

It is against the law to make taxable retail sales or provide taxable services in Minnesota without being registered.

You must register to collect sales tax if you make taxable retail sales in Minnesota. This includes sellers outside Minnesota who:

- have an office; distribution, sales, or sample room location; warehouse or other place of business in Minnesota, either directly or by a subsidiary;
- have a representative, agent, salesperson, canvasser or solicitor in Minnesota, on either a permanent or temporary basis, who operates under the authority of the retailer or its subsidiary for any purpose, such as repairing, selling, delivering, installing, soliciting orders for the retailer's goods or services, or leasing tangible items in Minnesota;
- deliver items into Minnesota in their own vehicles; or
- provide taxable services in Minnesota.

See Revenue Notice #00-10, *Sales and Use Tax – Nexus Standards*, for criteria on determining when an out-of-state retailer is required to register, collect and remit Minnesota sales or use tax on sales made into Minnesota.

If you make retail sales or do business in any city, county or other area that has a local tax administered by the department, you must also register to collect those local taxes (see line 8).

If you sell only nontaxable items, you do not need to register.

**Use tax.** If you do not make taxable sales, but make purchases subject to use tax, you must register to remit use tax.

### Affiliate nexus

Affiliates of Minnesota businesses are required to collect and remit Minnesota sales tax on sales made in Minnesota.

An entity is an affiliate of a Minnesota business if the related entity promotes the affiliate's business or provides services to the out-of-state entity and the retailer and entity are related parties. A retailer and entity are related parties if at least one of the following is true:

- One of the parties owns directly or indirectly at least 50 percent of the other party's outstanding stock;
- One of the parties is a partnership, estate or trust that owns directly or indirectly at least 50 percent of the capital, stock or value of the other party; or
- An individual stockholder or the stockholder's family owns directly or indirectly at least 50 percent of the value of outstanding stock of both entities.

*Example:* If two entities are related and the in-state entity advertises, promotes or facilitates the establishment or maintenance of a market in Minnesota for an out-of-state seller, the in-state entity creates nexus for the out-of-state seller.

In addition, if the in-state entity provides services to the out-of-state seller (such as accepting returns from the seller's customers, resolving complaints from the seller's customers, etc.), the in-state entity also creates nexus for the out-of-state seller.

For questions regarding sales tax nexus, send an email to [SalesUse.Tax@state.mn.us](mailto:SalesUse.Tax@state.mn.us).

### After you register

#### Confirmation letter

After you have successfully registered, you will receive a confirmation letter detailing your registration information.

Your confirmation letter will include your Minnesota tax ID number, a list of tax types activated for this number and a temporary password.

# Sales and use tax *(continued)*

You will need your temporary password to access Minnesota Revenue eServices system for the first time. Be sure to keep your confirmation letter with your tax records; it is used in place of a sales tax permit.

## Due dates for filing and paying

You will not receive a notice to remind you to file your return or pay the tax due, so it is important to know the following due dates, depending on your filing frequency (see Form ABR, page 3, line 5, to determine your filing frequency):

- For **monthly filers**, the due date for filing and paying is the 20th day of the following month.
- For **quarterly filers**, the due dates for filing and paying are April 20, July 20, October 20 and January 20.
- For **annual filers** and **one-time only filers**, the due date for filing and paying is February 5 of the following year. Annual filers must file on a calendar year basis, not a fiscal or other basis.

When the due date falls on a weekend or legal holiday, returns electronically filed and payments made the next business day are considered timely.

For more complete information on how to file and pay, go to [www.taxes.state.mn.us](http://www.taxes.state.mn.us) and click "Sales and use tax" on the Tax Information menu. Be sure to bookmark the web page for future reference.

## Line instructions

### Line 2

#### Accounting method

Indicate the accounting method used by your business:

- **cash basis**, in which each item is entered as payments are received or made, or
- **accrual basis**, in which each item is entered as it is earned or incurred regardless of when actual payments are received or made.

If your business is using another method of accounting, check the appropriate box and indicate the method being used.

### Line 3

#### Months of operation

Skip line 3 if you do business year round.

If your business is seasonal, check the boxes for the months you normally operate. You will be required to electronically file returns for those months only. You must file returns even if there is no tax to report.

### Line 5

#### Filing frequency

Your filing frequency is based on the average amount of sales tax you collect and the use tax you owe in one month. Check a box to indicate your filing cycle as monthly, quarterly or annually.

**One-time filing.** If you will make taxable sales in Minnesota at only one event or during one month and do not intend to make future taxable sales, check the box for one-time filing. Before you resume making taxable sales, contact our office (see page 2) to reactivate your Minnesota tax ID number.

### Line 6

#### Goods and services provided

Tax rates for some items are different from the general Minnesota sales tax rate. By checking any of the boxes on line 6, you will be instructed to separately report sales of these goods and services when you file your sales tax return.

Check the appropriate box on line 6 if you provide any of the following:

- **Car rentals**—rentals of passenger cars, vans or pickup trucks (3/4 ton or less) leased or rented for periods of less than 29 days (see *Fact Sheet 136, Motor Vehicle 6.2% Rental Tax and 5% Fee*)
- **Interstate motor carriers**—motor carriers engaged in interstate transportation of goods or passengers (see *Fact Sheet 107, Interstate Motor Carriers*)
- **Mobile homes and park trailers**—manufacture, distribution, wholesale or retail sales of mobile homes or manufactured homes; not recreational vehicles (see *Fact Sheet 150, Manufactured Homes, Park Trailers and Modular Homes*)
- **On-sale /off-sale liquor**—sales of beer, wine and other alcoholic beverages sold at an on-sale or off-sale municipal liquor store or other establishment licensed to sell any type of intoxicating liquor. However, if you have *only* a 3.2 percent malt liquor license, do not check this box; the general sales tax rate applies (see *Fact Sheet 137, Restaurants and Bars*)
- **Waste collection services**—collection and/or disposal of mixed municipal solid waste (garbage) and/or construction and demolition waste (see *SWM Fact Sheet 1, Solid-Waste Management Tax*)
- **Prepaid wireless E911 and Telecommunications Access Minnesota (TAM) fees**—must be reported and paid to the Minnesota Department of Revenue starting Jan. 1, 2014.

These fees apply to prepaid wireless phones or calling cards that:

- are sold in set units or dollar amounts which decline by a set amount as calls are made; or
- provide unlimited use for a set time period.

The fees are similar to 911 and TAM fees on monthly landline or wireless bills. (See *Fact Sheet 179, Prepaid Wireless E911 and TAM Fees*)

### Line 7

#### Multiple locations

If you operate your business from more than one **permanent** location, you may choose to apply for:

- separate ID numbers and file separate tax returns for each location, or
- a single ID number and file one consolidated tax return for all locations.

If your business is described below, do not apply for separate ID numbers, since they are not permanent locations. If you:

- sell at craft shows;
- are a vending machine operator who has more than one vending machine location;
- perform services at various locations, such as janitorial or landscaping services; or
- do business from a vehicle that moves from place to place; you must file for a single ID number.

If your business operates from more than one permanent location, you must provide each location's business name, location address, NAICS codes, business activities, the types of goods and services provided and the effective date of any local taxes.

### Line 8

#### Local taxes

If you are doing business—selling taxable items or performing taxable services—in any of the cities or counties that impose a local tax, check the applicable boxes on line 8 to register for local authorization.

All local taxes are separate from, and in addition to, the Minnesota state general sales tax. Local taxes are subject to the same penalties, interest and enforcement provisions as the state sales tax.

For additional information on the local taxes, including local taxing areas, see *Fact Sheet 164, Local Sales and Use Taxes*; *Fact Sheet 164M, Minneapolis Special Local Taxes*; and *Fact Sheet 164S, Special Local Taxes: Detroit Lakes, Giants Ridge Recreation Area, Mankato, Rochester, St. Cloud and St. Paul.*

# Withholding tax

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## Who must register

You must register to file withholding tax if you:

- have employees and anticipate withholding tax from their wages in the next 30 days;
- *agree* to withhold Minnesota taxes when you are *not required* to withhold;
- pay nonresident employees to do work for you in Minnesota and the amount earned in Minnesota is expected to exceed the federal standard deduction for a single filer and one personal exemption;
- make mining and exploration royalty payments on which you are required to withhold Minnesota taxes; or
- are a corporation with corporate officers performing services in Minnesota who will have withholding from their wages.

If you do not register before you start withholding tax from your employees' wages, you may be assessed a \$100 penalty.

## Use tax filing

The department may automatically register you for use tax filing if you register for withholding tax.

## Using payroll services

Payroll service companies are required by law to register with the department and give us a list of clients for which they provide tax services. If they collect any tax from clients, they are required to remit the amount to us electronically. Also, if the payroll service company files tax returns for their clients, they're required to electronically file the returns.

## After you register

### Confirmation letter

After you have successfully registered, you will receive a confirmation letter detailing your registration information.

Your confirmation letter will include your Minnesota tax ID number, a list of tax types activated for this number and a temporary password. You will need your temporary password to access e-Services for the first time. Be sure to keep your confirmation letter with your tax records.

## Due dates for filing and paying

You will not receive a notice to remind you to file your return or pay the tax due, so it is important to know the following due dates:

- Most employers are required to **file quarterly withholding tax returns**, which are due April 30, July 31 and October 31 of the current year and January 31 of the following year.

Note: Minnesota withholding tax returns must be filed electronically by internet or by phone.

- Generally, the due dates for **depositing Minnesota withholding tax** are the same as the federal deposit schedule. For additional information, see Circular E, IRS Publication 15 (available on the IRS website at [www.irs.gov](http://www.irs.gov)).

When the due date falls on a weekend or legal holiday, returns electronically filed and payments made the next business day are considered timely.

For more complete information on how to file and pay, go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and click "Withholding tax" under "For Businesses."

# Insurance taxes

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## Who must register

You must register to file and pay insurance taxes and surcharges if you:

- are an insurance company licensed by the Minnesota Department of Commerce,
- are a health-care provider organized as a nonprofit health plan corporation, health maintenance organization, or community integrated service network that writes premiums in Minnesota,
- are an insurance surplus lines broker licensed by the Minnesota Department of Commerce, or
- obtain insurance directly from a foreign company not licensed to do business in Minnesota

### Line 1 NAIC number

If you are a licensed insurance company, enter your NAIC number you received from the National Association of Insurance Commissioners.

### Line 2 Insurance taxes and surcharges

**Insurance premium tax.** If you are an insurance company or provider licensed by the Minnesota Department of Commerce to transact insurance business in Minnesota, you must file an insurance premium tax return. In addition, you may be required to file and pay the following surcharges:

- **auto theft prevention surcharge**, if you are a property and casualty insurance company licensed to write automobile insurance policies.

- **fire safety surcharge**, if you are an insurance company that is licensed to sell fire, homeowners or commercial nonliability policy premiums, or a mutual insurance company licensed to write fire insurance.
- **firefighter's relief surcharge**, if you are an insurance company that is licensed to write fire, lightning and sprinkler-leakage insurance in Minnesota.

**HMO insurance premium tax.** Health-care providers organized as a nonprofit health plan corporation, health maintenance organization, integrated service network or community integrated service network that writes premiums in Minnesota must file an HMO insurance premium tax return.

# Insurance taxes (continued)

**Surplus lines tax.** If you are an insurance agent licensed with the Minnesota Department of Commerce to sell surplus lines insurance in Minnesota, you are subject to the surplus lines tax. All licensed surplus lines insurance agents are required to have their own Minnesota tax ID number and be registered as a sole proprietorship.

**Insurance placed with unlicensed foreign company (unauthorized user).** Entities that obtain insurance from a foreign company not licensed to do business in Minnesota, you must report and pay an annual unauthorized user premium.

## After you register

### Confirmation letter

After you have successfully registered, you will receive a confirmation letter detailing your registration information.

Your confirmation letter will include your Minnesota tax ID number, a list of tax types activated for this number and a temporary password. You will need your temporary password to access e-Services for the first time. Be sure to keep your confirmation letter with your tax records.

### Due dates for filing and paying

You will not receive a notice to remind you to file your return or pay the tax due, so it is important to know the following due dates:

- **Insurance premium tax.** All licensed insurance companies and providers must file a premium tax return and pay any tax due by March 1 of the following year, even if they have not actually transacted insurance business in Minnesota during the year.

When filing a premium tax return: property, casualty and title insurance companies must use Form M11; health-care providers use Form M11H; township mutual insurance companies use Form M11T; and life insurance companies use Form M11L.

- **Auto theft prevention surcharge.** Auto insurance companies are required to make quarterly payments by May 1, August 1, November 1 and February 1 of the following year. Remit payments electronically or with Form M29, *Auto Theft Prevention Surcharge Payment Voucher*.
- **Fire safety surcharge.** For insurers who write homeowners, fire and commercial nonliability policy premiums, you must file Form IG261, *Fire Safety Surcharge Return*, or Form IG262, *Fire Safety Surcharge Return for Mutual Companies*, and pay the surcharge due by May 15, August 15, November 15 and February 15 of the following year.

- **Firefighter relief surcharge.** For insurance coverage written on risks located in Duluth, Minneapolis, St. Paul, and Rochester you must file Form IG257, *Firefighter Relief Surcharge Return*, and pay the surcharge due by April 30, June 30 and November 30.

- **Surplus lines tax.** For licensed insurance surplus lines broker, you must file Form IG260, *Nonadmitted Insurance Premium Tax Return for Surplus Lines Brokers*, and pay the tax due by August 15 and February 15 of the following year.
- If you are a person, firm or corporation that purchased insurance directly from a nonadmitted company, you must file Form IG255, *Nonadmitted Insurance Premium Tax Return for Direct Procured Insurance*, and pay the tax due by March 1 of the following year.

When the due date falls on a weekend or legal holiday, returns filed and payments made the next business day are considered timely.

For forms and information on how to file and pay insurance taxes and surcharges, go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us). Click “For Businesses,” and then select “Insurance taxes & Surcharges.” Be sure to bookmark the web page for future reference.

# Petroleum taxes

## Who must register

All distributors, special fuel dealers and bulk purchasers, including those located outside of Minnesota, must be licensed before they acquire tax liability in Minnesota.

Licensed distributors of gasoline and sellers of special fuels are required to collect and pay tax on the fuels used in highway vehicles, aircraft, boats, snowmobiles and all terrain vehicles.

Bulk purchasers of special fuels may elect to the pay the tax on fuel they purchase.

Owners of vehicles using compressed natural gas, propane or other alternative fuel are required to pay an annual fee.

## After you register

### Confirmation letter

After you have successfully registered, you will receive a confirmation letter detailing your registration information.

Your confirmation letter will include your Minnesota tax ID number, a list of tax types activated for this number and a temporary password. You will need your temporary password to access e-Services for the first time. Be sure to keep your confirmation letter with your tax records.

### Due dates for filing and paying

You will not receive a notice to remind you to file your return or pay the tax. Your return and tax are due by the 23rd day of

the following month. You must file a return even if no activity has taken place during the month and all payments of petroleum taxes must be made electronically.

When the due date falls on a weekend or legal holiday, returns filed and payments electronically made the next business day are considered timely.

You can find forms and information on how to file and pay petroleum taxes on our website at [www.revenue.state.mn.us](http://www.revenue.state.mn.us). Click “For Businesses,” and then select “Petroleum Tax.” Be sure to bookmark the web page for future reference.

# Other special taxes

## Who must register

You must register to file and pay special taxes if you're required to collect and pay one or more of the special taxes or fees listed below.

## Special taxes and fees

**Alcohol common carrier tax** — If you are a common carrier who sell distilled spirits, wines or fermented malt beverages to passengers being transported within Minnesota you must file and pay common carrier tax.

**Cigarette tax** — If you are a distributor or wholesaler of cigarettes, you must pay tax on the cigarettes sold or used in Minnesota. Submit Form CT100, *Application for Cigarette Distributors and Subjobbers*, and get licensed with the Department of Revenue prior to registering for a cigarette account.

**Distilled spirits tax** — If you are a wholesaler, distributor, or producer of distilled spirits you must pay tax on distilled spirits produced or received for sale in Minnesota. If you have an importer license and import distilled spirits into Minnesota from a wholesaler or distributor who doesn't have an importer license, you must also report the shipments on a separate importer form.

**Dry cleaner registration fee** — If you own or operate a dry cleaning facility you must pay a registration fee based on your full-time equivalence rating.

**Dry cleaning solvents fee** — If you sell dry cleaning solvents you must collect and pay a fee on solvents sold to dry cleaning facilities.

**E-waste registration fee** — If you manufacture video display devices you must annually register and pay the e-waste registration fee.

**Lawful gambling taxes** — If you are a licensed organization you are required to pay tax on net receipts from lawful gambling activities, which include bingo, raffles and paddlewheels, and a monthly regulatory fee.

**Malt beverage tax** — If you are a beer wholesaler, brewer, or distributor you must pay tax on the beer produced or received for sale in Minnesota.

**Tobacco products tax (other than cigarettes)** — If you are a distributor or wholesaler of tobacco products received for sale in Minnesota you must pay tax on the products sold or used in Minnesota, including cigars, smoking tobacco, chewing tobacco, e-cigarettes, etc. Submit Form CT101, *License Application for Tobacco Products Distributors and Subjobbers*, and be licensed with the Department of Revenue prior to registering for a tobacco account.

**Wine tax** — If you are a wholesaler, distributor or producer of wine or premixed alcoholic beverages you must pay tax on the wine or premixed alcoholic beverages

produced or received for sale in Minnesota. If you have an importer license and import wine into Minnesota from a wholesaler or distributor who doesn't have an importer license, report the shipments on a separate importer form.

## After you register

After you have successfully registered, you will receive a confirmation letter. The letter will include your Minnesota tax ID number, a list of tax types activated for this number and a temporary password.

You will need your temporary password to access e-Services for the first time. Keep your confirmation letter with your tax records.

## Due dates for filing and paying

You will not receive a notice to remind you to file your return or pay the tax.

Forms and information for filing and paying other special taxes or fees are available on our website at [www.revenue.state.mn.us](http://www.revenue.state.mn.us). Click "For Businesses" on the homepage, and then select the appropriate tax type or fee. Bookmark the page for future reference.

## Due dates for filing and/or paying other special taxes and fees

**Alcohol common carrier tax**—File Form LB123, *Common Carrier Excise Tax Return*, and pay any tax due by the 18th day of the month following the reporting period. File this form even if there is no tax liability for that month.

**Alcohol importer report**—Licensed importers, file a monthly informational report Form LB37, *Distilled Spirits and Wine Shipped into Minnesota*, by the 10th day of the month following the period in which the shipments were made even if no shipments were made for that month.

**Cigarette tax.** File Form CT201, *Cigarette Tax Monthly Return (for Minnesota distributors)*, or Form CT401, *Cigarette Tax Monthly Return (for nonresident distributors)*, and pay the tax due by the 18th day of the month following the end of the reporting month. File a return even if there is no tax liability for that month.

**Distilled spirits tax.** File Form LB56-DS, *Distilled Spirits Excise Tax Return*, and pay the tax by the 18th day of the month following the period in which the sales were made. Also file Form LB37, *Distilled Spirits and Wine Shipped into Minnesota*, by the 10th day of the month following the month shipments were made if you have an importer license and imported distilled spirits into Minnesota from a wholesaler or distributor who doesn't have an importer license. File these forms even if there is no tax liability for that month.

**Dry cleaner registration fee.** File Form DC1, *Annual Registration Fee for Dry Cleaning Facilities*, by October 1 and pay the amount due by October 18.

**E-Waste Annual Registration Fee.** File Form EW1, *E-Waste Annual Registration Fee*, and pay the fee by the first business day in September each year.

**Dry cleaning solvents fee.** File Form DC2, *Dry Cleaning Solvents Fee Monthly Return*,

and pay the amount due by the 20th day of the month following the reporting period.

**Lawful gambling taxes.** File Form G1, *Lawful Gambling Monthly Tax Return*, and pay the tax due by the 20th day of the month following the end of the reporting month. File a return even if you had no gambling activity during the month.

**Lawful gambling licensed distributors.** Submit a monthly inventory sales file by the 20th day of the month following the reporting period. Also submit an annual certified physical inventory.

**Lawful gambling licensed manufacturers.** Submit a monthly inventory sales file by the 20th day of the month following the reporting period.

**Malt beverage tax.** Your return and tax are due by the 18th day of the month following the month in which the shipments of beer were received. Use Form LB40, *Malt Beverages Excise Tax Return (for wholesalers)*, or Form LB41, *Excise Tax Return for Brewers and Importers*.

**Tobacco products tax.** File Form CT301, *Tobacco Tax Monthly Return*, and pay any tax due by the 18th day of the month following the end of the reporting month. File a return even if there is no tax liability for that month.

**Wine tax.** File Form LB56-W, *Wine Excise Tax Return*, and pay the tax by the 18th day of the month following the period in which the sales were made. File Form LB37, *Distilled Spirits and Wine Shipped into Minnesota*, by the 10th day of the month following the period in which the sales were made if you have an importer license an imported wine into Minnesota from a wholesaler or distributor who doesn't have an importer license. File these forms even if there is no tax liability for that month.

# Income, franchise or unrelated business income tax

## Who must register

### Sole proprietors and electing qualified joint ventures

If you are a sole proprietor — including spouses who have elected qualified joint venture status — there is no need to preregister to file individual income tax returns.

As a sole proprietor, you will report your income and losses on Form M1, *Individual Income Tax Return*, using your Social Security numbers.

### S corporation

You must register to file Form M8, *S Corporation Return*, if you are an S corporation or a limited liability company considered to be an S corporation for federal tax purposes, and you have property, payroll or sales in Minnesota. You are an S corporation if you elected to be taxed under Subchapter S of IRC section 1362, **and the IRS approved your election.**

As an S corporation, the entire share of your income is passed through to the shareholders, regardless of whether the income is actually distributed. The shareholders must then include their share of income on their individual income tax returns.

The S corporation taxes and minimum fee are paid by the S corporation and are determined on Form M8.

### Partnership

You must register to file Form M3, *Partnership Return*, if you:

- are a partnership, limited liability partnership or limited liability company considered to be a partnership for federal tax purposes,
- required to file federal Form 1065 or 1065-B, and
- have property, payroll or sales in Minnesota.

The entire share of your income is passed through to the partners, regardless of whether the income is actually distributed. The partners must then include their share of income on their tax returns.

A minimum fee is paid by the partnership and is determined on Form M3.

### Estate or trust (fiduciary)

If you are a trustee of a trust or a personal representative of an estate, you must register to file Form M2, *Income Tax Return for Estates and Trusts (Fiduciary)*, if the trust or estate:

- has \$600 or more of Minnesota gross income, or

- has a nonresident alien as a beneficiary, and
- is required to file federal Form 1041.

A fiduciary can also be a guardian, receiver, conservator or any other person acting in a fiduciary capacity for a person.

### Corporation

If you are taxed as a corporation by the IRS and you transact business or own property in Minnesota, you are required to register to file Form M4, *Corporation Franchise Tax Return*.

The franchise tax on corporations includes a minimum fee, the regular tax and the alternative minimum tax.

### Unrelated business income

You are required to register to file Form M4NP, *Unrelated Business Income Tax Return*, if you are a tax-exempt organization, cooperative, homeowner association or political organization doing business in Minnesota with unrelated business income and you are required to file a federal return.

Tax is based on your federal taxable income assignable to Minnesota.

## After you register

### Confirmation letter

After you have successfully registered, you will receive a confirmation letter detailing your registration information.

Your confirmation letter will include your Minnesota tax ID number, a list of tax types activated for this number and a temporary password. You will need your temporary password to access e-Services for the first time. Be sure to keep your confirmation letter with your tax records.

### Due dates for filing and paying

You will not receive a notice to remind you to file your return or pay the tax (see *Due dates* in the next column).

For forms and information on how to file and pay your taxes, go to our website at [www.revenue.state.mn.us](http://www.revenue.state.mn.us). Click “For Businesses” on the homepage, and then select the appropriate tax type. Be sure to bookmark the web page for future reference.

## Due dates for filing and paying annual tax returns

**Form M1, Individual Income Tax** (for sole proprietors and electing qualified joint ventures) — *Due April 15, or the 15th day of the fourth month after the end of tax year.*

**Form M8, S Corporation Return** — *The due date is the same as federal, which is generally the 15th day of the third month after the end of the tax year.*

**Form M3, Partnership Return** — *Due the 15th day of the fourth month after the end of the tax year.*

**Form M2, Income Tax Return for Estates and Trusts (Fiduciary)** — *Due the 15th day of the fourth month after the end of tax year.*

**Form M4, Corporation Franchise Tax** — *Due dates vary and are the same as the federal due dates depending on the entity:*

- Corporations other than S corporations that do business or own/lease property in Minnesota — *Due the 15th day of the third month after the end of the tax year.*
- Cooperative associations other than IRC section 521 organizations — *Due the 15th day of the ninth month after the end of the tax year.*
- Limited liability companies that are taxed as corporations for federal purposes — *Due the 15th day of the third month after the end of the tax year.*

**Form M4NP, Unrelated Business Income Tax** — *Due dates vary and are the same as the federal due dates depending on the entity:*

- Homeowner associations filing federal Form 1120-H — *Due the 15th day of the third month after the end of the tax year.*
- Political organizations filing federal Form 1120-POL — *Due the 15th day of the third month after the end of the tax year.*
- Exempt organizations with unrelated business income and organizations liable for proxy tax on lobbying and political expenditures that file federal Form 990-T — *Due the 15th day of the fifth month after the end of the tax year.*
- Farmers’ cooperatives, as defined in IRC section 521, filing federal Form 1120-C — *Due the 15th day of the ninth month after the end of the tax year.*

# MinnesotaCare Taxes

## Who must register

### Hospitals, health-care providers and surgical centers

You must register to file MinnesotaCare taxes if you are:

- a self-employed licensed or registered health-care provider and you receive payments for patient services that are not exempt or excluded from the MinnesotaCare tax,
- an employer of a licensed or registered health-care provider and you receive payments for patient services that are not exempt or excluded from the MinnesotaCare tax,
- eligible to receive reimbursement from Medical Assistance for the health-care services you provide and you receive payments for patient services that are not exempt or excluded from the MinnesotaCare tax,
- a seller of prescription eyewear or hearing aids and related equipment, and you receive payments for patient services that are not exempt or excluded from the MinnesotaCare tax, or
- a hospital or surgical center.

### Wholesalers of legend drugs and pharmacies

Wholesalers of legend drugs and pharmacies that purchase legend drugs from a wholesaler not subject to MinnesotaCare tax must register to remit MinnesotaCare tax on the legend drugs. This includes all sellers in Minnesota, and sellers located outside Minnesota who:

- have an office, a distribution, sales, sample room or warehouse location or other place of business in Minnesota, either directly or by a subsidiary,
- have employees in Minnesota, or
- deliver items into Minnesota in their own vehicles.

## Type of taxpayer

Check all appropriate boxes to indicate the type of taxpayer you are.

Check the box for **provider of health-care services** (other than a hospital or surgical center) if you are a:

- self-employed health-care provider, such as a physician, dentist, chiropractor or psychologist,
- business—such as a professional association, staff model health plan company or a licensed ambulance service—that employs health-care providers, or
- self-employed person or an employer and you are eligible to receive reimbursement from the state of Minnesota Medical Assistance (MA) program for the services you provide.

Also be sure to indicate the services that best describe your business.

Check the box for **wholesaler of legend drugs** if you are:

- licensed to sell legend drugs at wholesale in Minnesota, such as a legend drug manufacturer, distributor, jobber or broker,
- a pharmacy located in another state that sells legend drugs to consumers in Minnesota at retail, including by mail order, or
- located outside Minnesota and you transport legend drugs to a retail store or entity in Minnesota that you own or is part of your corporation.

Check the box for **legend drug use tax** if you are a pharmacy that purchases legend drugs—for the purpose of resale in Minnesota—from a wholesaler not subject to the MinnesotaCare tax.

## After you register

### Confirmation letter

After you have successfully registered, you will receive a confirmation letter detailing your registration information.

Your confirmation letter will include your Minnesota tax ID number, a list of tax types activated for this number and a temporary password. You will need your temporary password to access e-Services for the first time. Be sure to keep your confirmation letter with your tax records.

### Due dates for filing and paying

You will not receive a notice to remind you to file your return or pay the tax, so it is important to know the following due dates:

- If you are a **health-care provider** or **wholesaler of legend drugs**, you must make quarterly tax deposits by April 15, July 15, October 15 and January 15 of the following year. Your annual tax return is due March 15 following the end of the year in which you received the receipts, even if there is no tax to report.
- If you are a **hospital** or **surgical center**, you must make monthly tax deposits by the 15th day of the month following the month in which you received the receipts. Your annual tax return is due March 15 following the end of the year in which you received the receipts, even if there is no tax to report.

When the due date falls on a weekend or legal holiday, returns electronically filed and payments made the next business day are considered timely.

For more complete information on how to file and pay your taxes, go to our website at [www.revenue.state.mn.us](http://www.revenue.state.mn.us). Click “For Businesses” on the homepage, and then select “MinnesotaCare.” Be sure to bookmark the web page for future reference.