

2011 MISCELLANEOUS LEGISLATIVE BULLETIN

(2011 Regular Session)

MINNESOTA • REVENUE

Appeals and Legal Services Division
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Bulletin Date: June 14, 2011

Unless otherwise noted, the provisions discussed in this bulletin can be found in 2011 Minn. Laws, Chapter 112.

Filings by agent with Secretary of State. Minn. Stat. § 5.15 was amended to update a reference to Minn. Stat. ch. 270C (from 270) regarding requirements for filings with the Secretary of State by an agent. Effective August 1, 2011. 2011 Minn. Laws, Chapter 76, Article 1, Section 1.

Classification, treatment of tax data codified outside of Chapter 13. Minn. Stat. § 13.4967, subd. 1, was amended by substituting the phrase “this section” for the former terminology of “subdivisions 3 to 7.” This change is purely technical and is consistent with other similar provisions in the Government Data Practices Act. Section 13.4967 references tax data statutes found outside of Chapter 13. Effective August 1, 2011. 2011 Minn. Laws, Chapter 76, Article 2, Section 5.

State agency value initiative. Minn. Stat. § 15.76 was created to establish the state agency value initiative program under which 50 percent of an agency's unspent funds at the end of a biennium may be carried forward into the next biennium, to be spent on projects approved by a peer review panel within the agency. (Under current law, operating money not spent at the end of a biennium lapses, and returns to the fund from which the money was appropriated.) Effective June 30, 2013, and first applies to funds to be carried forward from the biennium ending June 30, 2013, to the biennium beginning July 1, 2013. 2011 Minn. Laws, Chapter 24, Section 1.

Contracts for tax-related activities. A new section was created, Minn. Stat. § 16C.082, to prohibit an agency from entering into a contract for tax fraud prevention or detection, or tax audit-related activities, that compensates a vendor based on a percentage of taxes assessed or collected. Effective June 1, 2011, and applies to contracts entered into on or after June 1, 2011.

Police and fire aids. Minn. Stat. § 69.031, subd. 1, was amended to modify the interest that must be included with late payments of fire or police state aids. Prior to this amendment, interest from the prior July 1 was required to be included if the payments were not made by October 1. The new language provides that interest will not accrue until after October 1. This eliminates an excessive interest calculation if a payment is only a few days late. Effective June 1, 2011.

Revenue recapture for licensed ambulance services. Minn. Stat. §§ 270A.03, subd. 2, and 270A.07, subd. 1, were amended to authorize ambulance services licensed under Minn. Stat. ch. 144E to submit revenue recapture claims directly to the state instead of requiring counties to submit claims on their behalf. Effective May 25, 2011. 2011 Minn. Laws, Chapter 71, Sections 1 and 2; and 2011 Minn. Laws, Chapter 112, Article 11, Sections 5 and 6.

Application for business registration. Minn. Stat. § 270C.101 was created to waive the requirement for an entity applying for a Minnesota business tax account number to list the names, home addresses, and social security numbers of its officers or directors, when the applicant is an instrumentality of state, local, federal, or tribal government. Effective June 1, 2011.

Tax forms. Minn. Stat. § 270C.30 was amended to clarify that the commissioner can prescribe the content and format of all forms required to be filed under a law administered by the commissioner. Effective June 1, 2011.

Rounding on tax forms. Minn. Stat. § 270C.301 was created to authorize the department of revenue to require rounding of line item amounts less than a dollar to the nearest dollar on any form filed with the department of revenue, for those tax types which do not already have rounding authority. Additionally, the rounding authority for income tax in Minn. Stat. § 290.06, subd. 10 and the rounding authority for the property tax refund in Minn. Stat. § 290A.27 are both repealed as they are now covered, with their same rounding rules, under the new section Minn. Stat. § 270C.301. (Sales tax has its own statutory provisions for rounding.) Effective June 1, 2011.

Notice of subpoena. Minn. Stat. § 270C.32, subd. 3, was amended to provide that notice of a third party record keeper subpoena does not have to be given to the taxpayer or other parties identified in the subpoena when there is a criminal investigation, and prohibits the party served with the subpoena from notifying the taxpayer or other parties. Effective for subpoenas served after June 1, 2011.

Credit of payments against delinquent tax liabilities. Minn. Stat. § 270C.64 was amended to allow the commissioner to credit payments due any person against a delinquent uncontested liability. Prior law only allowed overpayments of tax to be credited. The amendment allows the commissioner to also credit payments that are not overpayments of tax against liabilities. Such payments include sustainable forest incentive payments. Effective for liabilities becoming delinquent after June 1, 2011.

Levied and redeemed property refund account. Minn. Stat. § 270C.711 was amended to change the commissioner's report on the status of the seizure program from a quarterly to an annual report. Also amended the committees reported to by changing obsolete references to conform with current standards. Effective June 1, 2011.

Waiver authority. Minn. Stat. § 469.319, subd. 5, was amended to clarify that there is a single sixty-day limitation period for taxpayers to request a waiver of the obligation to repay Job Opportunity Building Zone tax benefits. This change reflects the intent of a 2010 law change that established the sixty-day limitation period for taxpayers to petition the commissioner of revenue for a waiver under this section. Effective for waivers requested in response to notices issued after June 1, 2011.

JOBZ zone duration for ethanol plants. Repealed 2006 Minn. Laws, Chapter 259, Article 13, Section 10, which provided a 3-year extension of the JOBZ zone duration for any ethanol plant that signed a business subsidy agreement after April 30, 2006, but before July 1, 2007. This section was obsolete because the provision was never effective since later in the 2006 session, the Governor signed into law a provision (codified at Minn. Stat. § 469.312, subd. 5) that provides the same 3-year JOBZ duration extension for any ethanol plant that signs a business subsidy agreement at any time after April 30, 2006. Effective August 1, 2011. 2011 Minn. Laws, Chapter 76, Article 1, Section 80.

Property tax refund claim. An appropriation of \$1,123 was made from the general fund to the commissioner of revenue for full and final payment of a claim brought before the Joint House-Senate Subcommittee on Claims by a taxpayer for the amount of an expired property tax refund check. Effective June 1, 2011. 2011 Minn. Laws, Chapter 113, Article 1, Section 2.