

2016 SALES AND USE TAX LEGISLATIVE BULLETIN

(2016 Regular Session)



Appeals and Legal Services Division
600 North Robert Street
Saint Paul, Minnesota 55146-2220

January 5, 2017

Modular housing. Minn. Stat. § 297A.62, subd. 3, was amended to provide that for retail sales of a modular home as defined in Minn. Stat. § 297A.668, subd. 8, paragraph (b), for residential uses, the sales tax under chapter 297A is imposed on 65 percent of the modular home manufacturer's sales price of the modular home. This is consistent with the tax treatment of traditionally built and manufactured homes. Effective for sales and purchases made after June 30, 2016. 2016 Minn. Laws, ch. 189, art. 14, § 2.

Admissions. Minn. Stat. § 297A.70, subd. 11, was amended in the revisor's bill to delete the exemption for admissions to games, events and activities sponsored by the Minnesota State High School League that expired on July 1, 2015. Effective August 1, 2016. 2016 Minn. Laws, ch. 158, art. 1, § 162.

Expired construction exemptions. Minn. Stat. § 297A.71, subds. 42, 46 and 47, regarding construction exemptions for an: (1) aerospace manufacturing facility; (2) research and development facility; and (3) industrial measurement, manufacturing and control facility were repealed because they expired by December 31, 2015. Effective August 1, 2016. 2016 Minn. Laws, ch. 158, art. 1, § 215, §§ 8, 9 and 10.

Terminology. Minn. Stat. § 297A.84 was amended via revisor instruction to replace the words "the department" with the words "the commissioner." Effective August 1, 2016. 2016 Minn. Laws, ch. 158, art. 1, § 214, subd. 1.

Motor vehicle sales tax. Minn. Stat. § 297B.01, subd. 14, that defines "purchase price" and affords an exemption for gifts of motor vehicles between a foster parent and foster child, was amended to update obsolete cites to Minnesota Rules regarding foster family home licensure. These rules changed from parts 9545.0010 and 9545.0260 to parts 2960.3000 and 2960.3340 respectively. Effective August 1, 2016. 2016 Minn. Laws, ch. 158, art. 1, § 163.

Border city enterprise zone; sales tax exemption. Minn. Stat. § 469.1734, subd. 6, that provides a sales tax exemption for equipment placed in service in a city authorized as a border city enterprise zone, and for construction materials used by a facility with a trade or business in such a city, was amended to delete obsolete references to provisions repealed in 2001, updating the citation for tax credit certificates to Minn. Stat. § 469.1734, subd. 5. Similarly, Minn. Stat. §§ 469.1734, subd. 7 [notice to competitors], and 469.1735, subd. 1 [businesses must apply], were amended to delete obsolete references to provisions repealed in 2001. Effective August 1, 2016. 2016 Minn. Laws, ch. 158, art. 1, §§ 188, 189, and 190.