

This notice was revoked on June 15, 2009 by Revenue Notice # 09-06.

Minnesota revenue notice number 02-23

Sales and Use Tax - Exemption Certificates

Background

Minnesota Statutes [section 297A.665](#), provides that all sales are presumed to be taxable and that the burden is on the retailer to prove that the item is being purchased for resale or is otherwise exempt from tax under Minnesota Statutes [chapter 297A](#). Minnesota Statutes [section 297A.72](#), subdivision 1, provides that for sales and purchases occurring after December 31, 2001, a fully completed exemption certificate conclusively relieves the retailer from collecting and remitting the tax if taken from the purchaser at the time of sale.

Issue

Can the purchaser provide the retailer with an exemption certificate other than a certificate provided by the department of revenue?

Department Position

A purchaser may prepare their own exemption certificate as long as it contains the information required by Minnesota Statutes [section 297A.72](#), subdivision 2. The certificate must include the following information: (1) seller's name and address; (2) purchaser's name and address; (3) description of the purchaser's business; (4) description of the items purchased; (5) type of exemption claimed; (6) purchaser's signature; and (7) purchaser's Minnesota tax identification number, or an explanation as to why an ID is not needed.

Minnesota will also accept the Uniform Sales and Use Tax Certificate developed by the Multistate Tax Commission (MTC). The purchaser's state tax identification number, or an explanation why one is not needed, will be accepted in lieu of Minnesota's tax identification number when the purchaser is located outside Minnesota, does not have nexus with Minnesota, and the tangible personal property is delivered by drop shipment to the purchaser's customer located in Minnesota. As noted on the MTC exemption certificate, Minnesota does not allow a resale exemption for purchases of taxable services, but does allow an exemption for items used and consumed during the industrial or agricultural production process.

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