

Minnesota revenue notice

Revenue Notice # 94-21 Special Taxes - Waste Collectors; Collection and Remittance of Solid Waste Assessment; Audit, Penalty, Enforcement, and Administrative Provisions

(Update: Revenue Notice #94-21 has been repealed by Revenue Notice #03-04.)

General Information:

This revenue notice replaces Revenue Notice 94-15.

Minnesota Statutes, § 116.07, subd. 10, provides that certain waste collectors are required to collect a solid waste assessment and remit it to the Commissioner of Revenue. The Commissioner is authorized to use whatever audit, penalty, enforcement, and administrative provisions that apply to sales and use tax, chapter 297A, in the administration and enforcement of the solid waste assessment. Effective January 1, 1995, the terms 'mixed municipal solid waste' or 'solid waste' are replaced in the statute by the term 'assessed waste.' 'Assessed waste' includes mixed municipal solid waste, infectious waste, pathological waste, industrial waste, and construction debris.

Department Position:

Statutory Obligation to Bill, Collect, and Remit. Waste collectors have a statutory obligation to bill and collect the solid waste assessment for every customer, and to remit the amount collected in a timely fashion. The solid waste assessment for nonresidential customers must be billed at the same time as the waste collector's fees. The waste collector is required to collect an annual \$2.00 solid waste assessment for each residential customer receiving service as of July 1st of each year. This annual solid waste assessment must be billed so that it can be collected and remitted to the commissioner with the first sales tax remittance period following October 1st. If the customer does not pay on time for the solid waste assessment to be included with that remittance, then the waste collector must remit the \$2.00 solid waste assessment with the next sales tax remittance following receipt. The amount received by waste collectors for non residential customers during a sales tax period is due with the sales tax remittance for that period.

Audit, Penalty, Enforcement, and Administration: Waste collectors that do not bill their customers for the solid waste assessment, or that receive payments from their customers but fail to remit the solid waste assessment when due, will be subject to audit, penalty, and other enforcement and administrative actions by the Commissioner of Revenue in the same manner as a sales and use tax liability. These actions may include the following: (1) auditing and making assessments against the waste collector; (2) adding interest and penalties to the amount which should have been remitted; and (3) collection action against the waste collector beginning 60 days after the order and assessment where there is no appeal.

Patricia A. Lien
Assistant Commissioner for Tax Policy

Dated: August 29, 1994

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