

# MINNESOTA • REVENUE

## MNCARE TAXES Compliance of Third-Party Purchasers

March 29, 2004

	Yes	No
Separate Official Fiscal Note Requested	X	
<b>Fiscal Impact</b>		
DOR Administrative Costs/Savings		

Department of Revenue

Analysis of S.F. 2168 (Betzold) / H.F. 2256 (Bradley), 1<sup>st</sup> Engrossment

	<u>Revenue Gain or (Loss)</u>			
	<u>F.Y. 2004</u>	<u>F.Y. 2005</u>	<u>F.Y. 2006</u>	<u>F.Y. 2007</u>
		(000's)		
Health Care Access Fund	\$0	\$0	\$0	\$0

Effective for actions arising from services provided on or after January 1, 2005.

### EXPLANATION OF THE BILL

**Proposed Law:** The bill requires third-party purchasers of health care services to comply with the provisions authorizing transfer of the provider tax, regardless of whether the healthcare provider has chosen to itemize the tax on patient billings. If a provider elects to separately itemize the tax on the patient's bill, a third-party purchaser that has already incorporated the tax in its calculation of the payment amount due to the provider may deduct the additional itemized tax amount from the payment made to the provider.

### REVENUE ANALYSIS DETAIL

- There is no impact from this proposal on the health care access fund.

**Number of Taxpayers:** Unknown.

Source: Minnesota Department of Revenue  
Tax Research Division  
[http://www.taxes.state.mn.us/taxes/legal\\_policy](http://www.taxes.state.mn.us/taxes/legal_policy)

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