

# MINNESOTA • REVENUE

## SALES AND USE TAX Telecommunications Equipment

February 20, 2014

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue  
Analysis of H.F. 1889 (Isaacson)

	<b>Fund Impact</b>			
	<b><u>F.Y. 2014</u></b>	<b><u>F.Y. 2015</u></b>	<b><u>F.Y. 2016</u></b>	<b><u>F.Y. 2017</u></b>
	(000's)			
General Fund	\$0	(\$33,200)	(\$39,500)	(\$42,700)
Natural Resources and Arts Funds	<u>\$0</u>	<u>(\$1,900)</u>	<u>(\$2,300)</u>	<u>(\$2,500)</u>
Total – All Funds	\$0	(\$35,100)	(\$41,800)	(\$45,200)

Effective for sales and purchases made after June 30, 2014.

### EXPLANATION OF THE BILL

This bill would reinstate the sales and use tax exemption for telecommunications equipment that was repealed during the 2013 legislative session. The repeal was effective July 1, 2013.

### REVENUE ANALYSIS DETAIL

- This estimate is based on analysis that was conducted during the 2013 legislative session.
- The fiscal year 2015 estimates have been adjusted to reflect eleven months of impact on sales tax collections.

Source: Minnesota Department of Revenue  
Tax Research Division  
[www.revenue.state.mn.us/research\\_stats/Pages/  
Revenue-Analyses.aspx](http://www.revenue.state.mn.us/research_stats/Pages/Revenue-Analyses.aspx)

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