

# MINNESOTA • REVENUE

## SALES AND USE TAX Warehousing Services

February 20, 2014

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue  
Analysis of H.F. 1896 (Halverson)

	<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	(\$13,000)	(\$82,400)	(\$88,800)	(\$95,600)
Natural Resources and Arts Funds	<u>(\$700)</u>	<u>(\$4,800)</u>	<u>(\$5,100)</u>	<u>(\$5,500)</u>
Total – All Funds	(\$13,700)	(\$87,200)	(\$93,900)	(\$101,100)

Effective for sales and purchases made after March 31, 2014.

### EXPLANATION OF THE BILL

This bill would repeal the sales and use tax on warehousing and storage services. The sales tax was imposed on storage and warehousing services in the 2013 legislative session and is effective April 1, 2014.

### REVENUE ANALYSIS DETAIL

- This estimate is based on the Minnesota Consumption Tax Model and the analysis that was performed during the 2013 legislative session.
- Fiscal year 2014 estimates are adjusted to reflect two months of 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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