MINNESOTA · REVENUE

SALES AND USE TAX
Temporary Amnesty for Agricultural Centers

March 25, 2014

	Yes	No
DOR Administrative Costs/Savings		x

Department of Revenue
Analysis of H.F. 3156 (Petersburg) As Proposed to be Amended (A14-0996)

	Fund Impact			
	F.Y. 2014	**F.Y. 2015**	**F.Y. 2016**	**F.Y. 2017**
	(000's)			
All Funds	*	$0	$0	$0

* The bill will result in a revenue loss in FY 2014, but disclosure rules prevent the release of an estimate.

Effective the day following final enactment.

EXPLANATION OF THE BILL
As proposed to be amended, this bill creates a sales and use tax amnesty for unpaid sales tax attributable only to sales of tickets or admissions to a performance or event on the premises of a tax-exempt organization under sections 501(c)(3) of the Internal Revenue Code, provided that the organization is primarily engaged in the business of preserving Minnesota's rural agricultural heritage and educating the public about rural history and how farms in Minnesota helped provide food to the nation and the world. The organization must begin collecting the sales and use tax on sales of tickets or admissions by July 1, 2014.

The organization would qualify for this exemption if the premises of the organization is at least 115 acres, the performances are sponsored or conducted exclusively by volunteers, employees of the organizations, or members of the board of directors of the organization, and the performances are consistent the organizations stated purposes.

This amnesty applies to qualifying organizations that received notice of the commencement of an audit and the audit is not finally resolved. This amnesty applies to the period from January 1, 2008, and June 30, 2014. The amnesty does not apply to sales and uses taxes already paid or remitted to the state or to sales and use taxes already collected by the seller.

REVENUE ANALYSIS DETAIL

- This bill would potentially apply to a very limited number of taxpayers. Minnesota Statutes, Chapter 270B, prevents the Department from disclosing taxpayer identifiable data. The limited number of taxpayers potentially impacted does not provide the Department with enough data to summarize in order to properly protect the data of individual taxpayers.

Source: Minnesota Department of Revenue
Tax Research Division
www.revenue.state.mn.us/research_stats/Pages/Revenue-Analyses.aspx

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