

Moose Lake 0.5 Percent Sales And Use Tax

Starting October 1, 2017, Moose Lake will have a 0.5 percent sales and use tax. The Minnesota Department of Revenue will administer this tax. Revenues will provide funding for improvements to the City's park system, street and infrastructure improvements, and improvements to Riverside Arena in Resolution 17-06-03 and Ordinance Number 163.

This 0.5 percent sales tax applies to retail sales made within Moose Lake. The use tax applies to taxable items used in the City if the local sales tax was not paid.

For more information about local taxes, see Fact Sheet 164, Local Sales and Use Taxes. It is available on our website, www.revenue.state.mn.us.

Who must register

All retailers who are doing business in Moose Lake and are registered for Minnesota sales tax. This includes sellers outside Moose Lake if they do any of the following:

- Have an office, distribution, sales, sample or warehouse locations, or other place of business in Moose Lake, either directly or by a subsidiary.
- Have a representative, agent, salesperson, canvasser, or solicitor in Moose Lake, either on a permanent or temporary basis.

This includes anyone, who operates under the authority of the retailer or its subsidiary for any purpose. Examples include repairing, selling, installing, or soliciting orders for the retailer's taxable goods or services, or leasing tangible personal property in Moose Lake.

- Ship or deliver tangible personal property into Moose Lake.
- Perform taxable services in Moose Lake.

Registering for the tax

If you file Sales and Use Tax returns online, you can register for this tax either before or when you file your October 2017 return.

To register before you file:

1. Log in to e-Services and access your Sales and Use Tax account.
2. Click the "Account Information" tab.
3. To edit locations, click "Sales Locations" under "Additional Information".
4. In the "Existing Locations" list, click the "Location Code" number for the location you wish to edit.

5. Click "Edit Location" at the bottom of the page. If the General Information and the NAICS code are correct, click the "Next" button to proceed to the next screen.
6. If the address information is correct, click the "Next" button to proceed to the next screen. Click "Next" again to proceed to the list of local sales taxes.
7. Click the check box for "Moose Lake sales" and "Moose Lake use" Click "Next."
8. Review the page to verify that the new local tax is listed under Local sales and Other Taxes – "Moose Lake sales" and "Moose Lake use." Then click "Submit."
9. Review the "Confirmation Summary," Print, and Close.

To register when you file:

You can add a local tax when filing a return:

1. Select the dropdown arrow next to the blank row on the return.
2. Select the local tax that you need to add.
3. Enter the dollar amount for this local tax.

The new tax will be on your return the next time you file.

If you file by phone: You must register for this tax before you file your return. To register, call 651-282-5225 or email us at salesuse.tax@state.mn.us. If you send an email, include your Minnesota tax ID number.

Reporting the tax

Report the Moose Lake sales and use tax when you report your Minnesota Sales and Use tax. Each tax is reported on a separate line of your return. Moose Lake sales tax is line number 516; Moose Lake use tax is line number 517.

Use tax

Moose Lake use tax applies when you are located in the City and you buy items or services without paying the Moose Lake sales tax.

Use tax is similar to sales tax and the rates are identical. It is based on your cost of taxable purchases. Common examples of when you owe use tax are when you:

- Buy items on the Internet, by phone, or from any business for use in Moose Lake and the seller doesn't charge the local tax.
- Buy items for resale at your business in Moose Lake and then remove some of the items from inventory for business or personal use.

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Calculating the tax

To calculate the total tax due on a purchase:

1. Add the 6.875 percent state sales tax rate and the 0.5 percent Moose Lake tax rate.
2. Apply the combined 7.375 percent rate, plus any other local taxes that apply, to the sales price.

Refer to [Fact Sheet #164S](#), *Special Local Taxes*, for a list of special taxes that might apply.

3. Round the total to the nearest full cent.

You can download a 7.375 percent rate chart from our website or call us to request a paper rate chart.

When to charge the tax

Charge the Moose Lake sales tax when customers buy taxable items or services in the city, unless they give you a valid exemption certificate.

The tax applies to purchases for business or personal use, even if the customer is from elsewhere or takes the items out of Moose Lake.

Exemption certificates

If a customer gives you a fully completed exemption certificate for state sales tax, also use that certificate as proof of exemption from the Moose Lake sales and use tax.

Local governments

Local governments are not required to pay the Moose Lake sales and use tax (or other local general sales taxes). No exemption certificate is necessary. But state sales tax may apply.

Handling Transitional Sales

Moose Lake sales and use tax applies to sales on or after October 1, 2017, but the tax does not apply to the following:

- Lease payments for tangible personal property and motor vehicles that include periods before October 1, 2017. (The tax does apply to payments for periods that begin on or after that date.)
- The purchase of tangible personal property ordered before October 1, 2017, if the transfer of title or possession is prior to that date.
- The purchase of taxable services, including utility services, if the billing period includes charges for services furnished before and after October 1, 2017, (But the tax does apply if the billing period begins with services furnished on or after that date.)
- The purchase of admission tickets if they are paid for before October 1, 2017, even if the event occurs after that date.
- The purchase of construction materials used to complete a lump sum or fixed price construction contract that was signed and enforceable before October 1, 2017, but only if all the following are true:
 - The contract does not provide for an allocation of future taxes.
 - The materials are used exclusively in performing the contract.
 - The materials are delivered before April 1, 2018.

Information and Assistance

Call: 651-296-6181 or toll-free 1-800-657-3777

Fax: 651-556-3102

Email: salesuse.tax@state.mn.us

Write: Minnesota Revenue
Sales and Use Tax Division
Mail Station 6330
St. Paul, MN 55146-6330

Or visit our website at www.revenue.state.mn.us