

MINNESOTA · REVENUE

Proctor 1.0 Percent Food and Beverage Tax

Starting April 1, 2015, the city of Proctor will have a 1.0 percent Food and Beverage tax that will be administered by the Minnesota Department of Revenue. The proceeds will be used to fund construction and improvement of walking and bicycle trails, multiuse civic center facility and parking improvements, and improvements to a road through the fairgrounds.

[Fact Sheet 164S, Special Local Taxes](#), has more information about special local taxes.

Food and Beverage Tax

The 1 percent tax applies to food and beverage sales by a restaurant or place of refreshment in the city of Proctor.

This tax applies to all sales of:

- Food that is subject to the 6.875 percent Minnesota general sales tax
- Beverages that are subject to the 6.875 percent Minnesota general sales tax, including on-sale alcoholic beverages

Note: This tax generally applies whether the food or beverages are for consumption on or off the premises. However, the tax does not apply to off-sale alcoholic beverage sales.

Restaurant or Place of Refreshment

“Restaurant or place of refreshment” means any operation that:

- is located in part (or all) of a building, structure, or enclosed area; and
- prepares, serves, or provides food or beverages for human consumption.

Examples include (but are not limited to):

- fast food, sit down, carry-out, delivery, drive in, or drive-thru restaurants
- cafes, delis, tea rooms, or coffee houses
- bars, saloons, clubs, pubs, or dance clubs
- concession stands or ten centers
- sidewalk vendors

Who must register

All sellers of food and beverages who are doing business in the City of Proctor and are registered for Minnesota sales tax.

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 an April 2015 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.”
4. In the “Existing Locations” list, click the “Location Code” number for the location you wish to edit.
5. Click “Click Here to Edit Local Information.”
6. Click the check box for “Proctor Food and Beverage”. Select April 1, 2015.
7. Click “OK.” Click “Submit.”

To register when you file:

1. In the “Enter Taxable Sales and Purchases” table or screen, click in the last row in the Tax Type column.
2. A drop-down menu will become active; use it to select “Proctor Food and Beverage”. This will add a row for the tax.
3. If you have multiple locations, type in the appropriate location number. (If you are a single location filer, it will assume you want to add this for location “001.”)
4. Enter an amount in the local tax line you added. Next time you file, this line will automatically appear in your return.

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.

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Reporting the tax

Report Proctor food and beverage tax when you report your Minnesota Sales and Use tax. You report these figures on separate lines. Proctor food and beverage tax is line number 566.

Calculating the tax

To calculate the total tax due on a purchase:

1. Add the 6.875 percent state sales tax rate, the 0.5 percent Proctor general local tax rate, the 0.5 St. Louis County Transit tax rate (effective 4/1/15 see St. Louis County Transit tax notice) and the 1 percent Proctor food and beverage rate.
2. Apply the combined 8.875 percent rate to the sales price.
3. Round the sales price to the nearest cent.

You can get an 8.875 percent rate chart on our website, or ask us for a paper rate chart.

When to charge the tax

Charge the Proctor food and beverage tax to all sales of food and beverages, unless they give you a valid exemption certificate.

Exemption certificates

If a customer gives you a completed exemption certificate for state sales tax, also use that certificate as proof of exemption from the Proctor food and beverage tax.

Handling Transitional Sales

Proctor food and beverage tax applies to sales on or after April 1, 2015, in addition to all other taxes in effect.

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