

April 8, 2021

	Yes	No
DOR Administrative Costs/Savings		x

Department of Revenue
Analysis of H.F. 9 (Greenman) 5th Engrossment – Article 4, Sections 30-31

	Fund Impact			
	<u>F.Y. 2022</u>	<u>F.Y. 2023</u>	<u>F.Y. 2024</u>	<u>F.Y. 2025</u>
		(000's)		
General Fund	\$2,100	\$3,500	\$3,000	\$3,500

Effective January 1, 2022

EXPLANATION OF THE BILL

Current Law: The political contribution refund provides a refund to individuals for contributions made to qualifying political parties and candidates. The maximum refund is \$50 for an individual and \$100 for a married couple filing jointly. The refund claim must be filed no later than April 15 of the calendar year following the calendar year in which the contribution was made.

Proposed Law: The bill would repeal and eliminate the political contribution refund. Campaigns would stop providing refund receipts after July 1, 2021. The last date to claim a refund for 2021 is April 15, 2022.

REVENUE ANALYSIS DETAIL

- The estimates are based on the February 2021 forecast for the political contribution refund program.
- The bill allows claims to be made for calendar year 2021 through April 15, 2022. Campaigns are restricted from providing refund receipts after July 1, 2021. The fiscal year 2022 estimate is adjusted for a partial year impact. Fiscal year 2023 will be the first full year impact from the repeal.

Number of Taxpayers: Approximately 35,000 Minnesota residents submitted claims for political contribution refunds in 2019.

Minnesota Department of Revenue
Tax Research Division
<https://www.revenue.state.mn.us/revenue-analyses>