

2025 MISCELLANEOUS TAXES LEGISLATIVE BULLETIN



Appeals, Legal Services, and Disclosure Division
600 N. Robert St.
St. Paul, MN 55146-2220

8/18/25 FINAL

Tax expenditure review commission. Minn. Stat. § 3.192 was amended to require a 60-day time frame for the chairs of the house and senate tax committees to submit a statement of objective to the commission for each bill enacted that creates, renews, or continues a tax expenditure. The statement of objective is for the commission to evaluate the effectiveness of the expenditure. Effective on June 15, 2025 for tax expenditures authorized in this act. Minn. Stat. § 3.8855, subds. 2 – 5 and 8 were amended to address administrative matters of the commission. Effective June 15, 2025. Minn. Stat. § 3.8855, subd. 7, was amended to change the due date of the commission’s report to February 15 of each year. Effective June 15, 2025. 2025 Minn. Laws, 1st Spec. Sess., Ch. 13, Art. 8, §§ 1 – 7.

Consumer protection restitution account. Minn. Stat. § 8.31, subd. 2c, was amended to require undistributed money that cannot reasonably be distributed to victims to be deposited in the newly created Consumer Protection Restitution Account. Effective July 1, 2025. Minn. Stat. § 8.37 created the Consumer Protection Restitution Account in the special revenue fund. Fifty percent of all the money recovered, up to \$5,000,000 each fiscal year, from consumer enforcement actions payable to the state and is not designated for consumer compensation or another specific purpose must be deposited in the consumer protection restitution account. The other 50 percent must be deposited in the general fund. The money in the account can only be used to distribute to eligible consumers and for the costs to administer the account. The attorney general must post an annual report on its website and provide the report to the legislature. Effective July 1, 2025. 2025 Minn. Laws, 1st Spec. Sess., Ch. 13, Art. 8, §§ 8 and 9.

Passenger rail account transfers. Minn. Stat. § 174.634, subd. 2, was amended to move back to July 15, 2029, from 2027 when the commissioner must start transfers from the general fund to the passenger rail account. This transfer will equal 50 percent of the portion of the state general tax levied on railroad operating property in the prior calendar year. Effective July 1, 2025. 2025 Minn. Laws, 1st Spec. Sess., Ch. 8, Art. 2, § 63.

Tax Expenditure Budget Report. Minn. Stat. 270C.11, subd. 4, was amended to modify the information that the commissioner provides to the legislature to include the objective of the tax expenditure. Effective on June 15, 2025. 2025 Minn. Laws, 1st Spec. Sess., Ch. 13, Art. 8, § 12.

Tax Preparer Enforcement Standard of Conduct. Minn. Stat. § 270C.445, subd. 3, was amended to clarify that it is a violation of the standards of conduct for a tax preparer to take ownership or control or establish an account in the preparer’s name for any department payment paid to a client. Effective for taxable years beginning after December 31, 2024. 2025 Minn. Laws, 1st Spec. Sess., Ch. 13, Art. 11, § 1.

Enforcement; administrative order; penalties; cease and desist. Minn. Stat. § 270C.445, subd. 6, was amended to lengthen the timelines for the parties and the Office of Administrative Hearings to act in a contested case proceeding regarding a cease and desist order and/or administrative penalty issued to a tax preparer. Also, this change clarified that a contested case proceeding is commenced by the issuance of a notice of an order for hearing. Effective for penalties assessed and orders issued after June 15, 2025. 2025 Minn. Laws, 1st Spec. Sess., Ch. 13, Art. 11, § 2.

Return by qualified heirs. Minn. Stat. § 289A.12, subd. 18, was amended to remove the first informational estate tax return requirement. Effective June 15, 2025. 2025 Minn. Laws, 1st Spec. Sess., Ch. 13, Art. 11, § 4.

Penalties relating to property tax refunds and certificates of rent paid. Minn. Stat. § 289A.60, subd. 12, was amended to reduce the penalty for an owner failing to give a certificate of rent paid (CRP) to a renter from \$100 to \$50, removes the reasonable cause exception, and allows the penalty to be abated under the abatement authority in Minn. Stat. § 270C.34. Minn. Stat. § 289A.60, subd. 12, was further amended to create a \$50 penalty for each time the owner fails to file a CRP with the commissioner, which can be abated under the abatement authority in Minn. Stat. § 270C.34. Minn. Stat. § 290.0693, subd. 4, was amended to require the owner or managing agent to furnish the CRP to the commissioner on or before January 31 and imposes a penalty on owners who fail to furnish CRPs to the renter or commissioner by adding a cross-reference to the penalty imposed under Minn. Stat. § 289A.60, subd. 12. Minn. Stat. § 290A.19 was amended to require the park owner to furnish the CRP to the commissioner on or before March 1 and imposes a penalty on park owners who fail to furnish CRPs to the renter or commissioner by adding a cross-reference to the penalty imposed under Minn. Stat. § 289A.60, subd. 12. Effective for rent paid after December 31, 2025. 2025 Minn. Laws, 1st Spec. Sess., Ch. 13, Art. 8, §§ 13 – 15.

Annual cash count requirement. Minn. Stat. § 297E.06, subd. 4, was amended to repeal the requirement that an organization licensed under chapter 349 (Lawful Gambling) perform and file an annual cash count report at the end of its fiscal year. Effective July 1, 2025. 2025 Minn. Laws, 1st Spec. Sess., Ch. 13, Art. 11, § 5.

Film production credit. Minn. Stat. § 297I.20, subd. 4(b), was amended to extend the expiration date of the ability of insurers to use film production credits to offset the insurance premium tax. This offset opportunity will now expire January 1, 2031, for taxable years beginning after and premiums received after December 31, 2030. This extension aligns the offset opportunity with the expiration of the underlying film production credit program, which was extended through 2030 via 2023 Minn. Laws, Ch. 64, Art. 1, § 33. Effective June 15, 2025. 2025 Minn. Laws, 1st Spec. Sess., Ch. 13, Art. 11, § 6.

Exemption notice. Minn. Stat. § 571.72, subs. 8 and 10, were amended to change the garnishment notice form sent to debtors to reflect changes to statutory exemption rights and the calculations for wage garnishments. The changes do not affect the Department of Revenue. Effective June 1, 2025. 2025 Minn. Laws, Ch. 18, §§ 12 and 13.

Garnishee disclosure. Minn. Stat. § 571.75, subd. 2, was amended to change the garnishee disclosure form sent to garnishees to reflect changes to statutory exemption rights and the calculations for wage garnishments. The change does not affect the Department of Revenue. Effective June 1, 2025. Minn. Laws, Ch. 18, § 15.

Limitations on wage garnishment. Minn. Stat. § 571.922(b)(i), was amended to change the cross-reference to determine hourly minimum wage from Minn. Stat. § 177.24, subd. 1(a)(3) to Minn. Stat. § 177.24, subd. 1(a)(4). The change instructs creditors and debtors to use the state minimum wage plus inflation instead of the static state minimum wage to determine a debtor's disposable income. The change does not affect the Department of Revenue. Effective August 1, 2025. 2025 Minn. Laws, 1st Spec. Sess., Ch. 4, Art. 7, § 34.

Statute of Limitations. 2023 Minn. Laws, Ch. 1, § 28, was amended to correct an incomplete cross-reference. Effective retroactively at the same time the changes incorporated in Laws 2023, chapter 1, were effective for federal purposes. 2025 Minn. Laws, 1st Spec. Sess., Ch. 13, Art. 11, § 7.