

March 25, 2026

	<b>Yes</b>	<b>No</b>
DOR Administrative Costs/Savings		X

Department of Revenue  
Analysis of S.F. 2437 (Dibble) As Proposed to be Amended (SCS2437A-1)

	<b>Fund Impact</b>			
	<b>F.Y. 2026</b>	<b>F.Y. 2027</b>	<b>F.Y. 2028</b>	<b>F.Y. 2029</b>
		(000's)		
Environmental Fund	\$0	(\$30)	(\$30)	(\$30)
General Fund	\$0	(\$10)	(\$10)	(\$10)
Total – All Funds	\$0	(\$40)	(\$40)	(\$40)

Effective July 1, 2026.

**EXPLANATION OF THE BILL**

**Current Law:** The solid waste management tax (SWMT) is imposed on charges for the collection and disposal of solid waste. The current rate is 9.75% for residential services and 17% for commercial services and self-haulers. A 501(c)(3) organization is considered a commercial generator.

**Proposed Law:** A 501(c)(3) organization that receives donations for resale from single-family residences or other residential generators will be considered a residential generator and will pay the residential rate of 9.75% instead of the 17% rate.

**REVENUE ANALYSIS DETAIL**

- It is assumed that about 200 nonprofit generators would change from the commercial to the residential rate.
- The Fiscal 2025 collections of the SWMT at the commercial rate is used as the starting point of the estimate.
- The commercial rate is scaled to the residential rate for the estimated population of qualifying entities.
- Solid waste management tax collections from the February 2026 forecast are used to grow the estimates.
- The fiscal year 2027 estimates are adjusted for eleven months of collections.

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