

Policy and Technical Changes

April 3, 2026

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue
 Analysis of S.F. 4690 (Rest), As Proposed to be Amended (A26-0143)

	Fund Impact			
	<u>F.Y. 2026</u>	<u>F.Y. 2027</u>	<u>F.Y. 2028</u>	<u>F.Y. 2029</u>
		(000's)		
General Fund	\$0	\$0	\$0	\$0

Various effective dates.

EXPLANATION OF THE BILL

A summary of the bill prepared by the Appeals and Legal Services Division of the Department of Revenue is attached.

REVENUE ANALYSIS DETAIL

- The bill has no revenue impact since it contains technical changes that do not change tax liability.

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

2026 DEPARTMENT OF REVENUE POLICY AND TECHNICAL BILL SUMMARY



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

SF 4690 as proposed to be amended by A26-0143

ARTICLE 1: INDIVIDUAL INCOME AND CORPORATE FRANCHISE TAXES

Sections 1-3. Composite tax election for accelerated installment sales gain. Amends Minn. Stat. § 289A.08, subd. 7, by creating a new paragraph (h), which permits a nonresident owner that incurs an accelerated gain on certain installment sales in section 290.0137, paragraph (a), to elect to report the accelerated gain on a composite tax return. Previous paragraph (h), and the remaining paragraphs in subdivision 7, are re-lettered. Conforming amendments are made to Minn. Stat. §§ 290.01, subd. 19, paragraph (h), and 290.0137, paragraph (c). Effective for taxable years beginning after December 31, 2025.

ARTICLE 2: PROPERTY TAXES

Sections 1 and 2. Expired property tax programs. Amends Minn. Stat. § 273.032, to remove references to two expired valuation exclusions for improvements to certain business property damaged by floods in 1997 or 2002. Amends Minn. Stat. § 273.111, subd. 9, to delete an expired provision of the Green Acres Program. Effective the day following final enactment.

Sections 3-5. Information not required by the commissioner. Amends Minn. Stat. §§ 428A.02, subd. 1 (special service districts) and 428A.13, subd. 1 (housing improvement areas), to remove the requirement for the governing body to send a copy of the applicable ordinance to the commissioner of revenue. Amends Minn. Stat. § 469.175, subd. 4a, to remove the requirement for the authority to file the tax increment financing plan and development plan with the commissioner of revenue. Effective the day following final enactment.

Section 6. Expired property tax programs, terminated aid programs, and obsolete personal property lists. Repeals Minn. Stat. §§ 272.02, subd. 31 (business incubator property), 273.11, subs. 19 and 20 (valuation exclusions for improvements to certain business property damaged by floods in 1997 or 2002), and 273.1315, subd. 1 (class 1b homestead declaration before 2009), to remove references to expired property tax programs. Repeals Minn. Stat. § 273.1385 as this aid for a Public Employers Retirement Association employer rate increase ended on June 30, 2020. Repeals Minn. Stat. §§ 273.25, 273.65, 273.66, 273.67, and 274.07 as the personal property in these statutes is no longer taxed. Repeals Minn. Stat. § 428B.02, subd. 7, to remove the requirement for the governing body to send a copy of the applicable ordinance to the

commissioner of revenue. Repeals Minn. Stat. § 477A.085 for debt service aid to Minneapolis that ended after aid was paid in 2021, and Minn. Stat. § 477A.18 providing production property transition that ended after aid was paid in 2020. Effective the day following final enactment.

ARTICLE 3: MISCELLANEOUS; ECONOMIC DEVELOPMENT

Sections 1-5, 7-10, 12-14, and 16. Expired Job Opportunity Building Zone program.

Amends Minn. Stat. §§ 123B.53, subd. 1, 123B.535, subd. 1, 268.19, subd. 1, 270B.14, subd. 3, 270B.15, 290.01, subd. 29, 290.0921, subd. 3, 290.0922, subds. 2 and 3, 297A.75, subds. 1-3, 297B.03, and 477A.18, subd. 1, to remove references to the expired Job Opportunity Building Zone program. Repeals Minn. Stat. §§ 272.02, subd. 64, 272.029, subd. 7, 289A.12, subd. 15, 290.06, subd. 29, 297A.68, subd. 37, 469.310, 469.311, 469.312, 469.313, 469.314, 469.315, 469.316, 469.317, 469.318, 469.3181, 469.319, 469.3191, 469.3192, 469.3193, 469.320, and 469.3201, to remove references to the expired Job Opportunity Building Zone program. Effective the day following final enactment.

Section 6. Consolidation of venue. Amends Minn. Stat. § 270C.055 by adding subdivision 4, which applies when two or more criminal offenses under state revenue laws or chapter 349 (Lawful Gambling) are committed by the same person in multiple counties. The new subdivision provides that unless otherwise provided in Chapter 289A, the accused person may be prosecuted for all offenses in any county where one offense was committed. Effective for criminal offenses committed after July 31, 2026.

Section 11. Volunteer ambulance services. Amends Minn. Stat. § 295.52, subd. 5, to correct the reference to “volunteer ambulance attendant” defined in Minn. Stat. § 144E.001, subd. 15. Effective the day following final enactment.

Section 15. Deposit of revenues on the sale and purchase of motor vehicles repair and replacement parts. Amends Minn. Stat. § 297A.94 to require the commissioner of revenue to update the estimated monthly deposit amount related to revenues from taxes on the sale and purchase of motor vehicle repair and replacement parts following a change in the law. An updated deposit amount is required if a law changes the tax rate, or percentages, after the amount is determined and before July 1. The commissioner must update any change in the deposit amount by July 15. Effective retroactively from January 1, 2026.

A26-0143 Amendment. Requesting agency definition. Amends Minn. Stat. § 299C.76, subd. 1, para. (e) to add the Office of Legislative Auditor as a requesting agency in order to complete Internal Revenue Service compliant criminal background checks on its own employees. Effective the day following final enactment.