

**Form UT1, Individual Use Tax Return**



You can file and pay use tax electronically on our website at [www.revenue.state.mn.us](http://www.revenue.state.mn.us). Read the instructions before completing this form.

Your Name			Social Security Number
Street Address			Year Items Were Purchased
City	State	ZIP Code	County in which you live

**1** Amount paid for *all* taxable purchases on which the sellers did not charge and collect the appropriate amount of sales and/or local taxes ..... **1** \_\_\_\_\_  
 Purchase price (included on line 1) for the following:

- a Aircraft. . . . . Purchase price \_\_\_\_\_ Aircraft N Number \_\_\_\_\_
- Snowmobile . . . . . Purchase price \_\_\_\_\_
- Watercraft . . . . . Purchase price \_\_\_\_\_
- All-Terrain Vehicle. . . . . Purchase price \_\_\_\_\_

**2** Amount included in line 1 for items purchased for *personal* use from sellers that are not registered or required to be registered to collect Minnesota sales tax (e.g., out-of-state sellers) ..... **2** \_\_\_\_\_

**3** Purchases subject to use tax. If line 2 is \$770 or less, subtract line 2 from line 1. If line 2 is more than \$770, enter the amount from line 1 ..... **3** \_\_\_\_\_

**4** Minnesota general use tax:  
 Enter the total purchase price from line 3 ..... X .06875 = **4** \_\_\_\_\_

**5** Liquor gross receipts use tax. If line 3 includes purchases of alcoholic beverages:  
 Enter the purchase price ..... X .025 = **5** \_\_\_\_\_

**6** Local use taxes. If you live in a local tax area and did not pay local tax on your purchases, you owe local use tax (*see instructions for more information*)

Local Tax	Purchase Price	X	Rate	=	6a
a _____	_____	X	_____	=	_____
b _____	_____	X	_____	=	_____
c _____	_____	X	_____	=	_____
d _____	_____	X	_____	=	_____
e _____	_____	X	_____	=	_____
f _____	_____	X	_____	=	_____
g _____	_____	X	_____	=	_____
h _____	_____	X	_____	=	_____
i _____	_____	X	_____	=	_____

Total local use taxes due (*add lines 6a through 6i*) ..... **6** \_\_\_\_\_

**7** Add lines 4, 5, and 6 ..... **7** \_\_\_\_\_

**8** Credit for general sales and local taxes already paid to Minnesota or to another state (*see instructions*). If no sales or local taxes were paid, enter zero ..... **8** \_\_\_\_\_

**9** Total use tax due (*subtract line 8 from line 7*). If zero or less, enter zero ..... **9** \_\_\_\_\_

**10** Penalty (*see instructions*) ..... **10** \_\_\_\_\_

**11** Interest (*see instructions*) ..... **11** \_\_\_\_\_

**12** Add lines 9, 10 and 11. This is the **TOTAL AMOUNT DUE** ..... (Make check payable to Minnesota Revenue.) **12** \_\_\_\_\_

I declare that this return is correct and complete to the best of my knowledge and belief.

Signature	Date	Daytime phone	<input type="checkbox"/> I authorize the Minnesota Department of Revenue to discuss this tax return with the preparer.
Paid preparer's signature	Minnesota tax ID, SSN or PTIN	Date	

**If you choose to file a paper return, complete this form and mail it with your check to:**  
 Minnesota Department of Revenue, Mail Station 1125, 600 N. Robert St., St. Paul, MN 55146-1125

# Instructions for Form UT1

## What is use tax?

Use tax is the counterpart of sales tax. You owe use tax when Minnesota sales tax is not charged on taxable items you buy, whether you buy them in Minnesota or outside the state.

For example, if you travel to another state or country and bring back items that are normally taxed in Minnesota, you owe use tax on those purchases. The same applies if you buy taxable items through catalogs or the internet and Minnesota sales tax is not charged on the purchase.

Use tax does not apply to items currently tax exempt in Minnesota, such as clothing, prescription drugs for humans, and most groceries.

If the items you're buying are for your personal use (as opposed to buying items to use in a business), you can buy up to \$770 worth of taxable goods during the calendar year without paying use tax. If your purchases total more than \$770, you must pay use tax.

Minnesota's use tax rate is the same as the state sales tax rate (6.875 percent). If you live in an area with one or more local use taxes, you owe local use tax on your purchases as well.

**Watercraft, snowmobiles, ATVs and aircraft.** Sales or use tax is due on all purchases of watercraft, snowmobiles, ATVs and aircraft, regardless if the item is registered with the Department of Public Safety or Transportation (Aeronautics). Tax is generally paid at the time the item is purchased. However, if tax was not paid at the time of purchase or when the item was registered, use Form UT1 to report use tax.

**Alcoholic beverages.** If you enter Minnesota with more than one liter of intoxicating liquor or more than 288 ounces of malt liquor, on which you did not pay Minnesota tax, you may also be required to file and pay alcoholic beverage excise tax. For details, see Form LB58, *Alcoholic Beverage Excise Tax Return*.

**Cigarettes products.** When you buy cigarettes in Minnesota, the price you pay includes Minnesota Cigarette Excise Tax and the Cigarette Sales Tax. If you buy cigarettes outside the state and are not charged these Minnesota taxes, you may also need to file Form CT203, *Cigarette Use Tax Return*.

**Tobacco products.** When you buy tobacco products in Minnesota, the price you pay includes Minnesota Tobacco Tax. If you buy tobacco products outside the state and are not charged Minnesota tax, you may need to file Form CT303, *Tobacco Use Tax Return*, with Form UT1.

## How to File and Pay Use Tax

### Individuals and Businesses not Required to Have a Minnesota Tax ID Number

If your purchases are for your personal use, or if you are not required to have a Minnesota tax ID number and your purchases were made for business use (i.e., your business doesn't make taxable sales, doesn't have employees and you file the business income under your Social Security number using federal Schedule C), you must file and pay use tax using your Social Security number.

File and pay use tax in one of the following ways:

- Complete Form UT1 and mail it with your check by the due date to the address provided at the bottom of the form
- Go to our website at [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and click **Individuals**. Click **Use Tax for Individuals** under **Other Individual Taxes, Refunds, Reporting**. Follow the instructions to file electronically.

### Businesses

If you are a business and have or are required to have a Minnesota tax ID number, you must report and pay use tax electronically using our e-Services system. **Do not file Form UT1.**

Before you can file or pay use tax, you need a Minnesota tax ID number. To register, go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and click **Register for a Tax ID Number** under **Businesses**. You can also register by phone at 651-282-5225 or 1-800-657-3605.

## Due dates

### Individuals

If your purchases subject to use tax were for personal use, you must file an annual return by April 15 of the following year.

### Businesses not required to have a Minnesota tax ID number

If your purchases subject to use tax were for business use and total \$18,500 or less for the year, file a return and pay the tax due by April 15 of the following year.

If your total purchases subject to use tax exceeds \$18,500 before the end of the year, your return and payment are due by the 20th day following the end of the month in which your purchases exceeded \$18,500.

**If you do not file a use tax return voluntarily**, you may be billed for the use tax you owe as information about purchases subject to use tax becomes available to us. Your bill will include penalty and interest charges if applicable.

## Completing Form UT1

### Line 1

Enter the total amount paid for *all* taxable items you purchased on which the sellers did not charge and collect the appropriate amount of sales or local use taxes. Do not include any state sales or local taxes that were collected at the time of sale in the total on line 1.

### Line 1a

Enter the amount you included on line 1 for the purchase of aircraft, snowmobile, watercraft, and all-terrain vehicles. You cannot register or license an aircraft, snowmobile, watercraft, or all-terrain vehicle in Minnesota until you pay the correct sales or use tax or claim a valid exemption.

*Continued*

## Line 2

Of the amount on line 1, determine the amount you paid to purchase items *for personal use* from out-of-state sellers or other sellers that are not required to collect Minnesota sales tax.

For example, if you bought taxable items over the Internet, by mail order, or from a shopping channel, and the seller did not collect Minnesota sales tax, enter the purchase price on line 2. Also include any taxable purchases you made from an out-of-state seller that properly collected another state's sales tax at a rate lower than Minnesota's.

Do not include any state sales and/or local taxes that were collected at the time of sale.

## Line 3

If line 2 is \$770 or less for the year, your personal-use purchases are exempt from use tax. Subtract line 2 from line 1 and enter the result on line 3. If line 2 is more than \$770, you must pay use tax on your total personal-use purchases. Enter the amount from line 1 on line 3.

## Line 4

Minnesota's general state sales tax rate is 6.875 percent. Enter the amount from line 3 and calculate general rate sales tax due.

## Line 5

Purchases of alcoholic beverages are taxed at a rate 2.5 percent higher than the general sales tax rate. Multiply your total purchases of alcoholic beverages included in line 3 by 2.5 percent.

## Line 6

If you live in certain areas, you also owe local use tax on your purchases. Refer to the **Local Use Tax Rate Chart** on the last page of these instructions for a full list.

The list is current for local taxes effective on or before 01/01/2023. Check our website to see if any local taxes were implemented after this date.

Local sales and use taxes are updated quarterly. To determine the appropriate tax rate use one of the tools on our website; search the keyword sales tax rate map or sales tax calculator.

**Note:** You may owe multiple local use taxes on your purchases. Enter the same purchase price for each applicable tax rate.

## Line 8

You are allowed a credit for any general sales and/or local taxes paid on the purchases to Minnesota or to another state. The credit is limited to the 6.875 percent general sales tax rate charged by Minnesota, plus any applicable local taxes.

If you paid the correct amount of Minnesota sales tax, but not the correct local tax, you may deduct the Minnesota sales tax paid when determining the use tax due on your purchases.

If you paid sales tax to another state at a rate lower than Minnesota's rate, fill in the amount you paid on line 8. If the other state's rate is the same or higher, enter the amount equal to the 6.875 percent rate.

You cannot claim a credit for more than the correct amount of sales and local taxes you would have paid had you made the purchases in the city or county in which you live.

**You are not allowed credit for customs duty charges or tax paid to other countries.**

## Lines 10 and 11

If you don't pay the use tax you owe on time, you must pay penalty and interest. If your payment is 1 to 30 days late, the penalty is 5 percent of the unpaid tax; 31 to 60 days late, 10 percent; more than 60 days late, 15 percent. If you also don't file your return on time, add an additional 5 percent to the above penalty.

Figure interest on the tax plus penalty from the due date until the date the total is paid. The interest rates for the following years are:

2023 – 5%    2022 – 3%    2021 – 3%    2020 – 5%

Use the following formula to figure interest:  $(\text{tax} + \text{penalty}) \times \# \text{ of days late} \times \text{interest rate} \div 365$

## Use of Information

All information on your return is private by state law. It cannot be given to others without your consent, except to the Internal Revenue Service and to other states that guarantee the same privacy.

Your name, address and Social Security number are required for identification. Information about your taxable purchases is required to determine your correct tax. We ask for your phone number so we can call you if we have a question.

## Information and Forms

Website: [www.revenue.state.mn.us](http://www.revenue.state.mn.us)

Phone: 651-296-6181 or 1-800-657-3777

Email: [SalesUse.tax@state.mn.us](mailto:SalesUse.tax@state.mn.us)

This information is available in alternate formats.

### Example:

#### How to figure penalty and interest

You owe \$130 in use tax for purchases made in 2021. The due date for filing a return and paying use tax is April 15, 2022.

You file Form UT1 and make your payment on March 15, 2023 (334 total days late).

Your unpaid tax = \$130.00

#### Penalties

Late-payment penalty for more than 60 days late (15%) = \$19.50

Late-filing penalty (5%) = \$6.50

**Enter on line 10** ..... **\$26.00**

#### Interest (using formula):

Number of days late in 2022 = 260

Interest rate for 2022 = 3% (.03)

Number of days late in 2023 = 74

Interest rate for 2023 = 5% (.05)

$(\$130 + \$26) \times 260 \times .03 \div 365 = \dots \$3.33$

$(\$130 + \$26) \times 74 \times .05 \div 365 = \dots \underline{1.58}$

**Enter on line 11** ..... **\$4.91**

# Local Use Tax Rate Chart

City/County	Rate	Begin date
Albert Lea	0.5%	04/01/2006
Anoka County Transit	0.25%	10/01/2017
Austin	0.5%	04/01/2007
Avon	0.5%	10/01/2019
Baxter	0.5%	10/01/2006
Becker County Transit	0.5%	07/01/2014
Beltrami County Transit	0.5%	04/01/2014
Bemidji	0.5%	01/01/2006
Benton County Transit	0.5%	10/01/2019
Blue Earth	0.5%	10/01/2019
Blue Earth County Transit	0.5%	04/01/2016
Brainerd	0.5%	04/01/2007
Brown County Transit	0.5%	04/01/2016
Cambridge	0.5%	10/01/2019
Carlton County	0.5%	04/01/2023
Carlton County Transit	0.5%	04/01/2015
Carver County Transit	0.5%	10/01/2017
Cass County Transit	0.5%	04/01/2016
Chisago County Transit	0.5%	04/01/2016
Clay County	0.5%	10/01/2017
Clearwater	0.5%	10/01/2008
Cloquet	0.5%	04/01/2013 to 03/31/2023
Cloquet	1.0%	04/01/2023
Cook County	1.0%	04/01/2010
Cook County Transit	0.5%	01/01/2017
Crow Wing County Transit	0.5%	04/01/2016
Dakota County Transit	0.25%	10/01/2017
Detroit Lakes	0.5%	10/01/2019 to 06/30/2023
Dodge County Transit	0.5%	01/01/2019
Douglas County Transit	0.5%	10/01/2014
Duluth	1.5%	10/01/2019
East Grand Forks	1.0%	01/01/2018 to 09/30/2020
Edina	0.5%	04/01/2023
Elk River	0.5%	10/01/2019
Excelsior	0.5%	10/01/2019
Fairmont	0.5%	10/01/2017
Fergus Falls	0.5%	10/01/2023
Fillmore County Transit	0.5%	01/01/2015
Freeborn County Transit	0.5%	01/01/2016
Glenwood	0.5%	01/01/2020
Goodhue County Transit	0.5%	01/01/2019
GKWMLL Sanitary District (1)	1.0%	01/01/2018
Grand Rapids	0.5%	04/01/2023
Hennepin County	0.15%	01/01/2007
Hennepin County Transit	0.5%	10/01/2017
Hermantown	1.0%	04/01/2013 to 03/31/2023
Hermantown	1.5%	04/01/2023

City/County	Rate	Begin date
Hubbard County Transit	0.5%	07/01/2015
Hutchinson	0.5%	01/01/2012
International Falls	1.0%	10/01/2019
Isanti County Transit	0.5%	07/01/2019
Itasca County	1.0%	04/01/2023
Kanabec County Transit	0.5%	01/01/2020
Kandiyohi County Transit	0.5%	04/01/2018
Koochiching County Transit	0.5%	04/01/2022
Lake County Transit	0.5%	04/01/2017
Lanesboro	0.5%	01/01/2012
Le Sueur County Transit	0.5%	04/01/2021
Litchfield	0.5%	07/01/2023
Lyon County Transit	0.5%	10/01/2015 to 06/30/2020
Mankato	0.5%	01/01/2000
Maple Grove	0.5%	04/01/2023
Marshall	0.5%	04/01/2013
McLeod County Transit	0.5%	01/01/2020
Medford	0.5%	04/01/2013
Metro Area Sales Tax for Housing	0.25%	10/01/2023
Metro Area Transportation	0.75%	10/01/2023
Mille Lacs County Transit	0.5%	01/01/2017
Minneapolis	0.5%	02/01/1987
Moorhead	0.5%	04/01/2023
Moose Lake	0.5%	10/01/2017
Morrison County Transit	0.5%	01/01/2018
Mower County Transit	0.5%	01/01/2018
New London	0.5%	10/01/2017
New Ulm	0.5%	04/01/2001
Nicollet County Transit	0.5%	01/01/2018
Nobles County Transit	0.5%	01/01/2021
Norman County Transit	0.5%	07/01/2022
North Mankato	0.5%	10/01/2008
Oakdale	0.5%	04/01/2023
Olmsted County Transit	0.5%	07/01/2017
Otter Tail County Transit	0.5%	01/01/2016
Perham	0.5%	01/01/2020
Pine County Transit	0.5%	01/01/2017
Polk County Transit	0.25%	01/01/2018
Proctor	1.0%	10/01/2017
Ramsey County Transit	0.5%	10/01/2017
Redwood County Transit	0.5%	04/01/2019
Renville County Transit	0.5%	01/01/2023
Rice County Transit	0.5%	01/01/2014
Rochester	0.75%	01/01/2016
Rogers	0.25%	10/01/2019
Roseau County Transit	0.5%	01/01/2022
St. Cloud Area (2)	0.5%	01/01/2003
St. Louis County Transit	0.5%	04/01/2015
St. Paul	0.5%	01/01/2000
St. Peter	0.5%	07/01/2022

## Local Use Tax Rate Chart (cont.)

City/County	Rate	Begin date
Sauk Centre	0.5%	01/01/2020
Scanlon	0.5%	01/01/2020
Scott County Transit	0.5%	10/01/2015
Sherburne County Transit	0.5%	01/01/2019
Spicer	0.5%	10/01/2017
Staples	0.5%	04/01/2023
Stearns County Transit	0.25%	01/01/2018
Steele County Transit	0.5%	04/01/2015
Todd County Transit	0.5%	01/01/2015
Two Harbors	1.0%	10/01/2019
Virginia	1.0%	01/01/2020
Wabasha County Transit	0.5%	04/01/2016
Wadena County Transit	0.5%	04/01/2014
Waite Park	0.5%	04/01/2023

City/County	Rate	Begin date
Walker	1.5%	01/01/2018
Warren	0.5%	04/01/2023
Waseca County Transit	0.5%	04/01/2019
Washington County Transit	0.5%	10/01/2021
	0.25%	10/01/2017 to 09/30/2021
West St. Paul	0.5%	01/01/2020
Willmar	0.5%	10/01/2019
Winona County Transit	0.5%	01/01/2017
Worthington	0.5%	01/01/2020
Wright County Transit	0.5%	10/01/2017

(1) Garrison, Kathio, West Mille Lacs

(2) Includes St. Cloud, Sartell, Sauk Rapids, St. Augusta, St. Joseph, and Waite Park

\* For more information, see the *Local Sales and Use Tax Guide*