

HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 1590

03/09/2015 Authored by Davids
The bill was read for the first time and referred to the Committee on Taxes
04/29/2015 Adoption of Report: Placed on the General Register as Amended
Read Second Time

A bill for an act

1.1 relating to taxation; making technical and clarifying changes to individual
1.2 income and corporate franchise taxes, estate taxes, sales and use taxes, special
1.3 taxes, property taxes, and other taxes and tax provisions; amending Minnesota
1.4 Statutes 2014, sections 13.51, subdivision 2; 69.021, subdivision 5; 270.071,
1.5 subdivisions 2, 7, 8, by adding a subdivision; 270.072, subdivisions 2, 3, by
1.6 adding a subdivision; 270.12, by adding a subdivision; 270.82, subdivision 1;
1.7 270A.03, subdivision 5; 270B.14, subdivision 1; 270C.30; 270C.33, subdivision
1.8 8; 270C.34, subdivision 2; 270C.347, subdivision 1; 270C.35, subdivision
1.9 3, by adding a subdivision; 270C.38, subdivision 1; 270C.445, by adding
1.10 a subdivision; 270C.446, subdivision 5; 270C.72, subdivision 4; 270C.89,
1.11 subdivision 1; 271.06, subdivisions 2, 7; 272.02, subdivisions 9, 10; 272.0211,
1.12 subdivision 1; 272.025, subdivision 1; 272.029, subdivisions 2, 4, by adding a
1.13 subdivision; 272.0295, subdivision 4; 272.115, subdivision 2; 273.032; 273.061,
1.14 subdivision 7; 273.08; 273.121, by adding a subdivision; 273.124, subdivision
1.15 13; 273.33, subdivisions 1, 2; 273.371; 273.372, subdivisions 2, 4, by adding
1.16 subdivisions; 274.01, subdivision 1; 274.13, subdivision 1; 274.135, subdivision
1.17 3; 275.065, subdivision 1; 275.62, subdivision 2; 278.01, subdivision 1; 282.01,
1.18 subdivisions 1a, 1d; 287.2205; 289A.08, subdivisions 11, 16, by adding a
1.19 subdivision; 289A.09, subdivisions 1, 2; 289A.11, subdivision 1; 289A.12,
1.20 subdivision 14; 289A.38, subdivision 6; 289A.50, subdivision 7; 289A.60,
1.21 subdivision 28; 290.01, subdivisions 19b, 19c, 19d; 290.0671, subdivision
1.22 6a; 290.0672, subdivision 1; 290.091, subdivision 3; 290.0921, subdivision 3;
1.23 290.0922, subdivision 2; 290A.19; 290C.03; 290C.13, subdivision 3; 291.03,
1.24 subdivision 10; 291.031; 295.54, subdivision 2; 295.55, subdivision 6; 296A.01,
1.25 subdivisions 33, 42, by adding a subdivision; 296A.02, by adding a subdivision;
1.26 296A.07, subdivision 1; 296A.22, subdivision 9; 296A.26; 297A.82, subdivision
1.27 4a; 297D.02; 297E.02, subdivisions 3, 7; 297E.04, subdivision 1; 297E.05,
1.28 subdivision 4; 297E.06, subdivision 1; 297F.09, subdivision 1; 297F.23;
1.29 297G.09, subdivision 1; 297G.22; 297H.06, subdivision 2; 297I.05, subdivision
1.30 2; 297I.10, subdivisions 1, 3; 297I.30, by adding a subdivision; 297I.60,
1.31 subdivision 2; 298.01, subdivisions 3b, 4c; 469.319, subdivision 5; 477A.013, by
1.32 adding a subdivision; 477A.19, by adding subdivisions; 559.202, subdivision 2;
1.33 Laws 2014, chapter 308, article 1, section 14, subdivision 2; article 9, section
1.34 94; proposing coding for new law in Minnesota Statutes, chapters 290B; 293;
1.35 repealing Minnesota Statutes 2014, sections 273.111, subdivision 9a; 281.22;
1.36 290C.02, subdivisions 5, 9; 290C.06; Minnesota Rules, part 8092.2000.

1.38 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

ARTICLE 1

**DEPARTMENT OF REVENUE TECHNICAL PROVISIONS: INDIVIDUAL
INCOME AND CORPORATE FRANCHISE TAXES; ESTATE TAXES**

Section 1. Minnesota Statutes 2014, section 289A.08, subdivision 11, is amended to read:

Subd. 11. **Information included in income tax return.** (a) The return must state:

(1) the name of the taxpayer, or taxpayers, if the return is a joint return, and the address of the taxpayer in the same name or names and same address as the taxpayer has used in making the taxpayer's income tax return to the United States;

(2) the date or dates of birth of the taxpayer or taxpayers;

(3) the Social Security number of the taxpayer, or taxpayers, if a Social Security number has been issued by the United States with respect to the taxpayers; and

(4) the amount of the taxable income of the taxpayer as it appears on the federal return for the taxable year to which the Minnesota state return applies.

(b) The taxpayer must attach to the taxpayer's Minnesota state income tax return a copy of the federal income tax return that the taxpayer has filed or is about to file for the period, ~~unless the taxpayer is eligible to telefile the federal return and does file the Minnesota return by telefiling.~~

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. Minnesota Statutes 2014, section 289A.09, subdivision 2, is amended to read:

Subd. 2. **Withholding statement.** (a) A person required to deduct and withhold from an employee a tax under section 290.92, subdivision 2a or 3, or 290.923, subdivision 2, or who would have been required to deduct and withhold a tax under section 290.92, subdivision 2a or 3, or persons required to withhold tax under section 290.923, subdivision 2, determined without regard to section 290.92, subdivision 19, if the employee or payee had claimed no more than one withholding exemption, or who paid wages or made payments not subject to withholding under section 290.92, subdivision 2a or 3, or 290.923, subdivision 2, to an employee or person receiving royalty payments in excess of \$600, or who has entered into a voluntary withholding agreement with a payee under section 290.92, subdivision 20, must give every employee or person receiving royalty payments in respect to the remuneration paid by the person to the employee or person receiving royalty payments during the calendar year, on or before January 31 of the succeeding year, or, if employment is terminated before the close of the calendar year, within 30 days after the

3.1 date of receipt of a written request from the employee if the 30-day period ends before
3.2 January 31, a written statement showing the following:

3.3 (1) name of the person;

3.4 (2) the name of the employee or payee and the employee's or payee's Social Security
3.5 account number;

3.6 (3) the total amount of wages as that term is defined in section 290.92, subdivision
3.7 1, paragraph (1); the total amount of remuneration subject to withholding under section
3.8 290.92, subdivision 20; the amount of sick pay as required under section 6051(f) of the
3.9 Internal Revenue Code; and the amount of royalties subject to withholding under section
3.10 290.923, subdivision 2; and

3.11 (4) the total amount deducted and withheld as tax under section 290.92, subdivision
3.12 2a or 3, or 290.923, subdivision 2.

3.13 (b) The statement required to be furnished by paragraph (a) with respect to any
3.14 remuneration must be furnished at those times, must contain the information required, and
3.15 must be in the form the commissioner prescribes.

3.16 (c) The commissioner may prescribe rules providing for reasonable extensions of
3.17 time, not in excess of 30 days, to employers or payers required to give the statements to
3.18 their employees or payees under this subdivision.

3.19 (d) A duplicate of any statement made under this subdivision and in accordance
3.20 with rules prescribed by the commissioner, ~~along with a reconciliation in the form the~~
3.21 ~~commissioner prescribes of the statements for the calendar year, including a reconciliation~~
3.22 ~~of the quarterly returns required to be filed under subdivision 1,~~ must be filed with the
3.23 commissioner on or before February 28 of the year after the payments were made.

3.24 (e) If an employer cancels the employer's Minnesota withholding account number
3.25 required by section 290.92, subdivision 24, the information required by paragraph (d),
3.26 must be filed with the commissioner within 30 days of the end of the quarter in which
3.27 the employer cancels its account number.

3.28 (f) The employer must submit the statements required to be sent to the commissioner
3.29 in the same manner required to satisfy the federal reporting requirements of section
3.30 6011(e) of the Internal Revenue Code and the regulations issued under it. An employer
3.31 must submit statements to the commissioner required by this section by electronic means
3.32 if the employer is required to send more than 25 statements to the commissioner, even
3.33 though the employer is not required to submit the returns federally by electronic means.
3.34 For statements issued for wages paid in 2011 and after, the threshold is ten. All statements
3.35 issued for withholding required under section 290.92 are aggregated for purposes of
3.36 determining whether the electronic submission threshold is met.

4.1 (g) A "third-party bulk filer" as defined in section 290.92, subdivision 30, paragraph
4.2 (a), clause (2), must submit the returns required by this subdivision and subdivision 1,
4.3 paragraph (a), with the commissioner by electronic means.

4.4 **EFFECTIVE DATE.** This section is effective for reconciliations required to be
4.5 filed after December 31, 2015.

4.6 Sec. 3. Minnesota Statutes 2014, section 290.01, subdivision 19b, is amended to read:

4.7 Subd. 19b. **Subtractions from federal taxable income.** For individuals, estates,
4.8 and trusts, there shall be subtracted from federal taxable income:

4.9 (1) net interest income on obligations of any authority, commission, or
4.10 instrumentality of the United States to the extent includable in taxable income for federal
4.11 income tax purposes but exempt from state income tax under the laws of the United States;

4.12 (2) if included in federal taxable income, the amount of any overpayment of income
4.13 tax to Minnesota or to any other state, for any previous taxable year, whether the amount
4.14 is received as a refund or as a credit to another taxable year's income tax liability;

4.15 (3) the amount paid to others, less the amount used to claim the credit allowed under
4.16 section 290.0674, not to exceed \$1,625 for each qualifying child in grades kindergarten
4.17 to 6 and \$2,500 for each qualifying child in grades 7 to 12, for tuition, textbooks, and
4.18 transportation of each qualifying child in attending an elementary or secondary school
4.19 situated in Minnesota, North Dakota, South Dakota, Iowa, or Wisconsin, wherein a
4.20 resident of this state may legally fulfill the state's compulsory attendance laws, which
4.21 is not operated for profit, and which adheres to the provisions of the Civil Rights Act
4.22 of 1964 and chapter 363A. For the purposes of this clause, "tuition" includes fees or
4.23 tuition as defined in section 290.0674, subdivision 1, clause (1). As used in this clause,
4.24 "textbooks" includes books and other instructional materials and equipment purchased
4.25 or leased for use in elementary and secondary schools in teaching only those subjects
4.26 legally and commonly taught in public elementary and secondary schools in this state.
4.27 Equipment expenses qualifying for deduction includes expenses as defined and limited in
4.28 section 290.0674, subdivision 1, clause (3). "Textbooks" does not include instructional
4.29 books and materials used in the teaching of religious tenets, doctrines, or worship, the
4.30 purpose of which is to instill such tenets, doctrines, or worship, nor does it include books
4.31 or materials for, or transportation to, extracurricular activities including sporting events,
4.32 musical or dramatic events, speech activities, driver's education, or similar programs. No
4.33 deduction is permitted for any expense the taxpayer incurred in using the taxpayer's or
4.34 the qualifying child's vehicle to provide such transportation for a qualifying child. For

5.1 purposes of the subtraction provided by this clause, "qualifying child" has the meaning
5.2 given in section 32(c)(3) of the Internal Revenue Code;

5.3 (4) income as provided under section 290.0802;

5.4 (5) to the extent included in federal adjusted gross income, income realized on
5.5 disposition of property exempt from tax under section 290.491;

5.6 (6) to the extent not deducted or not deductible pursuant to section 408(d)(8)(E)
5.7 of the Internal Revenue Code in determining federal taxable income by an individual
5.8 who does not itemize deductions for federal income tax purposes for the taxable year, an
5.9 amount equal to 50 percent of the excess of charitable contributions over \$500 allowable
5.10 as a deduction for the taxable year under section 170(a) of the Internal Revenue Code,
5.11 under the provisions of Public Law 109-1 and Public Law 111-126;

5.12 (7) for individuals who are allowed a federal foreign tax credit for taxes that do not
5.13 qualify for a credit under section 290.06, subdivision 22, an amount equal to the carryover
5.14 of subnational foreign taxes for the taxable year, but not to exceed the total subnational
5.15 foreign taxes reported in claiming the foreign tax credit. For purposes of this clause,
5.16 "federal foreign tax credit" means the credit allowed under section 27 of the Internal
5.17 Revenue Code, and "carryover of subnational foreign taxes" equals the carryover allowed
5.18 under section 904(c) of the Internal Revenue Code minus national level foreign taxes to
5.19 the extent they exceed the federal foreign tax credit;

5.20 (8) in each of the five tax years immediately following the tax year in which an
5.21 addition is required under subdivision 19a, clause (7), or 19c, clause ~~(12)~~ (11), in the case of
5.22 a shareholder of a corporation that is an S corporation, an amount equal to one-fifth of the
5.23 delayed depreciation. For purposes of this clause, "delayed depreciation" means the amount
5.24 of the addition made by the taxpayer under subdivision 19a, clause (7), or subdivision 19c,
5.25 clause ~~(12)~~ (11), in the case of a shareholder of an S corporation, minus the positive value
5.26 of any net operating loss under section 172 of the Internal Revenue Code generated for the
5.27 tax year of the addition. The resulting delayed depreciation cannot be less than zero;

5.28 (9) job opportunity building zone income as provided under section 469.316;

5.29 (10) to the extent included in federal taxable income, the amount of compensation
5.30 paid to members of the Minnesota National Guard or other reserve components of the
5.31 United States military for active service, including compensation for services performed
5.32 under the Active Guard Reserve (AGR) program. For purposes of this clause, "active
5.33 service" means (i) state active service as defined in section 190.05, subdivision 5a, clause
5.34 (1); or (ii) federally funded state active service as defined in section 190.05, subdivision
5.35 5b, and "active service" includes service performed in accordance with section 190.08,
5.36 subdivision 3;

6.1 (11) to the extent included in federal taxable income, the amount of compensation
6.2 paid to Minnesota residents who are members of the armed forces of the United States
6.3 or United Nations for active duty performed under United States Code, title 10; or the
6.4 authority of the United Nations;

6.5 (12) an amount, not to exceed \$10,000, equal to qualified expenses related to a
6.6 qualified donor's donation, while living, of one or more of the qualified donor's organs
6.7 to another person for human organ transplantation. For purposes of this clause, "organ"
6.8 means all or part of an individual's liver, pancreas, kidney, intestine, lung, or bone marrow;
6.9 "human organ transplantation" means the medical procedure by which transfer of a human
6.10 organ is made from the body of one person to the body of another person; "qualified
6.11 expenses" means unreimbursed expenses for both the individual and the qualified donor
6.12 for (i) travel, (ii) lodging, and (iii) lost wages net of sick pay, except that such expenses
6.13 may be subtracted under this clause only once; and "qualified donor" means the individual
6.14 or the individual's dependent, as defined in section 152 of the Internal Revenue Code. An
6.15 individual may claim the subtraction in this clause for each instance of organ donation for
6.16 transplantation during the taxable year in which the qualified expenses occur;

6.17 (13) in each of the five tax years immediately following the tax year in which an
6.18 addition is required under subdivision 19a, clause (8), or 19c, clause ~~(13)~~ (12), in the case
6.19 of a shareholder of a corporation that is an S corporation, an amount equal to one-fifth of
6.20 the addition made by the taxpayer under subdivision 19a, clause (8), or 19c, clause ~~(13)~~
6.21 (12), in the case of a shareholder of a corporation that is an S corporation, minus the
6.22 positive value of any net operating loss under section 172 of the Internal Revenue Code
6.23 generated for the tax year of the addition. If the net operating loss exceeds the addition for
6.24 the tax year, a subtraction is not allowed under this clause;

6.25 (14) to the extent included in the federal taxable income of a nonresident of
6.26 Minnesota, compensation paid to a service member as defined in United States Code, title
6.27 10, section 101(a)(5), for military service as defined in the Servicemembers Civil Relief
6.28 Act, Public Law 108-189, section 101(2);

6.29 (15) to the extent included in federal taxable income, the amount of national service
6.30 educational awards received from the National Service Trust under United States Code,
6.31 title 42, sections 12601 to 12604, for service in an approved Americorps National Service
6.32 program;

6.33 (16) to the extent included in federal taxable income, discharge of indebtedness
6.34 income resulting from reacquisition of business indebtedness included in federal taxable
6.35 income under section 108(i) of the Internal Revenue Code. This subtraction applies only

7.1 to the extent that the income was included in net income in a prior year as a result of the
7.2 addition under subdivision 19a, clause (13);

7.3 (17) the amount of the net operating loss allowed under section 290.095, subdivision
7.4 11, paragraph (c);

7.5 (18) the amount of expenses not allowed for federal income tax purposes due
7.6 to claiming the railroad track maintenance credit under section 45G(a) of the Internal
7.7 Revenue Code;

7.8 (19) the amount of the limitation on itemized deductions under section 68(b) of the
7.9 Internal Revenue Code;

7.10 (20) the amount of the phaseout of personal exemptions under section 151(d) of
7.11 the Internal Revenue Code; and

7.12 (21) to the extent included in federal taxable income, the amount of qualified
7.13 transportation fringe benefits described in section 132(f)(1)(A) and (B) of the Internal
7.14 Revenue Code. The subtraction is limited to the lesser of the amount of qualified
7.15 transportation fringe benefits received in excess of the limitations under section
7.16 132(f)(2)(A) of the Internal Revenue Code for the year or the difference between the
7.17 maximum qualified parking benefits excludable under section 132(f)(2)(B) of the Internal
7.18 Revenue Code minus the amount of transit benefits excludable under section 132(f)(2)(A)
7.19 of the Internal Revenue Code.

7.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

7.21 Sec. 4. Minnesota Statutes 2014, section 290.01, subdivision 19c, is amended to read:

7.22 Subd. 19c. **Corporations; additions to federal taxable income.** For corporations,
7.23 there shall be added to federal taxable income:

7.24 (1) the amount of any deduction taken for federal income tax purposes for income,
7.25 excise, or franchise taxes based on net income or related minimum taxes, including but not
7.26 limited to the tax imposed under section 290.0922, paid by the corporation to Minnesota,
7.27 another state, a political subdivision of another state, the District of Columbia, or any
7.28 foreign country or possession of the United States;

7.29 (2) interest not subject to federal tax upon obligations of: the United States, its
7.30 possessions, its agencies, or its instrumentalities; the state of Minnesota or any other
7.31 state, any of its political or governmental subdivisions, any of its municipalities, or any
7.32 of its governmental agencies or instrumentalities; the District of Columbia; or Indian
7.33 tribal governments;

7.34 (3) exempt-interest dividends received as defined in section 852(b)(5) of the Internal
7.35 Revenue Code;

8.1 (4) the amount of any net operating loss deduction taken for federal income tax
8.2 purposes under section 172 or 832(c)(10) of the Internal Revenue Code or operations loss
8.3 deduction under section 810 of the Internal Revenue Code;

8.4 (5) the amount of any special deductions taken for federal income tax purposes
8.5 under sections 241 to 247 and 965 of the Internal Revenue Code;

8.6 (6) losses from the business of mining, as defined in section 290.05, subdivision 1,
8.7 clause (a), that are not subject to Minnesota income tax;

8.8 (7) the amount of any capital losses deducted for federal income tax purposes under
8.9 sections 1211 and 1212 of the Internal Revenue Code;

8.10 (8) the amount of percentage depletion deducted under sections 611 through 614 and
8.11 291 of the Internal Revenue Code;

8.12 ~~(9) for certified pollution control facilities placed in service in a taxable year
8.13 beginning before December 31, 1986, and for which amortization deductions were elected
8.14 under section 169 of the Internal Revenue Code of 1954, as amended through December
8.15 31, 1985, the amount of the amortization deduction allowed in computing federal taxable
8.16 income for those facilities;~~

8.17 ~~(10)~~ (9) the amount of a partner's pro rata share of net income which does not flow
8.18 through to the partner because the partnership elected to pay the tax on the income under
8.19 section 6242(a)(2) of the Internal Revenue Code;

8.20 ~~(11)~~ (10) any increase in subpart F income, as defined in section 952(a) of the
8.21 Internal Revenue Code, for the taxable year when subpart F income is calculated without
8.22 regard to the provisions of Division C, title III, section 303(b) of Public Law 110-343;

8.23 ~~(12)~~ (11) 80 percent of the depreciation deduction allowed under section
8.24 168(k)(1)(A) and (k)(4)(A) of the Internal Revenue Code. For purposes of this clause, if
8.25 the taxpayer has an activity that in the taxable year generates a deduction for depreciation
8.26 under section 168(k)(1)(A) and (k)(4)(A) and the activity generates a loss for the taxable
8.27 year that the taxpayer is not allowed to claim for the taxable year, "the depreciation
8.28 allowed under section 168(k)(1)(A) and (k)(4)(A)" for the taxable year is limited to excess
8.29 of the depreciation claimed by the activity under section 168(k)(1)(A) and (k)(4)(A)
8.30 over the amount of the loss from the activity that is not allowed in the taxable year. In
8.31 succeeding taxable years when the losses not allowed in the taxable year are allowed, the
8.32 depreciation under section 168(k)(1)(A) and (k)(4)(A) is allowed;

8.33 ~~(13)~~ (12) 80 percent of the amount by which the deduction allowed by section 179 of
8.34 the Internal Revenue Code exceeds the deduction allowable by section 179 of the Internal
8.35 Revenue Code of 1986, as amended through December 31, 2003;

9.1 ~~(14)~~ (13) to the extent deducted in computing federal taxable income, the amount of
9.2 the deduction allowable under section 199 of the Internal Revenue Code;

9.3 ~~(15)~~ (14) the amount of expenses disallowed under section 290.10, subdivision 2; and

9.4 ~~(16)~~ (15) discharge of indebtedness income resulting from reacquisition of business
9.5 indebtedness and deferred under section 108(i) of the Internal Revenue Code.

9.6 **EFFECTIVE DATE.** This section is effective the day following final enactment.

9.7 Sec. 5. Minnesota Statutes 2014, section 290.01, subdivision 19d, is amended to read:

9.8 Subd. 19d. **Corporations; modifications decreasing federal taxable income.** For
9.9 corporations, there shall be subtracted from federal taxable income after the increases
9.10 provided in subdivision 19c:

9.11 (1) the amount of foreign dividend gross-up added to gross income for federal
9.12 income tax purposes under section 78 of the Internal Revenue Code;

9.13 (2) the amount of salary expense not allowed for federal income tax purposes due to
9.14 claiming the work opportunity credit under section 51 of the Internal Revenue Code;

9.15 (3) any dividend (not including any distribution in liquidation) paid within the
9.16 taxable year by a national or state bank to the United States, or to any instrumentality of
9.17 the United States exempt from federal income taxes, on the preferred stock of the bank
9.18 owned by the United States or the instrumentality;

9.19 (4) the deduction for capital losses pursuant to sections 1211 and 1212 of the
9.20 Internal Revenue Code, except that:

9.21 (i) for capital losses incurred in taxable years beginning after December 31, 1986,
9.22 capital loss carrybacks shall not be allowed;

9.23 (ii) for capital losses incurred in taxable years beginning after December 31, 1986,
9.24 a capital loss carryover to each of the 15 taxable years succeeding the loss year shall be
9.25 allowed;

9.26 (iii) for capital losses incurred in taxable years beginning before January 1, 1987, a
9.27 capital loss carryback to each of the three taxable years preceding the loss year, subject to
9.28 the provisions of Minnesota Statutes 1986, section 290.16, shall be allowed; and

9.29 (iv) for capital losses incurred in taxable years beginning before January 1, 1987,
9.30 a capital loss carryover to each of the five taxable years succeeding the loss year to the
9.31 extent such loss was not used in a prior taxable year and subject to the provisions of
9.32 Minnesota Statutes 1986, section 290.16, shall be allowed;

9.33 (5) an amount for interest and expenses relating to income not taxable for federal
9.34 income tax purposes, if (i) the income is taxable under this chapter and (ii) the interest and

10.1 expenses were disallowed as deductions under the provisions of section 171(a)(2), 265 or
10.2 291 of the Internal Revenue Code in computing federal taxable income;

10.3 (6) in the case of mines, oil and gas wells, other natural deposits, and timber for
10.4 which percentage depletion was disallowed pursuant to subdivision 19c, clause (8), a
10.5 reasonable allowance for depletion based on actual cost. In the case of leases the deduction
10.6 must be apportioned between the lessor and lessee in accordance with rules prescribed
10.7 by the commissioner. In the case of property held in trust, the allowable deduction must
10.8 be apportioned between the income beneficiaries and the trustee in accordance with the
10.9 pertinent provisions of the trust, or if there is no provision in the instrument, on the basis
10.10 of the trust's income allocable to each;

10.11 ~~(7) for certified pollution control facilities placed in service in a taxable year~~
10.12 ~~beginning before December 31, 1986, and for which amortization deductions were elected~~
10.13 ~~under section 169 of the Internal Revenue Code of 1954, as amended through December~~
10.14 ~~31, 1985, an amount equal to the allowance for depreciation under Minnesota Statutes~~
10.15 ~~1986, section 290.09, subdivision 7;~~

10.16 ~~(8)~~ (7) amounts included in federal taxable income that are due to refunds of
10.17 income, excise, or franchise taxes based on net income or related minimum taxes paid
10.18 by the corporation to Minnesota, another state, a political subdivision of another state,
10.19 the District of Columbia, or a foreign country or possession of the United States to the
10.20 extent that the taxes were added to federal taxable income under subdivision 19c, clause
10.21 (1), in a prior taxable year;

10.22 ~~(9)~~ (8) income or gains from the business of mining as defined in section 290.05,
10.23 subdivision 1, clause (a), that are not subject to Minnesota franchise tax;

10.24 ~~(10)~~ (9) the amount of disability access expenditures in the taxable year which are not
10.25 allowed to be deducted or capitalized under section 44(d)(7) of the Internal Revenue Code;

10.26 ~~(11)~~ (10) the amount of qualified research expenses not allowed for federal income
10.27 tax purposes under section 280C(c) of the Internal Revenue Code, but only to the extent
10.28 that the amount exceeds the amount of the credit allowed under section 290.068;

10.29 ~~(12)~~ (11) the amount of salary expenses not allowed for federal income tax purposes
10.30 due to claiming the Indian employment credit under section 45A(a) of the Internal
10.31 Revenue Code;

10.32 ~~(13)~~ (12) any decrease in subpart F income, as defined in section 952(a) of the
10.33 Internal Revenue Code, for the taxable year when subpart F income is calculated without
10.34 regard to the provisions of Division C, title III, section 303(b) of Public Law 110-343;

10.35 ~~(14)~~ (13) in each of the five tax years immediately following the tax year in which an
10.36 addition is required under subdivision 19c, clause ~~(12)~~ (11), an amount equal to one-fifth

11.1 of the delayed depreciation. For purposes of this clause, "delayed depreciation" means the
11.2 amount of the addition made by the taxpayer under subdivision 19c, clause ~~(12)~~ (11). The
11.3 resulting delayed depreciation cannot be less than zero;

11.4 ~~(15)~~ (14) in each of the five tax years immediately following the tax year in which an
11.5 addition is required under subdivision 19c, clause ~~(13)~~ (12), an amount equal to one-fifth
11.6 of the amount of the addition;

11.7 ~~(16)~~ (15) to the extent included in federal taxable income, discharge of indebtedness
11.8 income resulting from reacquisition of business indebtedness included in federal taxable
11.9 income under section 108(i) of the Internal Revenue Code. This subtraction applies only
11.10 to the extent that the income was included in net income in a prior year as a result of the
11.11 addition under subdivision 19c, clause ~~(16)~~ (15); and

11.12 ~~(17)~~ (16) the amount of expenses not allowed for federal income tax purposes due
11.13 to claiming the railroad track maintenance credit under section 45G(a) of the Internal
11.14 Revenue Code.

11.15 **EFFECTIVE DATE.** This section is effective the day following final enactment.

11.16 Sec. 6. Minnesota Statutes 2014, section 290.0671, subdivision 6a, is amended to read:

11.17 Subd. 6a. **TANF appropriation for working family credit expansion.** (a) On
11.18 an annual basis the commissioner of revenue, with the assistance of the commissioner
11.19 of human services, shall calculate the value of the refundable portion of the Minnesota
11.20 Working Family Credit provided under this section that qualifies for payment with funds
11.21 from the federal Temporary Assistance for Needy Families (TANF) block grant. Of this
11.22 total amount, the commissioner of revenue shall estimate the portion entailed by the
11.23 expansion of the credit rates provided in Laws 2000, chapter 490, article 4, section 17,
11.24 for individuals with qualifying children over the rates provided in Laws 1999, chapter
11.25 243, article 2, section 12.

11.26 (b) An amount sufficient to pay the refunds entailed by the expansion of the credit
11.27 rates provided in Laws 2000, chapter 490, article 4, section 17, for individuals with
11.28 qualifying children over the rates provided in Laws 1999, chapter 243, article 2, section
11.29 12, as estimated in paragraph (a), is appropriated to the commissioner of human services
11.30 from the federal Temporary Assistance for Needy Families (TANF) block grant funds, for
11.31 transfer to the commissioner of revenue for deposit in the general fund.

11.32 **EFFECTIVE DATE.** This section is effective retroactively for transfers in fiscal
11.33 year 2015 and thereafter.

12.1 Sec. 7. Minnesota Statutes 2014, section 290.0672, subdivision 1, is amended to read:

12.2 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms
12.3 have the meanings given.

12.4 (b) "Long-term care insurance" means a policy that:

12.5 (1) qualifies for a deduction under section 213 of the Internal Revenue Code,
12.6 disregarding the ~~7.5 percent~~ adjusted gross income test; or meets the requirements
12.7 given in section 62A.46; or provides similar coverage issued under the laws of another
12.8 jurisdiction; and

12.9 (2) has a lifetime long-term care benefit limit of not less than \$100,000; and

12.10 (3) has been offered in compliance with the inflation protection requirements of
12.11 section 62S.23.

12.12 (c) "Qualified beneficiary" means the taxpayer or the taxpayer's spouse.

12.13 (d) "Premiums deducted in determining federal taxable income" means the lesser of
12.14 (1) long-term care insurance premiums that qualify as deductions under section 213 of
12.15 the Internal Revenue Code; and (2) the total amount deductible for medical care under
12.16 section 213 of the Internal Revenue Code.

12.17 **EFFECTIVE DATE.** This section is effective retroactively for taxable years
12.18 beginning after December 31, 2012.

12.19 Sec. 8. Minnesota Statutes 2014, section 290.091, subdivision 3, is amended to read:

12.20 Subd. 3. **Exemption amount.** (a) For purposes of computing the alternative
12.21 minimum tax, the exemption amount is, for taxable years beginning after December 31,
12.22 2005, \$60,000 for married couples filing joint returns, \$30,000 for married individuals
12.23 filing separate returns, estates, and trusts, and \$45,000 for unmarried individuals.

12.24 (b) The exemption amount determined under this subdivision is subject to the phase
12.25 out under section 55(d)(3) of the Internal Revenue Code, except that alternative minimum
12.26 taxable income as determined under this section must be substituted in the computation of
12.27 the phase out.

12.28 (c) For taxable years beginning after December 31, 2006, the exemption amount
12.29 under paragraph (a), ~~clause (2)~~, must be adjusted for inflation. The commissioner shall
12.30 adjust the exemption amount by the percentage determined pursuant to the provisions of
12.31 section 1(f) of the Internal Revenue Code, except that in section 1(f)(3)(B) the word "2005"
12.32 shall be substituted for the word "1992." For 2007, the commissioner shall then determine
12.33 the percent change from the 12 months ending on August 31, 2005, to the 12 months
12.34 ending on August 31, 2006, and in each subsequent year, from the 12 months ending on
12.35 August 31, 2005, to the 12 months ending on August 31 of the year preceding the taxable

13.1 year. The exemption amount as adjusted must be rounded to the nearest \$10. If the amount
13.2 ends in \$5, it must be rounded up to the nearest \$10 amount. The determination of the
13.3 commissioner under this subdivision is not a rule under the Administrative Procedure Act.

13.4 **EFFECTIVE DATE.** This section is effective the day following final enactment.

13.5 Sec. 9. Minnesota Statutes 2014, section 290.0921, subdivision 3, is amended to read:

13.6 Subd. 3. **Alternative minimum taxable income.** "Alternative minimum taxable
13.7 income" is Minnesota net income as defined in section 290.01, subdivision 19, and
13.8 includes the adjustments and tax preference items in sections 56, 57, 58, and 59(d), (e),
13.9 (f), and (h) of the Internal Revenue Code. If a corporation files a separate company
13.10 Minnesota tax return, the minimum tax must be computed on a separate company basis.
13.11 If a corporation is part of a tax group filing a unitary return, the minimum tax must be
13.12 computed on a unitary basis. The following adjustments must be made.

13.13 (1) The portion of the depreciation deduction allowed for federal income tax
13.14 purposes under section 168(k) of the Internal Revenue Code that is required as an addition
13.15 under section 290.01, subdivision 19c, clause ~~(12)~~ (11), is disallowed in determining
13.16 alternative minimum taxable income.

13.17 (2) The subtraction for depreciation allowed under section 290.01, subdivision
13.18 19d, clause ~~(14)~~ (13), is allowed as a depreciation deduction in determining alternative
13.19 minimum taxable income.

13.20 (3) The alternative tax net operating loss deduction under sections 56(a)(4) and 56(d)
13.21 of the Internal Revenue Code does not apply.

13.22 (4) The special rule for certain dividends under section 56(g)(4)(C)(ii) of the Internal
13.23 Revenue Code does not apply.

13.24 (5) The tax preference for depletion under section 57(a)(1) of the Internal Revenue
13.25 Code does not apply.

13.26 (6) The tax preference for tax exempt interest under section 57(a)(5) of the Internal
13.27 Revenue Code does not apply.

13.28 (7) The tax preference for charitable contributions of appreciated property under
13.29 section 57(a)(6) of the Internal Revenue Code does not apply.

13.30 (8) For purposes of calculating the adjustment for adjusted current earnings in
13.31 section 56(g) of the Internal Revenue Code, the term "alternative minimum taxable
13.32 income" as it is used in section 56(g) of the Internal Revenue Code, means alternative
13.33 minimum taxable income as defined in this subdivision, determined without regard to the
13.34 adjustment for adjusted current earnings in section 56(g) of the Internal Revenue Code.

14.1 (9) For purposes of determining the amount of adjusted current earnings under
14.2 section 56(g)(3) of the Internal Revenue Code, no adjustment shall be made under section
14.3 56(g)(4) of the Internal Revenue Code with respect to (i) the amount of foreign dividend
14.4 gross-up subtracted as provided in section 290.01, subdivision 19d, clause (1), or (ii) the
14.5 amount of refunds of income, excise, or franchise taxes subtracted as provided in section
14.6 290.01, subdivision 19d, clause ~~(8)~~ (7).

14.7 (10) Alternative minimum taxable income excludes the income from operating in a
14.8 job opportunity building zone as provided under section 469.317.

14.9 Items of tax preference must not be reduced below zero as a result of the
14.10 modifications in this subdivision.

14.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

14.12 Sec. 10. Minnesota Statutes 2014, section 291.031, is amended to read:

14.13 **291.031 CREDIT.**

14.14 (a) The estate of a nonresident decedent that is subject to tax under this chapter on
14.15 the value of Minnesota situs property held in a pass-through entity is allowed a credit
14.16 against the tax due under section 291.03 equal to the lesser of:

14.17 (1) the amount of estate or inheritance tax paid to another state that is attributable to
14.18 the Minnesota situs property held in the pass-through entity; or

14.19 (2) the amount of tax ~~paid under this section~~ due under section 291.03 attributable to
14.20 the Minnesota situs property held in the pass-through entity.

14.21 (b) The amount of tax attributable to the Minnesota situs property held in the
14.22 pass-through entity must be determined by the increase in the estate or inheritance tax that
14.23 results from including the market value of the property in the estate or treating the value
14.24 as a taxable inheritance to the recipient of the property.

14.25 **EFFECTIVE DATE.** This section is effective retroactively for estates of decedents
14.26 dying after December 31, 2013.

14.27 Sec. 11. **REPEALER.**

14.28 Minnesota Rules, part 8092.2000, is repealed.

14.29 **EFFECTIVE DATE.** This section is effective the day following final enactment.

15.1 **ARTICLE 2**

15.2 **DEPARTMENT OF REVENUE TECHNICAL PROVISIONS:**
 15.3 **SALES AND USE TAXES**

15.4 Section 1. Minnesota Statutes 2014, section 297A.82, subdivision 4a, is amended to
 15.5 read:

15.6 Subd. 4a. **Deposit in state airports fund.** Tax revenue, including interest and
 15.7 penalties, collected from the sale or purchase of an aircraft taxable under this chapter must
 15.8 be deposited in the state airports fund established in section 360.017. For purposes of this
 15.9 subdivision, "revenue" does not include the revenue, including interest and penalties,
 15.10 generated by the sales tax imposed under section 297A.62, subdivision 1a, which must be
 15.11 deposited as provided under the Minnesota Constitution, article XI, section 15.

15.12 **EFFECTIVE DATE.** This section is effective the day following final enactment.

15.13 **ARTICLE 3**

15.14 **DEPARTMENT OF REVENUE TECHNICAL PROVISIONS: SPECIAL TAXES**

15.15 Section 1. Minnesota Statutes 2014, section 69.021, subdivision 5, is amended to read:

15.16 Subd. 5. **Calculation of state aid.** (a) The amount of fire state aid available for
 15.17 apportionment, before the addition of the minimum fire state aid allocation amount under
 15.18 subdivision 7, is equal to 107 percent of the amount of premium taxes paid to the state
 15.19 upon the fire, lightning, sprinkler leakage, and extended coverage premiums reported to
 15.20 the commissioner by insurers on the Minnesota Firetown Premium Report. This amount
 15.21 must be reduced by the amount required to pay the state auditor's costs and expenses of
 15.22 the audits or exams of the firefighters relief associations.

15.23 The total amount for apportionment in respect to fire state aid must not be less than
 15.24 two percent of the premiums reported to the commissioner by insurers on the Minnesota
 15.25 Firetown Premium Report after subtracting the following amounts:

15.26 (1) the amount required to pay the state auditor's costs and expenses of the audits or
 15.27 exams of the firefighters relief associations; and

15.28 (2) one percent of the premiums reported by ~~town and farmers'~~ township mutual
 15.29 insurance companies and mutual property and casualty companies with total assets of
 15.30 \$5,000,000 or less.

15.31 (b) The total amount for apportionment as police state aid is equal to 104 percent
 15.32 of the amount of premium taxes paid to the state on the premiums reported to the
 15.33 commissioner by insurers on the Minnesota Aid to Police Premium Report. The total

16.1 amount for apportionment in respect to the police state aid program must not be less than
16.2 two percent of the amount of premiums reported to the commissioner by insurers on the
16.3 Minnesota Aid to Police Premium Report.

16.4 (c) The commissioner shall calculate the percentage of increase or decrease reflected
16.5 in the apportionment over or under the previous year's available state aid using the same
16.6 premiums as a basis for comparison.

16.7 (d) In addition to the amount for apportionment of police state aid under paragraph
16.8 (b), each year \$100,000 must be apportioned for police state aid. An amount sufficient to
16.9 pay this increase is annually appropriated from the general fund.

16.10 **EFFECTIVE DATE.** This section is effective the day following final enactment.

16.11 Sec. 2. Minnesota Statutes 2014, section 290.0922, subdivision 2, is amended to read:

16.12 Subd. 2. **Exemptions.** The following entities are exempt from the tax imposed
16.13 by this section:

16.14 (1) corporations exempt from tax under section 290.05;

16.15 (2) real estate investment trusts;

16.16 (3) regulated investment companies or a fund thereof; and

16.17 (4) entities having a valid election in effect under section 860D(b) of the Internal
16.18 Revenue Code;

16.19 (5) ~~town and farmers'~~ township mutual insurance companies;

16.20 (6) cooperatives organized under chapter 308A or 308B that provide housing
16.21 exclusively to persons age 55 and over and are classified as homesteads under section
16.22 273.124, subdivision 3; and

16.23 (7) a qualified business as defined under section 469.310, subdivision 11, if for the
16.24 taxable year all of its property is located in a job opportunity building zone designated
16.25 under section 469.314 and all of its payroll is a job opportunity building zone payroll
16.26 under section 469.310.

16.27 Entities not specifically exempted by this subdivision are subject to tax under this
16.28 section, notwithstanding section 290.05.

16.29 **EFFECTIVE DATE.** This section is effective the day following final enactment.

16.30 Sec. 3. Minnesota Statutes 2014, section 296A.01, subdivision 42, is amended to read:

16.31 Subd. 42. **Petroleum products.** "Petroleum products" means all of the products
16.32 defined in subdivisions 2, 7, 8, 8a, 8b, 10, 14, 16, 19, 20, 22 to 26, 28, 32, and 35.

16.33 **EFFECTIVE DATE.** This section is effective the day following final enactment.

17.1 Sec. 4. Minnesota Statutes 2014, section 296A.07, subdivision 1, is amended to read:

17.2 Subdivision 1. **Tax imposed.** There is imposed an excise tax on gasoline, gasoline
17.3 blended with ethanol, and agricultural alcohol gasoline used in producing and generating
17.4 power for propelling motor vehicles used on the public highways of this state. The tax
17.5 is imposed on the first licensed distributor who received the product in Minnesota. For
17.6 purposes of this section, gasoline is defined in section 296A.01, subdivisions 8b, 10, 18,
17.7 20, 23, 24, 25, 32, and 34. The tax is payable at the time and in the form and manner
17.8 prescribed by the commissioner. The tax is payable at the rates specified in subdivision 3,
17.9 subject to the exceptions and reductions specified in section 296A.17.

17.10 **EFFECTIVE DATE.** This section is effective the day following final enactment.

17.11 Sec. 5. Minnesota Statutes 2014, section 297H.06, subdivision 2, is amended to read:

17.12 Subd. 2. **Materials.** The tax is not imposed upon charges to generators of mixed
17.13 municipal solid waste or upon the volume of nonmixed municipal solid waste for waste
17.14 management services to manage the following materials:

17.15 (1) mixed municipal solid waste and nonmixed municipal solid waste generated
17.16 outside of Minnesota;

17.17 (2) recyclable materials that are separated for recycling by the generator, collected
17.18 separately from other waste, and recycled, to the extent the price of the service for
17.19 handling recyclable material is separately itemized on a bill to the generator;

17.20 (3) recyclable nonmixed municipal solid waste that is separated for recycling by
17.21 the generator, collected separately from other waste, delivered to a waste facility for the
17.22 purpose of recycling, and recycled;

17.23 (4) industrial waste, when it is transported to a facility owned and operated by
17.24 the same person that generated it;

17.25 (5) mixed municipal solid waste from a recycling facility that separates or processes
17.26 recyclable materials and reduces the volume of the waste by at least 85 percent, provided
17.27 that the exempted waste is managed separately from other waste;

17.28 (6) recyclable materials that are separated from mixed municipal solid waste by the
17.29 generator, collected and delivered to a waste facility that recycles at least 85 percent of its
17.30 waste, and are collected with mixed municipal solid waste that is segregated in leakproof
17.31 bags, provided that the mixed municipal solid waste does not exceed five percent of the
17.32 total weight of the materials delivered to the facility and is ultimately delivered to a waste
17.33 facility identified as a preferred waste management facility in county solid waste plans
17.34 under section 115A.46;

18.1 (7) source-separated compostable ~~waste materials~~, if the ~~waste is materials are~~
 18.2 delivered to a facility exempted as described in this clause. To initially qualify for an
 18.3 exemption, a facility must apply for an exemption in its application for a new or amended
 18.4 solid waste permit to the Pollution Control Agency. The first time a facility applies to the
 18.5 agency it must certify in its application that it will comply with the criteria in items (i) to (v)
 18.6 and the commissioner of the agency shall so certify to the commissioner of revenue who
 18.7 must grant the exemption. The facility must annually apply to the agency for certification
 18.8 to renew its exemption for the following year. The application must be filed according to
 18.9 the procedures of, and contain the information required by, the agency. The commissioner
 18.10 of revenue shall grant the exemption if the commissioner of the Pollution Control Agency
 18.11 finds and certifies to the commissioner of revenue that based on an evaluation of the
 18.12 composition of incoming waste and residuals and the quality and use of the product:

18.13 (i) generators separate materials at the source;

18.14 (ii) the separation is performed in a manner appropriate to the technology specific
 18.15 to the facility that:

18.16 (A) maximizes the quality of the product;

18.17 (B) minimizes the toxicity and quantity of ~~residuals rejects~~; and

18.18 (C) provides an opportunity for significant improvement in the environmental
 18.19 efficiency of the operation;

18.20 (iii) the operator of the facility educates generators, in coordination with each county
 18.21 using the facility, about separating the waste to maximize the quality of the waste stream
 18.22 for technology specific to the facility;

18.23 (iv) process ~~residuals rejects~~ do not exceed 15 percent of the weight of the total
 18.24 material delivered to the facility; and

18.25 (v) the final product is accepted for use;

18.26 (8) waste and waste by-products for which the tax has been paid; and

18.27 (9) daily cover for landfills that has been approved in writing by the Minnesota
 18.28 Pollution Control Agency.

18.29 **EFFECTIVE DATE.** This section is effective the day following final enactment.

18.30 Sec. 6. Minnesota Statutes 2014, section 297I.05, subdivision 2, is amended to read:

18.31 Subd. 2. ~~Town and farmers'~~ **Township mutual insurance.** A tax is imposed on
 18.32 ~~town and farmers'~~ township mutual insurance companies. The rate of tax is equal to one
 18.33 percent of gross premiums less return premiums on all direct business received by the
 18.34 insurer or agents of the insurer in Minnesota, in cash or otherwise, during the year.

19.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.

19.2 Sec. 7. Minnesota Statutes 2014, section 297I.10, subdivision 1, is amended to read:

19.3 Subdivision 1. **Cities of the first class.** (a) The commissioner shall order and direct
19.4 a surcharge to be collected of two percent of the fire, lightning, and sprinkler leakage gross
19.5 premiums, less return premiums, on all direct business received by any licensed foreign or
19.6 domestic fire insurance company on property in a city of the first class, or by its agents for
19.7 it, in cash or otherwise.

19.8 (b) By July 31 and December 31 of each year, the commissioner ~~of management~~
19.9 ~~and budget~~ shall pay to each city of the first class a warrant for an amount equal to the
19.10 total amount of the surcharge on the premiums collected within that city since the previous
19.11 payment.

19.12 (c) The treasurer of the city shall place the money received under this subdivision
19.13 in a special account or fund to defray all or a portion of the employer contribution
19.14 requirement of public employees police and fire plan coverage for city firefighters.

19.15 **EFFECTIVE DATE.** This section is effective the day following final enactment.

19.16 Sec. 8. Minnesota Statutes 2014, section 297I.10, subdivision 3, is amended to read:

19.17 Subd. 3. **Appropriation.** The amount necessary to make the payments required
19.18 under this section is appropriated to the commissioner ~~of management and budget~~ from
19.19 the general fund.

19.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

19.21 Sec. 9. Minnesota Statutes 2014, section 298.01, subdivision 3b, is amended to read:

19.22 Subd. 3b. **Deductions.** (a) For purposes of determining taxable income under
19.23 subdivision 3, the deductions from gross income include only those expenses necessary
19.24 to convert raw ores to marketable quality. Such expenses include costs associated with
19.25 refinement but do not include expenses such as transportation, stockpiling, marketing, or
19.26 marine insurance that are incurred after marketable ores are produced, unless the expenses
19.27 are included in gross income. The allowable deductions from a mine or plant that mines
19.28 and produces more than one mineral, metal, or energy resource must be determined
19.29 separately for the purposes of computing the deduction in section 290.01, subdivision 19c,
19.30 clause (8). These deductions may be combined on one occupation tax return to arrive at
19.31 the deduction from gross income for all production.

20.1 (b) The provisions of section 290.01, subdivisions 19c, clauses (6) and (8), and 19d,
 20.2 clauses (6) and ~~(9)~~ (8), are not used to determine taxable income.

20.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

20.4 Sec. 10. Minnesota Statutes 2014, section 298.01, subdivision 4c, is amended to read:

20.5 Subd. 4c. **Special deductions; net operating loss.** (a) For purposes of determining
 20.6 taxable income under subdivision 4, the provisions of section 290.01, subdivisions 19c,
 20.7 clauses (6) and (8), and 19d, clauses (6) and ~~(9)~~ (8), are not used to determine taxable
 20.8 income.

20.9 (b) ~~The amount of net operating loss incurred in a taxable year beginning before~~
 20.10 ~~January 1, 1990, that may be carried over to a taxable year beginning after December 31,~~
 20.11 ~~1989, is the amount of net operating loss carryover determined in the calculation of the~~
 20.12 ~~hypothetical corporate franchise tax under Minnesota Statutes 1988, sections 298.40~~
 20.13 ~~and 298.402.~~

20.14 **EFFECTIVE DATE.** This section is effective the day following final enactment.

20.15 **ARTICLE 4**

20.16 **DEPARTMENT OF REVENUE TECHNICAL PROVISIONS: PROPERTY TAXES**

20.17 Section 1. Minnesota Statutes 2014, section 272.02, subdivision 9, is amended to read:

20.18 Subd. 9. **Personal property; exceptions.** Except for the taxable personal property
 20.19 enumerated below, all personal property and the property described in section 272.03,
 20.20 subdivision 1, paragraphs (c) and (d), shall be exempt.

20.21 The following personal property shall be taxable:

20.22 (a) personal property which is part of (i) an electric generating, transmission, or
 20.23 distribution system ~~or~~; (ii) a pipeline system transporting or distributing ~~water, gas, crude~~
 20.24 ~~oil, or petroleum~~ products; or (iii) mains and pipes used in the distribution of steam or hot
 20.25 or chilled water for heating or cooling buildings and structures;

20.26 (b) railroad docks and wharves which are part of the operating property of a railroad
 20.27 company as defined in section 270.80;

20.28 (c) personal property defined in section 272.03, subdivision 2, clause (3);

20.29 (d) leasehold or other personal property interests which are taxed pursuant to section
 20.30 272.01, subdivision 2; 273.124, subdivision 7; or 273.19, subdivision 1; or any other law
 20.31 providing the property is taxable as if the lessee or user were the fee owner;

20.32 (e) manufactured homes and sectional structures, including storage sheds, decks,
 20.33 and similar removable improvements constructed on the site of a manufactured home,

21.1 sectional structure, park trailer or travel trailer as provided in section 273.125, subdivision
 21.2 8, paragraph (f); and
 21.3 (f) flight property as defined in section 270.071.

21.4 **EFFECTIVE DATE.** This section is effective the day following final enactment.

21.5 Sec. 2. Minnesota Statutes 2014, section 273.032, is amended to read:

21.6 **273.032 MARKET VALUE DEFINITION.**

21.7 (a) Unless otherwise provided, for the purpose of determining any property tax
 21.8 levy limitation based on market value or any limit on net debt, the issuance of bonds,
 21.9 certificates of indebtedness, or capital notes based on market value, any qualification to
 21.10 receive state aid based on market value, or any state aid amount based on market value,
 21.11 the terms "market value," "estimated market value," and "market valuation," whether
 21.12 equalized or unequalized, mean the estimated market value of taxable property within the
 21.13 local unit of government before any of the following or similar adjustments for:

21.14 (1) the market value exclusions under:

21.15 (i) section 273.11, subdivisions 14a and 14c (vacant platted land);

21.16 (ii) section 273.11, subdivision 16 (certain improvements to homestead property);

21.17 (iii) section 273.11, subdivisions 19 and 20 (certain improvements to business
 21.18 properties);

21.19 (iv) section 273.11, subdivision 21 (homestead property damaged by mold);

21.20 ~~(v) section 273.11, subdivision 22 (qualifying lead hazardous reduction projects);~~

21.21 ~~(vi)~~ (v) section 273.13, subdivision 34 (homestead of a disabled veteran or family
 21.22 caregiver); or

21.23 ~~(vii)~~ (vi) section 273.13, subdivision 35 (homestead market value exclusion); or

21.24 (2) the deferment of value under:

21.25 (i) the Minnesota Agricultural Property Tax Law, section 273.111;

21.26 (ii) the Aggregate Resource Preservation Law, section 273.1115;

21.27 (iii) the Minnesota Open Space Property Tax Law, section 273.112;

21.28 (iv) the rural preserves property tax program, section 273.114; or

21.29 (v) the Metropolitan Agricultural Preserves Act, section 473H.10; or

21.30 (3) the adjustments to tax capacity for:

21.31 (i) tax increment financing under sections 469.174 to 469.1794;

21.32 (ii) fiscal disparities under chapter 276A or 473F; or

21.33 (iii) powerline credit under section 273.425.

22.1 (b) Estimated market value under paragraph (a) also includes the market value
 22.2 of tax-exempt property if the applicable law specifically provides that the limitation,
 22.3 qualification, or aid calculation includes tax-exempt property.

22.4 (c) Unless otherwise provided, "market value," "estimated market value," and
 22.5 "market valuation" for purposes of property tax levy limitations and calculation of state
 22.6 aid, refer to the estimated market value for the previous assessment year and for purposes
 22.7 of limits on net debt, the issuance of bonds, certificates of indebtedness, or capital notes
 22.8 refer to the estimated market value as last finally equalized.

22.9 (d) For purposes of a provision of a home rule charter or of any special law that is not
 22.10 codified in the statutes and that imposes a levy limitation based on market value or any limit
 22.11 on debt, the issuance of bonds, certificates of indebtedness, or capital notes based on market
 22.12 value, the terms "market value," "taxable market value," and "market valuation," whether
 22.13 equalized or unequalized, mean "estimated market value" as defined in paragraph (a).

22.14 **EFFECTIVE DATE.** This section is effective the day following final enactment.

22.15 Sec. 3. Minnesota Statutes 2014, section 273.33, subdivision 1, is amended to read:

22.16 Subdivision 1. **Listing and assessment in county.** The personal property of express,
 22.17 stage and transportation companies, and of pipeline companies engaged in the business
 22.18 of transporting ~~natural gas, gasoline, crude oil, or other petroleum~~ products, except as
 22.19 otherwise provided by law, shall be listed and assessed in the county, town or district
 22.20 where the same is usually kept.

22.21 **EFFECTIVE DATE.** This section is effective the day following final enactment.

22.22 Sec. 4. Minnesota Statutes 2014, section 273.33, subdivision 2, is amended to read:

22.23 Subd. 2. **Listing and assessment by commissioner.** The personal property,
 22.24 consisting of the pipeline system of mains, pipes, and equipment attached thereto, of
 22.25 pipeline companies and others engaged in the operations or business of transporting
 22.26 ~~natural gas, gasoline, crude oil, or other petroleum~~ products by pipelines, shall be listed
 22.27 with and assessed by the commissioner of revenue and the values provided to the
 22.28 city or county assessor by order. This subdivision shall not apply to the assessment of
 22.29 the products transported through the pipelines nor to the lines of local commercial gas
 22.30 companies engaged primarily in the business of distributing gas products to consumers at
 22.31 retail nor to pipelines used by the owner thereof to supply ~~natural gas or other petroleum~~
 22.32 products exclusively for such owner's own consumption and not for resale to others. If
 22.33 more than 85 percent of the ~~natural gas or other petroleum~~ products actually transported

23.1 over the pipeline is used for the owner's own consumption and not for resale to others,
23.2 then this subdivision shall not apply; provided, however, that in that event, the pipeline
23.3 shall be assessed in proportion to the percentage of gas products actually transported over
23.4 such pipeline that is not used for the owner's own consumption. On or before August 1,
23.5 the commissioner shall certify to the auditor of each county, the amount of such personal
23.6 property assessment against each company in each district in which such property is
23.7 located. If the commissioner determines that the amount of personal property assessment
23.8 certified on or before August 1 is in error, the commissioner may issue a corrected
23.9 certification on or before October 1. The commissioner may correct errors that are merely
23.10 clerical in nature until December 31.

23.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

23.12 Sec. 5. Minnesota Statutes 2014, section 274.01, subdivision 1, is amended to read:

23.13 Subdivision 1. **Ordinary board; meetings, deadlines, grievances.** (a) The town
23.14 board of a town, or the council or other governing body of a city, is the local board
23.15 of appeal and equalization except (1) in cities whose charters provide for a board of
23.16 equalization or (2) in any city or town that has transferred its local board of review power
23.17 and duties to the county board as provided in subdivision 3. The county assessor shall
23.18 fix a day and time when ~~the board~~ or the local board of equalization shall meet in the
23.19 assessment districts of the county. Notwithstanding any law or city charter to the contrary,
23.20 a city board of equalization shall be referred to as a local board of appeal and equalization.
23.21 On or before February 15 of each year the assessor shall give written notice of the time
23.22 to the city or town clerk. Notwithstanding the provisions of any charter to the contrary,
23.23 the meetings must be held between April 1 and May 31 each year. The clerk shall give
23.24 published and posted notice of the meeting at least ten days before the date of the meeting.

23.25 The board shall meet either at a central location within the county or at the office of
23.26 the clerk to review the assessment and classification of property in the town or city. No
23.27 changes in valuation or classification which are intended to correct errors in judgment by
23.28 the county assessor may be made by the county assessor after the board has adjourned
23.29 in those cities or towns that hold a local board of review; however, corrections of errors
23.30 that are merely clerical in nature or changes that extend homestead treatment to property
23.31 are permitted after adjournment until the tax extension date for that assessment year. The
23.32 changes must be fully documented and maintained in the assessor's office and must be
23.33 available for review by any person. A copy of the changes made during this period in
23.34 those cities or towns that hold a local board of review must be sent to the county board no
23.35 later than December 31 of the assessment year.

24.1 (b) The board shall determine whether the taxable property in the town or city has
24.2 been properly placed on the list and properly valued by the assessor. If real or personal
24.3 property has been omitted, the board shall place it on the list with its market value, and
24.4 correct the assessment so that each tract or lot of real property, and each article, parcel,
24.5 or class of personal property, is entered on the assessment list at its market value. No
24.6 assessment of the property of any person may be raised unless the person has been
24.7 duly notified of the intent of the board to do so. On application of any person feeling
24.8 aggrieved, the board shall review the assessment or classification, or both, and correct
24.9 it as appears just. The board may not make an individual market value adjustment or
24.10 classification change that would benefit the property if the owner or other person having
24.11 control over the property has refused the assessor access to inspect the property and the
24.12 interior of any buildings or structures as provided in section 273.20. A board member
24.13 shall not participate in any actions of the board which result in market value adjustments
24.14 or classification changes to property owned by the board member, the spouse, parent,
24.15 stepparent, child, stepchild, grandparent, grandchild, brother, sister, uncle, aunt, nephew,
24.16 or niece of a board member, or property in which a board member has a financial interest.
24.17 The relationship may be by blood or marriage.

24.18 (c) A local board may reduce assessments upon petition of the taxpayer but the total
24.19 reductions must not reduce the aggregate assessment made by the county assessor by more
24.20 than one percent. If the total reductions would lower the aggregate assessments made by
24.21 the county assessor by more than one percent, none of the adjustments may be made. The
24.22 assessor shall correct any clerical errors or double assessments discovered by the board
24.23 without regard to the one percent limitation.

24.24 (d) A local board does not have authority to grant an exemption or to order property
24.25 removed from the tax rolls.

24.26 (e) A majority of the members may act at the meeting, and adjourn from day to day
24.27 until they finish hearing the cases presented. The assessor shall attend and take part in
24.28 the proceedings, but must not vote. The county assessor, or an assistant delegated by the
24.29 county assessor shall attend the meetings. The board shall list separately all omitted
24.30 property added to the list by the board and all items of property increased or decreased,
24.31 with the market value of each item of property, added or changed by the board. The
24.32 county assessor shall enter all changes made by the board.

24.33 (f) Except as provided in subdivision 3, if a person fails to appear in person, by
24.34 counsel, or by written communication before the board after being duly notified of the
24.35 board's intent to raise the assessment of the property, or if a person feeling aggrieved by an
24.36 assessment or classification fails to apply for a review of the assessment or classification,

25.1 the person may not appear before the county board of appeal and equalization for a review.
25.2 This paragraph does not apply if an assessment was made after the local board meeting, as
25.3 provided in section 273.01, or if the person can establish not having received notice of
25.4 market value at least five days before the local board meeting.

25.5 (g) The local board must complete its work and adjourn within 20 days from the
25.6 time of convening stated in the notice of the clerk, unless a longer period is approved by
25.7 the commissioner of revenue. No action taken after that date is valid. All complaints
25.8 about an assessment or classification made after the meeting of the board must be heard
25.9 and determined by the county board of equalization. A nonresident may, at any time,
25.10 before the meeting of the board file written objections to an assessment or classification
25.11 with the county assessor. The objections must be presented to the board at its meeting by
25.12 the county assessor for its consideration.

25.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.

25.14 Sec. 6. Minnesota Statutes 2014, section 274.135, subdivision 3, is amended to read:

25.15 Subd. 3. **Proof of compliance; transfer of duties.** (a) Any county that conducts
25.16 county boards of appeal and equalization meetings must provide proof to the commissioner
25.17 by ~~December 1, 2009, and each year thereafter,~~ February 1 that it is in compliance with the
25.18 requirements of subdivision 2. ~~Beginning in 2009,~~ This notice must also verify that there
25.19 was a quorum of voting members at each meeting of the board of appeal and equalization
25.20 in the ~~current~~ previous year. A county that does not comply with these requirements is
25.21 deemed to have transferred its board of appeal and equalization powers to the special
25.22 board of equalization appointed pursuant to section 274.13, subdivision 2, beginning
25.23 with the following year's assessment and continuing unless the powers are reinstated
25.24 under paragraph (c). A county that does not comply with the requirements of subdivision
25.25 2 and has not appointed a special board of equalization shall appoint a special board of
25.26 equalization before the following year's assessment.

25.27 (b) The county shall notify the taxpayers when the board of appeal and equalization
25.28 for a county has been transferred to the special board of equalization under this subdivision
25.29 and, prior to the meeting time of the special board of equalization, the county shall make
25.30 available to those taxpayers a procedure for a review of the assessments, including, but
25.31 not limited to, open book meetings. This alternate review process must take place in
25.32 April and May.

25.33 (c) A county board whose powers are transferred to the special board of equalization
25.34 under this subdivision may be reinstated by resolution of the county board and upon proof
25.35 of compliance with the requirements of subdivision 2. The resolution and proofs must

26.1 be provided to the commissioner by ~~December~~ February 1 in order to be effective for
26.2 the ~~following~~ current year's assessment.

26.3 (d) If a person who was entitled to appeal to the county board of appeal and
26.4 equalization or to the county special board of equalization is not able to do so in a
26.5 particular year because the county board or special board did not meet the quorum and
26.6 training requirements in this section and section 274.13, or because the special board
26.7 was not appointed, that person may instead appeal to the commissioner of revenue,
26.8 provided that the appeal is received by the commissioner prior to August 1. The appeal
26.9 is not subject to either chapter 14 or section 270C.92. The commissioner must issue
26.10 an appropriate order to the county assessor in response to each timely appeal, either
26.11 upholding or changing the valuation or classification of the property. Prior to October 1 of
26.12 each year, the commissioner must charge and bill the county where the property is located
26.13 \$500 for each tax parcel covered by an order issued under this paragraph in that year.
26.14 Amounts received by the commissioner under this paragraph must be deposited in the
26.15 state's general fund. If payment of a billed amount is not received by the commissioner
26.16 before December 1 of the year when billed, the commissioner must deduct that unpaid
26.17 amount from any state aid the commissioner would otherwise pay to the county under
26.18 chapter 477A in the next year. Late payments may either be returned to the county
26.19 uncashed and undeposited or may be accepted. If a late payment is accepted, the state aid
26.20 paid to the county under chapter 477A must be adjusted within 12 months to eliminate any
26.21 reduction that occurred because the payment was late. Amounts needed to make these
26.22 adjustments are included in the appropriation under section 477A.03, subdivision 2.

26.23 **EFFECTIVE DATE.** This section is effective for county boards of appeal and
26.24 equalization meetings held in 2016 and thereafter.

26.25 Sec. 7. Minnesota Statutes 2014, section 275.065, subdivision 1, is amended to read:

26.26 Subdivision 1. **Proposed levy.** (a) Notwithstanding any law or charter to the
26.27 contrary, on or before September 30, each county and each home rule charter or statutory
26.28 city shall certify to the county auditor the proposed property tax levy for taxes payable in
26.29 the following year.

26.30 (b) Notwithstanding any law or charter to the contrary, on or before September 15,
26.31 each town and each special taxing district shall adopt and certify to the county auditor a
26.32 proposed property tax levy for taxes payable in the following year. For towns, the final
26.33 certified levy shall also be considered the proposed levy.

26.34 (c) On or before September 30, each school district that has not mutually agreed
26.35 with its home county to extend this date shall certify to the county auditor the proposed

27.1 property tax levy for taxes payable in the following year. Each school district that has
 27.2 agreed with its home county to delay the certification of its proposed property tax levy
 27.3 must certify its proposed property tax levy for the following year no later than October
 27.4 7. The school district shall certify the proposed levy as:

27.5 (1) a specific dollar amount by school district fund, broken down between
 27.6 voter-approved and non-voter-approved levies and between referendum market value
 27.7 and tax capacity levies; or

27.8 (2) the maximum levy limitation certified by the commissioner of education
 27.9 according to section 126C.48, subdivision 1.

27.10 (d) If the board of estimate and taxation or any similar board that establishes
 27.11 maximum tax levies for taxing jurisdictions within a first class city certifies the maximum
 27.12 property tax levies for funds under its jurisdiction by charter to the county auditor by the
 27.13 date specified in paragraph (a), the city shall be deemed to have certified its levies for
 27.14 those taxing jurisdictions.

27.15 (e) For purposes of this section, "special taxing district" means a special taxing
 27.16 district as defined in section 275.066. Intermediate school districts that levy a tax
 27.17 under chapter 124 or 136D, joint powers boards established under sections 123A.44 to
 27.18 123A.446, and Common School Districts No. 323, Franconia, and No. 815, Prinsburg, are
 27.19 also special taxing districts for purposes of this section.

27.20 (f) At the meeting at which a taxing authority, other than a town, adopts its proposed
 27.21 tax levy under this subdivision, the taxing authority shall announce the time and place
 27.22 of ~~its~~ any subsequent regularly scheduled meetings at which the budget and levy will be
 27.23 discussed and at which the public will be allowed to speak. The time and place of those
 27.24 meetings must be included in the proceedings or summary of proceedings published in the
 27.25 official newspaper of the taxing authority under section 123B.09, 375.12, or 412.191.

27.26 **EFFECTIVE DATE.** This section is effective the day following final enactment.

27.27 Sec. 8. Minnesota Statutes 2014, section 282.01, subdivision 1a, is amended to read:

27.28 Subd. 1a. **Conveyance to public entities.** (a) Upon written request from a state
 27.29 agency or a governmental subdivision of the state, a parcel of unsold tax-forfeited land
 27.30 must be withheld from sale or lease to others for a maximum of six months. The request
 27.31 must be submitted to the county auditor. Upon receipt, the county auditor must withhold
 27.32 the parcel from sale or lease to any other party for six months, and must confirm the
 27.33 starting date of the six-month withholding period to the requesting agency or subdivision.
 27.34 If the request is from a governmental subdivision of the state, the governmental
 27.35 subdivision must pay the maintenance costs incurred by the county during the period the

28.1 parcel is withheld. The county board may approve a sale or conveyance to the requesting
28.2 party during the withholding period. A conveyance of the property to the requesting
28.3 party terminates the withholding period.

28.4 A governmental subdivision of the state must not make, and a county auditor must
28.5 not act upon, a second request to withhold a parcel from sale or lease within 18 months
28.6 of a previous request for that parcel. A county may reject a request made under this
28.7 paragraph if the request is made more than 30 days after the county has given notice to the
28.8 requesting state agency or governmental subdivision of the state that the county intends to
28.9 sell or otherwise dispose of the property.

28.10 (b) Nonconservation tax-forfeited lands may be sold by the county board, for
28.11 their market value as determined by the county board, to an organized or incorporated
28.12 governmental subdivision of the state for any public purpose for which the subdivision is
28.13 authorized to acquire property. When the term "market value" is used in this section, it
28.14 means an estimate of the full and actual market value of the parcel as determined by the
28.15 county board, but in making this determination, the board and the persons employed by or
28.16 under contract with the board in order to perform, conduct, or assist in the determination,
28.17 are exempt from the licensure requirements of chapter 82B.

28.18 (c) Nonconservation tax-forfeited lands may be ~~released from the trust in favor of~~
28.19 ~~the taxing districts on application to~~ sold by the county board by, for their market value as
28.20 determined by the county board, to a state agency for an authorized use at not less than
28.21 their market value as determined by the county board any public purpose for which the
28.22 agency is authorized to acquire property.

28.23 (d) Nonconservation tax-forfeited lands may be sold by the county board to an
28.24 organized or incorporated governmental subdivision of the state or state agency for less
28.25 than their market value if:

28.26 (1) the county board determines that a sale at a reduced price is in the public interest
28.27 because a reduced price is necessary to provide an incentive to correct the blighted
28.28 conditions that make the lands undesirable in the open market, or the reduced price will
28.29 lead to the development of affordable housing; and

28.30 (2) the governmental subdivision or state agency has documented its specific plans
28.31 for correcting the blighted conditions or developing affordable housing, and the specific
28.32 law or laws that empower it to acquire real property in furtherance of the plans.

28.33 If the sale under this paragraph is to a governmental subdivision of the state, the
28.34 commissioner of revenue must convey the property on behalf of the state by quitclaim
28.35 deed. If the sale under this paragraph is to a state agency, the property is released from
28.36 the trust in favor of the taxing districts and the commissioner of revenue must issue a

29.1 ~~conveyance document that releases the property from the trust in favor of the taxing~~
29.2 ~~districts~~ convey the property on behalf of the state by quitclaim deed to the agency.

29.3 (e) Nonconservation tax-forfeited land held in trust in favor of the taxing districts
29.4 may be conveyed by the commissioner of revenue in the name of the state to a
29.5 governmental subdivision for an authorized public use, if an application is submitted to the
29.6 commissioner which includes a statement of facts as to the use to be made of the tract and
29.7 the favorable recommendation of the county board. For the purposes of this paragraph,
29.8 "authorized public use" means a use that allows an indefinite segment of the public to
29.9 physically use and enjoy the property in numbers appropriate to its size and use, or is for a
29.10 public service facility. Authorized public uses as defined in this paragraph are limited to:

29.11 (1) a road, or right-of-way for a road;

29.12 (2) a park that is both available to, and accessible by, the public that contains
29.13 improvements such as campgrounds, playgrounds, athletic fields, trails, or shelters;

29.14 (3) trails for walking, bicycling, snowmobiling, or other recreational purposes, along
29.15 with a reasonable amount of surrounding land maintained in its natural state;

29.16 (4) transit facilities for buses, light rail transit, commuter rail or passenger rail,
29.17 including transit ways, park-and-ride lots, transit stations, maintenance and garage
29.18 facilities, and other facilities related to a public transit system;

29.19 (5) public beaches or boat launches;

29.20 (6) public parking;

29.21 (7) civic recreation or conference facilities; and

29.22 (8) public service facilities such as fire halls, police stations, lift stations, water
29.23 towers, sanitation facilities, water treatment facilities, and administrative offices.

29.24 No monetary compensation or consideration is required for the conveyance, except as
29.25 provided in subdivision 1g, but the conveyance is subject to the conditions provided in
29.26 law, including, but not limited to, the reversion provisions of subdivisions 1c and 1d.

29.27 (f) The commissioner of revenue shall convey a parcel of nonconservation
29.28 tax-forfeited land to a local governmental subdivision of the state by quitclaim deed
29.29 on behalf of the state upon the favorable recommendation of the county board if the
29.30 governmental subdivision has certified to the board that prior to forfeiture the subdivision
29.31 was entitled to the parcel under a written development agreement or instrument, but
29.32 the conveyance failed to occur prior to forfeiture. No compensation or consideration is
29.33 required for, and no conditions attach to, the conveyance.

29.34 (g) The commissioner of revenue shall convey a parcel of nonconservation
29.35 tax-forfeited land to the association of a common interest community by quitclaim deed
29.36 upon the favorable recommendation of the county board if the association certifies to the

30.1 board that prior to forfeiture the association was entitled to the parcel under a written
30.2 agreement, but the conveyance failed to occur prior to forfeiture. No compensation or
30.3 consideration is required for, and no conditions attach to, the conveyance.

30.4 (h) Conservation tax-forfeited land may be sold to a governmental subdivision of
30.5 the state for less than its market value for either: (1) creation or preservation of wetlands;
30.6 (2) drainage or storage of storm water under a storm water management plan; or (3)
30.7 preservation, or restoration and preservation, of the land in its natural state. The deed must
30.8 contain a restrictive covenant limiting the use of the land to one of these purposes for
30.9 30 years or until the property is reconveyed back to the state in trust. At any time, the
30.10 governmental subdivision may reconvey the property to the state in trust for the taxing
30.11 districts. The deed of reconveyance is subject to approval by the commissioner of revenue.
30.12 No part of a purchase price determined under this paragraph shall be refunded upon a
30.13 reconveyance, but the amount paid for a conveyance under this paragraph may be taken
30.14 into account by the county board when setting the terms of a future sale of the same
30.15 property to the same governmental subdivision under paragraph (b) or (d). If the lands
30.16 are unplatted and located outside of an incorporated municipality and the commissioner
30.17 of natural resources determines there is a mineral use potential, the sale is subject to the
30.18 approval of the commissioner of natural resources.

30.19 (i) A park and recreation board in a city of the first class is a governmental
30.20 subdivision for the purposes of this section.

30.21 (j) Tax-forfeited land held in trust in favor of the taxing districts may be conveyed
30.22 by the commissioner of revenue in the name of the state to a governmental subdivision for
30.23 a school forest under section 89.41. An application that includes a statement of facts as
30.24 to the use to be made of the tract and the favorable recommendation of the county board
30.25 and the commissioner of natural resources must be submitted to the commissioner of
30.26 revenue. No monetary compensation or consideration is required for the conveyance, but
30.27 the conveyance is subject to the conditional use and reversion provisions of subdivisions
30.28 1c and 1d, paragraph (e). At any time, the governmental subdivision may reconvey the
30.29 property back to the state in trust for the taxing districts. The deed of reconveyance is
30.30 subject to approval by the commissioner of revenue.

30.31 **EFFECTIVE DATE.** This section is effective the day following final enactment.

30.32 Sec. 9. Minnesota Statutes 2014, section 282.01, subdivision 1d, is amended to read:

30.33 Subd. 1d. **Reverter for failure to use; conveyance to state.** (a) After three years
30.34 from the date of any conveyance of tax-forfeited land to a governmental subdivision for
30.35 an authorized public use as provided in this section, regardless of when the deed for the

31.1 authorized public use was executed, if the governmental subdivision has failed to put the
31.2 land to that use, or abandons that use, the governing body of the subdivision must: (1)
31.3 with the approval of the county board, purchase the property for an authorized public
31.4 purpose at the present market value as determined by the county board, or (2) authorize
31.5 the proper officers to convey the land, or the part of the land not required for an authorized
31.6 public use, to the state of Minnesota in trust for the taxing districts. If the governing body
31.7 purchases the property under clause (1), the commissioner of revenue shall, upon proper
31.8 application submitted by the county auditor and upon the reconveyance of the land subject
31.9 to the conditional use deed to the state, convey the property on behalf of the state by
31.10 quitclaim deed to the subdivision free of a use restriction and the possibility of reversion
31.11 or defeasement. If the governing body decides to reconvey the property to the state under
31.12 this clause, the officers shall execute a deed of conveyance immediately. The conveyance
31.13 is subject to the approval of the commissioner and its form must be approved by the
31.14 attorney general. For 15 years from the date of the conveyance, there is no failure to put
31.15 the land to the authorized public use and no abandonment of that use if a formal plan of
31.16 the governmental subdivision, including, but not limited to, a comprehensive plan or land
31.17 use plan, shows an intended future use of the land for the authorized public use.

31.18 (b) Property held by a governmental subdivision of the state under a conditional use
31.19 deed executed under this section by the commissioner of revenue on or after January 1,
31.20 2007, may be acquired by that governmental subdivision after 15 years from the date
31.21 of the conveyance if the commissioner determines upon written application from the
31.22 subdivision that the subdivision has in fact put the property to the authorized public use for
31.23 which it was conveyed, and the subdivision has made a finding that it has no current plans
31.24 to change the use of the lands. Prior to conveying the property, the commissioner shall
31.25 inquire whether the county board where the land is located objects to a conveyance of the
31.26 property to the subdivision without conditions and without further act by or obligation
31.27 of the subdivision. If the county does not object within 60 days, and the commissioner
31.28 makes a favorable determination, the commissioner shall issue a quitclaim deed on behalf
31.29 of the state unconditionally conveying the property to the governmental subdivision. For
31.30 purposes of this paragraph, demonstration of an intended future use for the authorized
31.31 public use in a formal plan of the governmental subdivision does not constitute use for
31.32 that authorized public use.

31.33 (c) Property held by a governmental subdivision of the state under a conditional use
31.34 deed executed under this section by the commissioner of revenue before January 1, 2007,
31.35 is released from the use restriction and possibility of reversion on January 1, 2022, if the
31.36 county board records a resolution describing the land and citing this paragraph. The

32.1 county board may authorize the county treasurer to deduct the amount of the recording
 32.2 fees from future settlements of property taxes to the subdivision.

32.3 (d) Except for tax-forfeited land conveyed to establish a school forest under section
 32.4 89.41, property conveyed under a conditional use deed executed under this section by
 32.5 the commissioner of revenue, regardless of when the deed for the authorized public use
 32.6 was executed, is released from the use restriction and reverter, and any use restriction or
 32.7 reverter for which no declaration of reversion has been recorded with the county recorder
 32.8 or registrar of titles, as appropriate, is nullified on the later of: (1) January 1, 2015; (2) 30
 32.9 years from the date the deed was acknowledged; or (3) final resolution of an appeal to
 32.10 district court under subdivision 1e, if a lis pendens related to the appeal is recorded in the
 32.11 office of the county recorder or registrar of titles, as appropriate, prior to January 1, 2015.

32.12 (e) Notwithstanding paragraphs (a) to (d), tax-forfeited land conveyed to establish a
 32.13 school forest under section 89.41 is subject to a perpetual conditional use deed and reverter.
 32.14 The property reverts to the state in trust for the taxing districts by operation of law if the
 32.15 commissioner of natural resources determines and reports to the commissioner of revenue
 32.16 under section 89.41, subdivision 3, that the governmental subdivision has failed to use the
 32.17 land for school forest purposes for three consecutive years. The commissioner of revenue
 32.18 shall record a declaration of reversion for land that has reverted under this paragraph.

32.19 **EFFECTIVE DATE.** This section is effective the day following final enactment.

32.20 Sec. 10. Laws 2014, chapter 308, article 9, section 94, is amended to read:

32.21 Sec. 94. **REPEALER.**

32.22 (a) Minnesota Statutes 2012, sections 273.1398, subdivision 4b; 290.01, subdivision
 32.23 19e; 290.0674, subdivision 3; 290.191, subdivision 4; and 290.33, and Minnesota Rules,
 32.24 part 8007.0200, are repealed.

32.25 (b) Minnesota Statutes 2012, sections 16D.02, subdivisions 5 and 8; 16D.11,
 32.26 subdivision 2; 270C.53; 270C.991, subdivision 4; 272.02, subdivisions 1, 1a, 43, 48, 51,
 32.27 53, 67, 72, and 82; ~~272.027, subdivision 2~~; 272.031; 273.015, subdivision 1; 273.03,
 32.28 subdivision 3; 273.075; 273.13, subdivision 21a; 273.1383; 273.1386; 273.80; 275.77;
 32.29 279.32; 281.173, subdivision 8; 281.174, subdivision 8; 281.328; 282.10; 282.23; 287.20,
 32.30 subdivision 4; 287.27, subdivision 2; 290.01, subdivisions 4b and 20e; 295.52, subdivision
 32.31 7; 297A.666; 297A.71, subdivisions 4, 5, 7, 9, 10, 17, 18, 20, 32, and 41; 297F.08,
 32.32 subdivision 11; 297H.10, subdivision 2; 469.174, subdivision 10c; 469.175, subdivision
 32.33 2b; 469.176, subdivision 1i; 469.177, subdivision 10; 477A.0124, subdivisions 1 and 6;
 32.34 and 505.173, Minnesota Statutes 2013 Supplement, section 273.1103, Laws 1993, chapter

33.1 375, article 9, section 47, and Minnesota Rules, parts 8002.0200, subpart 8; 8100.0800;
33.2 and 8130.7500, subpart 7, are repealed.

33.3 (c) Minnesota Statutes 2012, section 469.1764, is repealed.

33.4 (d) Minnesota Statutes 2012, sections 289A.56, subdivision 7; 297A.68, subdivision
33.5 38; 469.330; 469.331; 469.332; 469.333; 469.334; 469.335; 469.336; 469.337; 469.338;
33.6 469.339; 469.340, subdivisions 1, 2, 3, and 5; and 469.341, and Minnesota Statutes 2013
33.7 Supplement, section 469.340, subdivision 4, are repealed.

33.8 (e) Minnesota Statutes 2012, section 290.06, subdivisions 30 and 31, are repealed.

33.9 Sec. 11. **REVIVAL AND REENACTMENT.**

33.10 Pursuant to Minnesota Statutes, section 645.36, section 272.027, subdivision 2, is
33.11 revived and reenacted effective retroactively from May 20, 2014.

33.12 **EFFECTIVE DATE.** This section is effective the day following final enactment.

33.13 Sec. 12. **REPEALER.**

33.14 Minnesota Statutes 2014, sections 273.111, subdivision 9a; and 281.22, are repealed.

33.15 **EFFECTIVE DATE.** This section is effective the day following final enactment.

33.16 **ARTICLE 5**

33.17 **DEPARTMENT OF REVENUE TECHNICAL PROVISIONS: MISCELLANEOUS**

33.18 Section 1. Minnesota Statutes 2014, section 270A.03, subdivision 5, is amended to read:

33.19 Subd. 5. **Debt.** (a) "Debt" means a legal obligation of a natural person to pay a fixed
33.20 and certain amount of money, which equals or exceeds \$25 and which is due and payable
33.21 to a claimant agency. The term includes criminal fines imposed under section 609.10 or
33.22 609.125, fines imposed for petty misdemeanors as defined in section 609.02, subdivision
33.23 4a, and restitution. A debt may arise under a contractual or statutory obligation, a court
33.24 order, or other legal obligation, but need not have been reduced to judgment.

33.25 A debt includes any legal obligation of a current recipient of assistance which is
33.26 based on overpayment of an assistance grant where that payment is based on a client
33.27 waiver or an administrative or judicial finding of an intentional program violation;
33.28 or where the debt is owed to a program wherein the debtor is not a client at the time
33.29 notification is provided to initiate recovery under this chapter and the debtor is not a
33.30 current recipient of food support, transitional child care, or transitional medical assistance.

34.1 (b) A debt does not include any legal obligation to pay a claimant agency for medical
34.2 care, including hospitalization if the income of the debtor at the time when the medical
34.3 care was rendered does not exceed the following amount:

- 34.4 (1) for an unmarried debtor, an income of ~~\$8,800~~ \$12,360 or less;
- 34.5 (2) for a debtor with one dependent, an income of ~~\$11,270~~ \$15,830 or less;
- 34.6 (3) for a debtor with two dependents, an income of ~~\$13,330~~ \$18,730 or less;
- 34.7 (4) for a debtor with three dependents, an income of ~~\$15,120~~ \$21,240 or less;
- 34.8 (5) for a debtor with four dependents, an income of ~~\$15,950~~ \$22,410 or less; and
- 34.9 (6) for a debtor with five or more dependents, an income of ~~\$16,630~~ \$23,360 or less.

34.10 For purposes of this paragraph, "debtor" means the individual whose income,
34.11 together with the income of the individual's spouse, other than a separated spouse, brings
34.12 the individual within the income provisions of this paragraph. For purposes of this
34.13 paragraph, a spouse, other than a separated spouse, is a dependent.

34.14 (c) The commissioner shall adjust the income amounts in paragraph (b) by the
34.15 percentage determined pursuant to the provisions of section 1(f) of the Internal Revenue
34.16 Code, except that in section 1(f)(3)(B) the word "~~1999~~ 2013" shall be substituted for
34.17 the word "1992." For ~~2001~~ 2015, the commissioner shall then determine the percent
34.18 change from the 12 months ending on August 31, ~~1999~~ 2013, to the 12 months ending on
34.19 August 31, ~~2000~~ 2014, and in each subsequent year, from the 12 months ending on August
34.20 31, ~~1999~~ 2013, to the 12 months ending on August 31 of the year preceding the taxable
34.21 year. The determination of the commissioner pursuant to this subdivision shall not be
34.22 considered a "rule" and shall not be subject to the Administrative Procedure Act contained
34.23 in chapter 14. The income amount as adjusted must be rounded to the nearest \$10 amount.
34.24 If the amount ends in \$5, the amount is rounded up to the nearest \$10 amount.

34.25 (d) Debt also includes an agreement to pay a MinnesotaCare premium, regardless of
34.26 the dollar amount of the premium authorized under section 256L.15, subdivision 1a.

34.27 **EFFECTIVE DATE.** This section is effective retroactively for debts incurred
34.28 after December 31, 2013.

34.29 Sec. 2. Minnesota Statutes 2014, section 270C.35, is amended by adding a subdivision
34.30 to read:

34.31 **Subd. 11. Dismissal of administrative appeal.** If a taxpayer files an administrative
34.32 appeal for an order of the commissioner and also files an appeal to the Tax Court for
34.33 that same order of the commissioner, the administrative appeal is dismissed and the
34.34 commissioner is no longer required to make a determination of appeal under subdivision 6.

35.1 **EFFECTIVE DATE.** This section is effective for all administrative appeals filed
 35.2 after June 30, 2015.

35.3 Sec. 3. Minnesota Statutes 2014, section 270C.72, subdivision 4, is amended to read:

35.4 Subd. 4. **Licensing authority; duties.** All licensing authorities must require
 35.5 the applicant to provide the applicant's Social Security number or individual taxpayer
 35.6 identification number and Minnesota business identification number, as applicable, on
 35.7 all license applications. Upon request of the commissioner, the licensing authority
 35.8 must provide the commissioner with a list of all applicants, including the name,
 35.9 address, business name and address, and Social Security number, or individual taxpayer
 35.10 identification number and business identification number, as applicable, of each applicant.
 35.11 The commissioner may request from a licensing authority a list of the applicants no more
 35.12 than once each calendar year.

35.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.

35.14 **ARTICLE 6**

35.15 **DEPARTMENT OF REVENUE POLICY PROVISIONS: INDIVIDUAL** 35.16 **INCOME, CORPORATE FRANCHISE, AND ESTATE TAXES**

35.17 Section 1. Minnesota Statutes 2014, section 289A.08, subdivision 16, is amended to
 35.18 read:

35.19 Subd. 16. **Tax refund or return preparers; electronic filing; paper filing fee**
 35.20 **imposed.** (a) A "tax refund or return preparer," as defined in section 289A.60, subdivision
 35.21 13, paragraph (f), who is a tax return preparer for purposes of section 6011(e) of the
 35.22 Internal Revenue Code, and who reasonably expects to prepare more than ten Minnesota
 35.23 individual income, corporate franchise, S corporation, partnership, or fiduciary income tax
 35.24 returns for the prior ~~calendar~~ year must file all Minnesota individual income, corporate
 35.25 franchise, S corporation, partnership, or fiduciary income tax returns prepared for that
 35.26 ~~calendar~~ year by electronic means.

35.27 (b) Paragraph (a) does not apply to a return if the taxpayer has indicated on the return
 35.28 that the taxpayer did not want the return filed by electronic means.

35.29 (c) For each return that is not filed electronically by a tax refund or return preparer
 35.30 under this subdivision, including returns filed under paragraph (b), a paper filing fee
 35.31 of \$5 is imposed upon the preparer. The fee is collected from the preparer in the same
 35.32 manner as income tax. The fee does not apply to returns that the commissioner requires
 35.33 to be filed in paper form.

36.1 **EFFECTIVE DATE.** This section is effective for taxable years beginning after
36.2 December 31, 2014.

36.3 Sec. 2. Minnesota Statutes 2014, section 289A.09, subdivision 2, is amended to read:

36.4 Subd. 2. **Withholding statement.** (a) A person required to deduct and withhold
36.5 from an employee a tax under section 290.92, subdivision 2a or 3, or 290.923, subdivision
36.6 2, or who would have been required to deduct and withhold a tax under section 290.92,
36.7 subdivision 2a or 3, or persons required to withhold tax under section 290.923, subdivision
36.8 2, determined without regard to section 290.92, subdivision 19, if the employee or payee
36.9 had claimed no more than one withholding exemption, or who paid wages or made
36.10 payments not subject to withholding under section 290.92, subdivision 2a or 3, or 290.923,
36.11 subdivision 2, to an employee or person receiving royalty payments in excess of \$600,
36.12 or who has entered into a voluntary withholding agreement with a payee under section
36.13 290.92, subdivision 20, must give every employee or person receiving royalty payments in
36.14 respect to the remuneration paid by the person to the employee or person receiving royalty
36.15 payments during the calendar year, on or before January 31 of the succeeding year, or, if
36.16 employment is terminated before the close of the calendar year, within 30 days after the
36.17 date of receipt of a written request from the employee if the 30-day period ends before
36.18 January 31, a written statement showing the following:

36.19 (1) name of the person;

36.20 (2) the name of the employee or payee and the employee's or payee's Social Security
36.21 account number;

36.22 (3) the total amount of wages as that term is defined in section 290.92, subdivision
36.23 1, paragraph (1); the total amount of remuneration subject to withholding under section
36.24 290.92, subdivision 20; the amount of sick pay as required under section 6051(f) of the
36.25 Internal Revenue Code; and the amount of royalties subject to withholding under section
36.26 290.923, subdivision 2; and

36.27 (4) the total amount deducted and withheld as tax under section 290.92, subdivision
36.28 2a or 3, or 290.923, subdivision 2.

36.29 (b) The statement required to be furnished by paragraph (a) with respect to any
36.30 remuneration must be furnished at those times, must contain the information required, and
36.31 must be in the form the commissioner prescribes.

36.32 (c) The commissioner may prescribe rules providing for reasonable extensions of
36.33 time, not in excess of 30 days, to employers or payers required to give the statements to
36.34 their employees or payees under this subdivision.

37.1 (d) A duplicate of any statement made under this subdivision and in accordance
37.2 with rules prescribed by the commissioner, along with a reconciliation in the form the
37.3 commissioner prescribes of the statements for the calendar year, including a reconciliation
37.4 of the quarterly returns required to be filed under subdivision 1, must be filed with the
37.5 commissioner on or before February 28 of the year after the payments were made.

37.6 (e) If an employer cancels the employer's Minnesota withholding account number
37.7 required by section 290.92, subdivision 24, the information required by paragraph (d),
37.8 must be filed with the commissioner within 30 days of the end of the quarter in which
37.9 the employer cancels its account number.

37.10 (f) The employer must submit the statements required to be sent to the commissioner
37.11 ~~in the same manner required to satisfy the federal reporting requirements of section~~
37.12 ~~6011(e) of the Internal Revenue Code and the regulations issued under it. An employer~~
37.13 ~~must submit statements to the commissioner required by this section by electronic means~~
37.14 ~~if the employer is required to send more than 25 statements to the commissioner, even~~
37.15 ~~though the employer is not required to submit the returns federally by electronic means.~~
37.16 ~~For statements issued for wages paid in 2011 and after, the threshold is ten. All statements~~
37.17 ~~issued for withholding required under section 290.92 are aggregated for purposes of~~
37.18 ~~determining whether the electronic submission threshold is met. The commissioner shall~~
37.19 ~~prescribe the content, format, and manner of the statement pursuant to section 270C.30.~~

37.20 (g) A "third-party bulk filer" as defined in section 290.92, subdivision 30, paragraph
37.21 (a), clause (2), must submit the returns required by this subdivision and subdivision 1,
37.22 paragraph (a), with the commissioner by electronic means.

37.23 **EFFECTIVE DATE.** This section is effective for statements required to be sent to
37.24 the commissioner after December 31, 2015.

37.25 Sec. 3. Minnesota Statutes 2014, section 289A.12, subdivision 14, is amended to read:

37.26 Subd. 14. **Regulated investment companies; Reporting exempt interest and**
37.27 **exempt-interest dividends.** (a) A regulated investment company paying \$10 or more in
37.28 exempt-interest dividends to an individual who is a resident of Minnesota, or any person
37.29 receiving \$10 or more of exempt interest or exempt-interest dividends and paying as
37.30 nominee to an individual who is a resident of Minnesota, must make a return indicating
37.31 the amount of the exempt interest or exempt-interest dividends, the name, address, and
37.32 Social Security number of the recipient, and any other information that the commissioner
37.33 specifies. The return must be provided to the shareholder recipient by February 15 of the
37.34 year following the year of the payment. The return provided to the shareholder recipient
37.35 must include a clear statement, in the form prescribed by the commissioner, that the

38.1 exempt interest or exempt-interest dividends must be included in the computation of
38.2 Minnesota taxable income. By June 1 of each year, the ~~regulated investment company~~
38.3 payor must file a copy of the return with the commissioner.

38.4 (b) For purposes of this subdivision, the following definitions apply.

38.5 (1) "Exempt-interest dividends" mean exempt-interest dividends as defined in
38.6 section 852(b)(5) of the Internal Revenue Code, but does not include the portion of
38.7 exempt-interest dividends that are not required to be added to federal taxable income
38.8 under section 290.01, subdivision 19a, clause (1)(ii).

38.9 (2) "Regulated investment company" means regulated investment company as
38.10 defined in section 851(a) of the Internal Revenue Code or a fund of the regulated
38.11 investment company as defined in section 851(g) of the Internal Revenue Code.

38.12 (3) "Exempt interest" means income on obligations of any state other than
38.13 Minnesota, or a political or governmental subdivision, municipality, or governmental
38.14 agency or instrumentality of any state other than Minnesota, and exempt from federal
38.15 income taxes under the Internal Revenue Code or any other federal statute.

38.16 **EFFECTIVE DATE.** This section is effective for reports required to be filed after
38.17 December 31, 2015.

38.18 Sec. 4. Minnesota Statutes 2014, section 289A.60, subdivision 28, is amended to read:

38.19 Subd. 28. **Preparer identification number.** Any Minnesota ~~individual~~ income tax
38.20 return or claim for refund prepared by a "tax refund or return preparer" as defined in
38.21 subdivision 13, paragraph (f), shall bear the identification number the preparer is required
38.22 to use federally under section 6109(a)(4) of the Internal Revenue Code. A tax refund or
38.23 return preparer who prepares a Minnesota tax return for an individual income tax return,
38.24 corporation, S corporation, partnership, fiduciary, or claim for refund and fails to include
38.25 the required number on the return or claim is subject to a penalty of \$50 for each failure.

38.26 **EFFECTIVE DATE.** This section is effective for taxable years beginning after
38.27 December 31, 2014.

38.28 Sec. 5. Minnesota Statutes 2014, section 290A.19, is amended to read:

38.29 **290A.19 OWNER OR MANAGING AGENT TO FURNISH RENT**
38.30 **CERTIFICATE.**

38.31 (a) The owner or managing agent of any property for which rent is paid for
38.32 occupancy as a homestead must furnish a certificate of rent paid to a person who is a
38.33 renter on December 31, in the form prescribed by the commissioner. If the renter moves

39.1 before December 31, the owner or managing agent may give the certificate to the renter
39.2 at the time of moving, or mail the certificate to the forwarding address if an address has
39.3 been provided by the renter. The certificate must be made available to the renter before
39.4 February 1 of the year following the year in which the rent was paid. The owner or
39.5 managing agent must retain a duplicate of each certificate or an equivalent record showing
39.6 the same information for a period of three years. The duplicate or other record must be
39.7 made available to the commissioner upon request.

39.8 (b) The commissioner may require the owner or managing agent, through a simple
39.9 process, to furnish to the commissioner on or before March 1 a copy of each certificate
39.10 of rent paid furnished to a renter for rent paid in the prior year, in the content, format,
39.11 and manner prescribed by the commissioner pursuant to section 270C.30. Before
39.12 implementing requirements under this paragraph, the commissioner, after consulting
39.13 with representatives of owners or managing agents, shall develop an implementation and
39.14 administration plan for the requirements of this paragraph that attempts to minimize
39.15 financial burdens, costs of administration and compliance, and takes into consideration
39.16 existing systems of owners and managing agents.

39.17 (c) For the purposes of this section, "owner" includes a park owner as defined under
39.18 section 327C.01, subdivision 6, and "property" includes a lot as defined under section
39.19 327C.01, subdivision 3.

39.20 **EFFECTIVE DATE.** This section is effective for certificates of rent paid for rent
39.21 paid after December 31, 2014.

39.22 Sec. 6. Minnesota Statutes 2014, section 291.03, subdivision 10, is amended to read:

39.23 Subd. 10. **Qualified farm property.** Property satisfying all of the following
39.24 requirements is qualified farm property:

39.25 (1) The value of the property was included in the federal adjusted taxable estate.

39.26 (2) The property consists of agricultural land and is owned by a person or entity that
39.27 is either not subject to or is in compliance with section 500.24.

39.28 (3) For property taxes payable in the taxable year of the decedent's death, the
39.29 property is classified as class 2a property under section 273.13, subdivision 23, and is
39.30 classified as agricultural homestead, agricultural relative homestead, or special agricultural
39.31 homestead under section 273.124.

39.32 (4) The decedent continuously owned the property, including property the decedent
39.33 is deemed to own under sections 2036, 2037, and 2038 of the Internal Revenue Code, for
39.34 the three-year period ending on the date of death of the decedent either by ownership of

40.1 the agricultural land or pursuant to holding an interest in an entity that is not subject to
40.2 or is in compliance with section 500.24.

40.3 (5) The property is classified for property tax purposes as class 2a property under
40.4 section 273.13, subdivision 23, for three years following the date of death of the decedent:
40.5 , provided that:

40.6 (i) no property ceases to be qualified farm property solely because a residence
40.7 existing at the time of the decedent's death is reclassified as class 4bb property under
40.8 section 273.13, subdivision 25, during the three-year period; and

40.9 (ii) no property ceases to be qualified farm property solely because a portion
40.10 consisting of no more than one-fifth is reclassified as 2b property under section 273.13,
40.11 subdivision 23, during the three-year period, if the qualified heir has not substantially
40.12 altered the reclassified property during the holding period.

40.13 (6) The estate and the qualified heir elect to treat the property as qualified farm
40.14 property and agree, in a form prescribed by the commissioner, to pay the recapture tax
40.15 under subdivision 11, if applicable.

40.16 **EFFECTIVE DATE.** This section is effective retroactively for estates of decedents
40.17 dying after June 30, 2011.

40.18 ARTICLE 7

40.19 DEPARTMENT OF REVENUE POLICY PROVISIONS: SPECIAL TAXES

40.20 Section 1. Minnesota Statutes 2014, section 289A.38, subdivision 6, is amended to read:

40.21 Subd. 6. **Omission in excess of 25 percent.** Additional taxes may be assessed
40.22 within 6-1/2 years after the due date of the return or the date the return was filed,
40.23 whichever is later, if:

40.24 (1) the taxpayer omits from gross income an amount properly includable in it that is
40.25 in excess of 25 percent of the amount of gross income stated in the return;

40.26 (2) the taxpayer omits from a sales, use, or withholding tax return, or a return for a
40.27 tax imposed under section 295.52, an amount of taxes in excess of 25 percent of the
40.28 taxes reported in the return; or

40.29 (3) the taxpayer omits from the gross estate assets in excess of 25 percent of the
40.30 gross estate reported in the return.

40.31 **EFFECTIVE DATE.** This section is effective the day following final enactment.

40.32 Sec. 2. Minnesota Statutes 2014, section 295.54, subdivision 2, is amended to read:

41.1 Subd. 2. **Pharmacy refund.** A pharmacy may claim an annual refund against
41.2 the total amount of tax, if any, the pharmacy owes during that calendar year under
41.3 section 295.52, subdivision 4. The refund shall equal the amount paid by the pharmacy
41.4 to a wholesale drug distributor subject to tax under section 295.52, subdivision 3, for
41.5 legend drugs delivered by the pharmacy outside of Minnesota, multiplied by the tax
41.6 percentage specified in section 295.52, subdivision 3. If the amount of the refund exceeds
41.7 the tax liability of the pharmacy under section 295.52, subdivision 4, the commissioner
41.8 shall provide the pharmacy with a refund equal to the excess amount. Each qualifying
41.9 pharmacy must apply for the refund on the annual return as ~~provided under section~~
41.10 ~~295.55, subdivision 5~~ prescribed by the commissioner, on or before March 15 of the year
41.11 following the calendar year the legend drugs were delivered outside Minnesota. The
41.12 ~~refund must be claimed within 18 months from the date the drugs were delivered outside~~
41.13 ~~of Minnesota~~ shall not be allowed if the initial claim for refund is filed more than one year
41.14 after the original due date of the return. Interest on refunds paid under this subdivision
41.15 will begin to accrue 60 days after the date a claim for refund is filed. For purposes of this
41.16 subdivision, the date a claim is filed is the due date of the return if a return is due or the
41.17 date of the actual claim for refund, whichever is later.

41.18 **EFFECTIVE DATE.** This section is effective for qualifying legend drugs delivered
41.19 outside Minnesota after December 31, 2014.

41.20 Sec. 3. Minnesota Statutes 2014, section 296A.01, is amended by adding a subdivision
41.21 to read:

41.22 Subd. 9a. **Bulk storage or bulk storage facility.** "Bulk storage" or "bulk storage
41.23 facility" means a single property, or contiguous or adjacent properties used for a common
41.24 purpose and owned or operated by the same person, on or in which are located one or more
41.25 stationary tanks that are used singularly or in combination for the storage or containment
41.26 of more than 1,100 gallons of petroleum.

41.27 **EFFECTIVE DATE.** This section is effective the day following final enactment.

41.28 Sec. 4. Minnesota Statutes 2014, section 296A.01, subdivision 33, is amended to read:

41.29 Subd. 33. **Motor fuel.** "Motor fuel" means a liquid or gaseous form of fuel,
41.30 regardless of its composition or properties, used to propel a motor vehicle.

41.31 **EFFECTIVE DATE.** This section is effective the day following final enactment.

41.32 Sec. 5. Minnesota Statutes 2014, section 297E.02, subdivision 7, is amended to read:

42.1 Subd. 7. **Untaxed gambling product.** (a) In addition to penalties or criminal
42.2 sanctions imposed by this chapter, a person, organization, or business entity possessing or
42.3 selling a pull-tab, electronic pull-tab game, or tipboard upon which the tax imposed by
42.4 this chapter has not been paid is liable for a tax of six percent of the ideal gross of each
42.5 pull-tab, electronic pull-tab game, or tipboard. The tax on a partial deal must be assessed
42.6 as if it were a full deal.

42.7 (b) In addition to penalties and criminal sanctions imposed by this chapter, a person
42.8 (1) not licensed by the board who conducts bingo, linked bingo, electronic linked bingo,
42.9 raffles, or paddlewheel games, or (2) who conducts gambling prohibited under sections
42.10 609.75 to 609.763, other than activities subject to tax under section 297E.03, is liable for a
42.11 tax of six percent of the gross receipts from that activity.

42.12 (c) The tax ~~must~~ may be assessed by the commissioner. An assessment must be
42.13 considered a jeopardy assessment or jeopardy collection as provided in section 270C.36.
42.14 The commissioner shall assess the tax based on personal knowledge or information
42.15 available to the commissioner. The commissioner shall mail to the taxpayer at the
42.16 taxpayer's last known address, or serve in person, a written notice of the amount of tax,
42.17 demand its immediate payment, and, if payment is not immediately made, collect the tax
42.18 by any method described in chapter 270C, except that the commissioner need not await the
42.19 expiration of the times specified in chapter 270C. The tax assessed by the commissioner
42.20 is presumed to be valid and correctly determined and assessed. The burden is upon the
42.21 taxpayer to show its incorrectness or invalidity. The tax imposed under this subdivision
42.22 does not apply to gambling that is exempt from taxation under subdivision 2.

42.23 (d) A person, organization, or business entity conducting gambling activity under
42.24 this subdivision must file monthly tax returns with the commissioner, in the form required
42.25 by the commissioner. The returns must be filed on or before the 20th day of the month
42.26 following the month in which the gambling activity occurred. The tax imposed by this
42.27 section is due and payable at the time when the returns are required to be filed.

42.28 (e) Notwithstanding any law to the contrary, neither the commissioner nor a public
42.29 employee may reveal facts contained in a tax return filed with the commissioner of
42.30 revenue as required by this subdivision, nor can any information contained in the report or
42.31 return be used against the tax obligor in any criminal proceeding, unless independently
42.32 obtained, except in connection with a proceeding involving taxes due under this section,
42.33 or as provided in section 270C.055, subdivision 1. However, this paragraph does not
42.34 prohibit the commissioner from publishing statistics that do not disclose the identity of
42.35 tax obligors or the contents of particular returns or reports. Any person violating this
42.36 paragraph is guilty of a gross misdemeanor.

43.1 **EFFECTIVE DATE.** This section is effective for games played or purchased after
 43.2 June 30, 2015.

43.3 **ARTICLE 8**

43.4 **DEPARTMENT OF REVENUE POLICY PROVISIONS: PROPERTY TAXES**

43.5 Section 1. Minnesota Statutes 2014, section 13.51, subdivision 2, is amended to read:

43.6 Subd. 2. **Income property assessment data.** The following data collected by
 43.7 political subdivisions and the state from individuals or business entities concerning
 43.8 income properties are classified as private or nonpublic data pursuant to section 13.02,
 43.9 subdivisions 9 and 12:

- 43.10 (a) detailed income and expense figures;
- 43.11 (b) average vacancy factors;
- 43.12 (c) verified net rentable areas or net usable areas, whichever is appropriate;
- 43.13 (d) anticipated income and expenses;
- 43.14 (e) projected vacancy factors; and
- 43.15 (f) lease information.

43.16 **EFFECTIVE DATE.** This section is effective the day following final enactment.

43.17 Sec. 2. Minnesota Statutes 2014, section 270.071, subdivision 2, is amended to read:

43.18 Subd. 2. **Air commerce.** (a) "Air commerce" means the transportation by aircraft
 43.19 of persons or property for hire in interstate, intrastate, or international transportation
 43.20 on regularly scheduled flights or on intermittent or irregularly timed flights by airline
 43.21 companies and includes transportation by any airline company making three or more
 43.22 flights in or out of Minnesota, or within Minnesota, during a calendar year.

43.23 ~~(b) "Air commerce" includes but is not limited to an intermittent or irregularly timed~~
 43.24 ~~flight, a flight arranged at the convenience of an airline and the person contracting for the~~
 43.25 ~~transportation, or a charter flight. It includes any airline company making three or more~~
 43.26 ~~flights in or out of Minnesota during a calendar year.~~

43.27 ~~(c) "Air commerce" does not include casual transportation for hire by aircraft~~
 43.28 ~~commonly owned and used for private air flight purposes if the person furnishing the~~
 43.29 ~~transportation does not hold out to be engaged regularly in transportation for hire.~~

43.30 **EFFECTIVE DATE.** This section is effective for assessment year 2016 and
 43.31 thereafter.

43.32 Sec. 3. Minnesota Statutes 2014, section 270.071, subdivision 7, is amended to read:

44.1 Subd. 7. **Flight property.** "Flight property" means all aircraft and flight equipment
44.2 used in connection therewith, including spare flight equipment. Flight property also
44.3 includes computers and computer software used in operating, controlling, or regulating
44.4 aircraft and flight equipment. Flight property does not include aircraft with a maximum
44.5 takeoff weight of less than 30,000 pounds.

44.6 **EFFECTIVE DATE.** This section is effective for assessment year 2016 and
44.7 thereafter.

44.8 Sec. 4. Minnesota Statutes 2014, section 270.071, subdivision 8, is amended to read:

44.9 Subd. 8. **Person.** "Person" means ~~any~~ an individual, ~~corporation, firm,~~
44.10 ~~copartnership, company, or association, and includes any guardian, trustee, executor,~~
44.11 ~~administrator, receiver, conservator, or any person acting in any fiduciary capacity therefor~~
44.12 trust, estate, fiduciary, partnership, company, corporation, limited liability company,
44.13 association, governmental unit or agency, public or private organization of any kind,
44.14 or other legal entity.

44.15 **EFFECTIVE DATE.** This section is effective for assessment year 2016 and
44.16 thereafter.

44.17 Sec. 5. Minnesota Statutes 2014, section 270.071, is amended by adding a subdivision
44.18 to read:

44.19 Subd. 10. **Intermittent or irregularly timed flights.** "Intermittently or irregularly
44.20 timed flights" means any flight in which the departure time, departure location, and arrival
44.21 location are specifically negotiated with the customer or the customer's representative,
44.22 including but not limited to charter flights.

44.23 **EFFECTIVE DATE.** This section is effective for assessment year 2016 and
44.24 thereafter.

44.25 Sec. 6. Minnesota Statutes 2014, section 270.072, subdivision 2, is amended to read:

44.26 Subd. 2. **Assessment of flight property.** Flight property that is owned by, or is
44.27 leased, loaned, or otherwise made available to an airline company operating in Minnesota
44.28 shall be assessed and appraised annually by the commissioner with reference to its value
44.29 on January 2 of the assessment year in the manner prescribed by sections 270.071 to
44.30 270.079. ~~Aircraft with a gross weight of less than 30,000 pounds and used on intermittent~~
44.31 ~~or irregularly timed flights shall be excluded from the provisions of sections 270.071 to~~
44.32 ~~270.079.~~

45.1 **EFFECTIVE DATE.** This section is effective for assessment year 2016 and
45.2 thereafter.

45.3 Sec. 7. Minnesota Statutes 2014, section 270.072, subdivision 3, is amended to read:

45.4 Subd. 3. **Report by airline company.** (a) Each year, on or before July 1, every
45.5 airline company engaged in air commerce in this state shall file with the commissioner a
45.6 report under oath setting forth specifically the information prescribed by the commissioner
45.7 to enable the commissioner to make the assessment required in sections 270.071 to
45.8 270.079, unless the commissioner determines that the airline company ~~or person should be~~
45.9 ~~excluded from~~ is exempt from filing because its activities do not constitute air commerce
45.10 as defined herein.

45.11 (b) The commissioner shall prescribe the content, format, and manner of the report
45.12 pursuant to section 270C.30, except that a "law administered by the commissioner"
45.13 includes the property tax laws. If a report is made by electronic means, the taxpayer's
45.14 signature is defined pursuant to section 270C.304, except that a "law administered by the
45.15 commissioner" includes the property tax laws.

45.16 **EFFECTIVE DATE.** The amendment to paragraph (a) is effective for reports
45.17 filed in 2016 and thereafter. The amendment adding paragraph (b) is effective the day
45.18 following final enactment.

45.19 Sec. 8. Minnesota Statutes 2014, section 270.072, is amended by adding a subdivision
45.20 to read:

45.21 Subd. 3a. **Commissioner filed reports.** If an airline company fails to file a report
45.22 required by subdivision 3, the commissioner may, from information in the commissioner's
45.23 possession or obtainable by the commissioner, make and file a report for the airline
45.24 company, or may issue a notice of net tax capacity and tax under section 270.075,
45.25 subdivision 2.

45.26 **EFFECTIVE DATE.** This section is effective for assessment year 2016 and
45.27 thereafter.

45.28 Sec. 9. Minnesota Statutes 2014, section 270.12, is amended by adding a subdivision
45.29 to read:

45.30 Subd. 6. **Reassessment orders.** If the State Board of Equalization determines that a
45.31 considerable amount of property has been undervalued or overvalued compared to like
45.32 property such that the assessment is grossly unfair or inequitable, the State Board of

46.1 Equalization may, pursuant to its responsibilities under subdivisions 2 and 3, issue orders
46.2 to the county assessor to reassess all or any part of a parcel in a county.

46.3 **EFFECTIVE DATE.** This section is effective for assessment year 2016 and
46.4 thereafter.

46.5 Sec. 10. Minnesota Statutes 2014, section 270.82, subdivision 1, is amended to read:

46.6 Subdivision 1. **Annual report required.** Every railroad company doing business
46.7 in Minnesota shall annually file with the commissioner on or before March 31 a report
46.8 under oath setting forth the information prescribed by the commissioner to enable the
46.9 commissioner to make the valuation and equalization required by sections 270.80 to
46.10 270.87. The commissioner shall prescribe the content, format, and manner of the report
46.11 pursuant to section 270C.30, except that a "law administered by the commissioner"
46.12 includes the property tax laws. If a report is made by electronic means, the taxpayer's
46.13 signature is defined pursuant to section 270C.304, except that a "law administered by the
46.14 commissioner" includes the property tax laws.

46.15 **EFFECTIVE DATE.** This section is effective the day following final enactment.

46.16 Sec. 11. Minnesota Statutes 2014, section 270C.89, subdivision 1, is amended to read:

46.17 Subdivision 1. **Initial report.** Each county assessor shall file by April 1 with the
46.18 commissioner a copy of the abstract that will be acted upon by the local and county
46.19 boards of review. The abstract must list the real and personal property in the county
46.20 itemized by assessment districts. The assessor of each county in the state shall file with
46.21 the commissioner, within ten working days following final action of the local board of
46.22 review or equalization and within five days following final action of the county board of
46.23 equalization, any changes made by the local or county board. The information must be
46.24 filed in the manner prescribed by the commissioner. ~~It must be accompanied by a printed~~
46.25 ~~or typewritten copy of the proceedings of the appropriate board.~~

46.26 **EFFECTIVE DATE.** This section is effective for county boards of appeal and
46.27 equalization meetings held in 2016 and thereafter.

46.28 Sec. 12. Minnesota Statutes 2014, section 272.029, subdivision 2, is amended to read:

46.29 Subd. 2. **Definitions.** (a) For the purposes of this section, the term:

46.30 (1) "wind energy conversion system" has the meaning given in section 216C.06,
46.31 subdivision 19, and also includes a substation that is used and owned by one or more
46.32 wind energy conversion facilities;

47.1 (2) "large scale wind energy conversion system" means a wind energy conversion
 47.2 system of more than 12 megawatts, as measured by the nameplate capacity of the system
 47.3 or as combined with other systems as provided in paragraph (b);

47.4 (3) "medium scale wind energy conversion system" means a wind energy conversion
 47.5 system of over two and not more than 12 megawatts, as measured by the nameplate
 47.6 capacity of the system or as combined with other systems as provided in paragraph (b); and

47.7 (4) "small scale wind energy conversion system" means a wind energy conversion
 47.8 system of two megawatts and under, as measured by the nameplate capacity of the system
 47.9 or as combined with other systems as provided in paragraph (b).

47.10 (b) For systems installed and contracted for after January 1, 2002, the total size of a
 47.11 wind energy conversion system under this subdivision shall be determined according to
 47.12 this paragraph. Unless the systems are interconnected with different distribution systems,
 47.13 the nameplate capacity of one wind energy conversion system shall be combined with the
 47.14 nameplate capacity of any other wind energy conversion system that is:

47.15 (1) located within five miles of the wind energy conversion system;

47.16 (2) constructed within the same ~~calendar year~~ 12-month period as the wind energy
 47.17 conversion system; and

47.18 (3) under common ownership.

47.19 In the case of a dispute, the commissioner of commerce shall determine the total size
 47.20 of the system, and shall draw all reasonable inferences in favor of combining the systems.

47.21 (c) In making a determination under paragraph (b), the commissioner of commerce
 47.22 may determine that two wind energy conversion systems are under common ownership
 47.23 when the underlying ownership structure contains similar persons or entities, even if the
 47.24 ownership shares differ between the two systems. Wind energy conversion systems are
 47.25 not under common ownership solely because the same person or entity provided equity
 47.26 financing for the systems.

47.27 **EFFECTIVE DATE.** This section is effective for reports filed in 2016 and thereafter.

47.28 Sec. 13. Minnesota Statutes 2014, section 272.029, subdivision 4, is amended to read:

47.29 Subd. 4. **Reports.** (a) An owner of a wind energy conversion system subject to tax
 47.30 under subdivision 3 shall file a report with the commissioner of revenue annually on
 47.31 or before ~~February 1~~ January 15 detailing the amount of electricity in kilowatt-hours
 47.32 that was produced by the wind energy conversion system for the previous calendar year.
 47.33 The commissioner shall prescribe the form of the report. The report must contain the
 47.34 information required by the commissioner to determine the tax due to each county under
 47.35 this section for the current year. If an owner of a wind energy conversion system subject

48.1 to taxation under this section fails to file the report by the due date, the commissioner
48.2 of revenue shall determine the tax based upon the nameplate capacity of the system
48.3 multiplied by a capacity factor of 60 percent.

48.4 (b) On or before February 28, the commissioner of revenue shall notify the owner of
48.5 the wind energy conversion systems of the tax due to each county for the current year and
48.6 shall certify to the county auditor of each county in which the systems are located the tax
48.7 due from each owner for the current year.

48.8 **EFFECTIVE DATE.** This section is effective for reports filed in 2016 and thereafter.

48.9 Sec. 14. Minnesota Statutes 2014, section 272.029, is amended by adding a subdivision
48.10 to read:

48.11 **Subd. 8. Extension.** The commissioner may, for good cause, extend the time for
48.12 filing the report required by subdivision 4. The extension must not exceed 15 days.

48.13 **EFFECTIVE DATE.** This section is effective for reports filed in 2016 and thereafter.

48.14 Sec. 15. Minnesota Statutes 2014, section 273.061, subdivision 7, is amended to read:

48.15 **Subd. 7. Division of duties between local and county assessor.** The duty of the
48.16 duly appointed local assessor shall be to view and appraise the value of all property as
48.17 provided by law, but all the book work shall be done by the county assessor, or the
48.18 assessor's assistants, and the value of all property subject to assessment and taxation shall
48.19 be determined by the county assessor, except as otherwise hereinafter provided. If directed
48.20 by the county assessor, the local assessor ~~shall~~ must perform the duties enumerated in
48.21 subdivision 8, clause (16), and must enter construction and valuation data into the records
48.22 in the manner prescribed by the county auditor.

48.23 **EFFECTIVE DATE.** This section is effective for assessment year 2016 and
48.24 thereafter.

48.25 Sec. 16. Minnesota Statutes 2014, section 273.08, is amended to read:

48.26 **273.08 ASSESSOR'S DUTIES.**

48.27 The assessor shall actually view, and determine the market value of each tract or lot
48.28 of real property listed for taxation, including the value of all improvements and structures
48.29 thereon, at maximum intervals of five years and shall enter the value opposite each
48.30 description. When directed by the county assessor, local assessors must enter construction
48.31 and valuation data into the records in the manner prescribed by the county assessor.

49.1 **EFFECTIVE DATE.** This section is effective for assessment year 2016 and
 49.2 thereafter.

49.3 Sec. 17. Minnesota Statutes 2014, section 273.121, is amended by adding a subdivision
 49.4 to read:

49.5 **Subd. 3. Compliance.** A county assessor, or a city assessor having the powers
 49.6 of a county assessor, who does not comply with the timely notice requirement under
 49.7 subdivision 1 must:

49.8 (1) mail an additional valuation notice to each person who was not provided timely
 49.9 notice; and

49.10 (2) convene a supplemental local board of appeal and equalization or local review
 49.11 session no sooner than ten days after sending the additional notices required by clause (1).

49.12 **EFFECTIVE DATE.** This section is effective for valuation notices sent in 2016
 49.13 and thereafter.

49.14 Sec. 18. Minnesota Statutes 2014, section 273.371, is amended to read:

49.15 **273.371 REPORTS OF UTILITY COMPANIES.**

49.16 Subdivision 1. **Report required.** Every electric light, power, gas, water, express,
 49.17 stage, and transportation company₂ and pipeline company doing business in Minnesota
 49.18 shall annually file with the commissioner on or before March 31 a report under oath setting
 49.19 forth the information prescribed by the commissioner to enable the commissioner to make
 49.20 valuations, recommended valuations, and equalization required under sections 273.33,
 49.21 273.35, 273.36, 273.37, and 273.3711. If all the required information is not available on
 49.22 March 31, the company or pipeline shall file the information that is available on or before
 49.23 March 31, and the balance of the information as soon as it becomes available.

49.24 Subd. 2. **Extension.** The commissioner for good cause may extend the time for
 49.25 filing the report required by subdivision 1. The extension ~~may~~ must not exceed 15 days.

49.26 **Subd. 3. Reports filed by the commissioner.** If a company fails to file a report
 49.27 required by subdivision 1, the commissioner may, from information in the commissioner's
 49.28 possession or obtainable by the commissioner, make and file a report for the company, or
 49.29 make the valuations, recommended valuations, and equalizations required under sections
 49.30 273.33, 273.35 to 273.37, and 273.3711.

49.31 **EFFECTIVE DATE.** This section is effective for assessment year 2016 and
 49.32 thereafter.

50.1 Sec. 19. Minnesota Statutes 2014, section 273.372, subdivision 2, is amended to read:

50.2 Subd. 2. **Contents and filing of petition.** (a) In all appeals to court that are required
50.3 to be brought against the commissioner under this section, the petition initiating the appeal
50.4 must be served on the commissioner and must be filed with the Tax Court in Ramsey
50.5 County, as provided in paragraph (b) or (c).

50.6 (b) If the appeal to court is from an order of the commissioner, it must be brought
50.7 under chapter 271 and filed within the time period prescribed in section 271.06,
50.8 subdivision 2, except that when the provisions of this section conflict with chapter
50.9 271 or 278, this section prevails. In addition, the petition must include all the parcels
50.10 encompassed by that order which the petitioner claims have been partially, unfairly,
50.11 or unequally assessed, assessed at a valuation greater than their real or actual value,
50.12 misclassified, or are exempt. For this purpose, an order of the commissioner is either (1) a
50.13 certification or notice of value by the commissioner for property described in subdivision
50.14 1, or (2) the final determination by the commissioner of either an administrative appeal
50.15 conference or informal administrative appeal described in subdivision 4.

50.16 (c) If the appeal is from the tax that results from implementation of the
50.17 commissioner's order, certification, or recommendation, it must be brought under
50.18 chapter 278, and the provisions in that chapter apply, except that service shall be on the
50.19 commissioner only and not on the local officials specified in section 278.01, subdivision 1,
50.20 and if any other provision of this section conflicts with chapter 278, this section prevails.
50.21 In addition, the petition must include either all the utility parcels or all the railroad parcels
50.22 in the state in which the petitioner claims an interest and which the petitioner claims have
50.23 been partially, unfairly, or unequally assessed, assessed at a valuation greater than their
50.24 real or actual value, misclassified, or are exempt.

50.25 **EFFECTIVE DATE.** This section is effective for assessment year 2016 and
50.26 thereafter.

50.27 Sec. 20. Minnesota Statutes 2014, section 273.372, subdivision 4, is amended to read:

50.28 Subd. 4. **Administrative appeals.** (a) Companies that submit the reports under
50.29 section 270.82 or 273.371 by the date specified in that section, or by the date specified
50.30 by the commissioner in an extension, may appeal administratively to the commissioner
50.31 prior to bringing an action in court.

50.32 (b) Companies ~~that must submit reports under section 270.82 must submit~~ file a
50.33 written request ~~to~~ for an appeal with the commissioner ~~for a conference~~ within ~~ten~~ 30
50.34 days after the notice date of the commissioner's valuation certification or other notice
50.35 to the company, ~~or by June 15, whichever is earlier.~~ For purposes of this section, the

51.1 term "notice date" means the date of the valuation certification, commissioner's order,
51.2 recommendation, or other notice.

51.3 ~~(c) Companies that submit reports under section 273.371 must submit a written~~
51.4 ~~request to the commissioner for a conference within ten days after the date of the~~
51.5 ~~commissioner's valuation certification or notice to the company, or by July 1, whichever~~
51.6 ~~is earlier. The appeal need not be in any particular form but must contain the following~~
51.7 information:

- 51.8 (1) name and address of the company;
51.9 (2) the date;
51.10 (3) its Minnesota identification number;
51.11 (4) the assessment year or period involved;
51.12 (5) the findings in the valuation that the company disputes;
51.13 (6) a summary statement specifying its reasons for disputing each item; and
51.14 (7) the signature of the company's duly authorized agent or representative.

51.15 (d) When requested in writing and within the time allowed for filing an
51.16 administrative appeal, the commissioner may extend the time for filing an appeal for a
51.17 period of not more than 15 days from the expiration of the time for filing the appeal.

51.18 ~~(d)~~ (e) The commissioner shall conduct the conference either in person or by
51.19 telephone upon the commissioner's entire files and records and such further information as
51.20 may be offered. The conference must be held no later than 20 days after the date of the
51.21 commissioner's valuation certification or notice to the company, or by the date specified
51.22 by the commissioner in an extension request for an appeal. Within 60 30 days after the
51.23 conference the commissioner shall make a final determination of the matter and shall
51.24 notify the company promptly of the determination. The conference is not a contested
51.25 case hearing subject to chapter 14.

51.26 ~~(e) In addition to the opportunity for a conference under paragraph (a), the~~
51.27 ~~commissioner shall also provide the railroad and utility companies the opportunity to~~
51.28 ~~discuss any questions or concerns relating to the values established by the commissioner~~
51.29 ~~through certification or notice in a less formal manner. This does not change or modify~~
51.30 ~~the deadline for requesting a conference under paragraph (a), the deadline in section~~
51.31 ~~271.06 for appealing an order of the commissioner, or the deadline in section 278.01 for~~
51.32 ~~appealing property taxes in court.~~

51.33 **EFFECTIVE DATE.** This section is effective for assessment year 2016 and
51.34 thereafter.

52.1 Sec. 21. Minnesota Statutes 2014, section 273.372, is amended by adding a subdivision
52.2 to read:

52.3 Subd. 5. **Agreement determining valuation.** When it appears to be in the best
52.4 interest of the state, the commissioner may settle any matter under consideration regarding
52.5 an appeal filed under this section. The agreement must be in writing and signed by
52.6 the commissioner and the company or the company's authorized representative. The
52.7 agreement is final and conclusive, and except upon a showing of fraud, malfeasance,
52.8 or misrepresentation of a material fact, the case may not be reopened as to the matters
52.9 agreed upon.

52.10 **EFFECTIVE DATE.** This section is effective for assessment year 2016 and
52.11 thereafter.

52.12 Sec. 22. Minnesota Statutes 2014, section 273.372, is amended by adding a subdivision
52.13 to read:

52.14 Subd. 6. **Dismissal of administrative appeal.** If a taxpayer files an administrative
52.15 appeal from an order of the commissioner and also files an appeal to the tax court for
52.16 that same order of the commissioner, the administrative appeal is dismissed and the
52.17 commissioner is no longer required to make the determination of appeal under subdivision
52.18 4.

52.19 **EFFECTIVE DATE.** This section is effective beginning with assessment year 2015.

52.20 Sec. 23. Minnesota Statutes 2014, section 274.13, subdivision 1, is amended to read:

52.21 Subdivision 1. **Members; meetings; rules for equalizing assessments.** The county
52.22 commissioners, or a majority of them, with the county auditor, or, if the auditor cannot be
52.23 present, the deputy county auditor, or, if there is no deputy, the court administrator of the
52.24 district court, shall form a board for the equalization of the assessment of the property
52.25 of the county, including the property of all cities whose charters provide for a board of
52.26 equalization. This board shall be referred to as the county board of appeal and equalization.
52.27 The board shall meet annually, on the date specified in section 274.14, at the office of the
52.28 auditor. Each member shall take an oath to fairly and impartially perform duties as a
52.29 member. Members shall not participate in any actions of the board which result in market
52.30 value adjustments or classification changes to property owned by the board member, the
52.31 spouse, parent, stepparent, child, stepchild, grandparent, grandchild, brother, sister, uncle,
52.32 aunt, nephew, or niece of a board member, or property in which a board member has a
52.33 financial interest. The relationship may be by blood or marriage. The board shall examine

53.1 and compare the returns of the assessment of property of the towns or districts, and
53.2 equalize them so that each tract or lot of real property and each article or class of personal
53.3 property is entered on the assessment list at its market value, subject to the following rules:

53.4 (1) The board shall raise the valuation of each tract or lot of real property which
53.5 in its opinion is returned below its market value to the sum believed to be its market
53.6 value. The board must first give notice of intention to raise the valuation to the person in
53.7 whose name it is assessed, if the person is a resident of the county. The notice must fix
53.8 a time and place for a hearing.

53.9 (2) The board shall reduce the valuation of each tract or lot which in its opinion is
53.10 returned above its market value to the sum believed to be its market value.

53.11 (3) The board shall raise the valuation of each class of personal property which
53.12 in its opinion is returned below its market value to the sum believed to be its market
53.13 value. It shall raise the aggregate value of the personal property of individuals, firms, or
53.14 corporations, when it believes that the aggregate valuation, as returned, is less than the
53.15 market value of the taxable personal property possessed by the individuals, firms, or
53.16 corporations, to the sum it believes to be the market value. The board must first give notice
53.17 to the persons of intention to do so. The notice must set a time and place for a hearing.

53.18 (4) The board shall reduce the valuation of each class of personal property that
53.19 is returned above its market value to the sum it believes to be its market value. Upon
53.20 complaint of a party aggrieved, the board shall reduce the aggregate valuation of the
53.21 individual's personal property, or of any class of personal property for which the individual
53.22 is assessed, which in its opinion has been assessed at too large a sum, to the sum it believes
53.23 was the market value of the individual's personal property of that class.

53.24 (5) The board must not reduce the aggregate value of all the property of its county, as
53.25 submitted to the county board of equalization, with the additions made by the auditor under
53.26 this chapter, by more than one percent of its whole valuation. The board may raise the
53.27 aggregate valuation of real property, and of each class of personal property, of the county,
53.28 or of any town or district of the county, when it believes it is below the market value of the
53.29 property, or class of property, to the aggregate amount it believes to be its market value.

53.30 (6) The board shall change the classification of any property which in its opinion
53.31 is not properly classified.

53.32 (7) The board does not have the authority to grant an exemption or to order property
53.33 removed from the tax rolls.

53.34 (8) The board may not make an individual market value adjustment or classification
53.35 change that would benefit property if the owner or other person having control over the

54.1 property has refused the assessor access to inspect the property and the interior of any
54.2 buildings or structures as provided in section 273.20.

54.3 **EFFECTIVE DATE.** This section is effective for county board of appeal and
54.4 equalization meetings in 2016 and thereafter.

54.5 Sec. 24. Minnesota Statutes 2014, section 275.62, subdivision 2, is amended to read:

54.6 Subd. 2. **Local governments required to report.** For purposes of this section,
54.7 "local governmental unit" means a county, home rule charter or statutory city with a
54.8 population greater than 2,500, ~~a town with a population greater than 5,000, or a home rule~~
54.9 ~~charter or statutory city or town that receives a distribution from the taconite municipal aid~~
54.10 ~~account in the levy year.~~

54.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

54.12 Sec. 25. Minnesota Statutes 2014, section 278.01, subdivision 1, is amended to read:

54.13 Subdivision 1. **Determination of validity.** (a) Any person having personal property,
54.14 or any estate, right, title, or interest in or lien upon any parcel of land, who claims that
54.15 such property has been partially, unfairly, or unequally assessed in comparison with other
54.16 property in the (1) city, or (2) county, or (3) in the case of a county containing a city of the
54.17 first class, the portion of the county excluding the first class city, or that the parcel has
54.18 been assessed at a valuation greater than its real or actual value, or that the tax levied
54.19 against the same is illegal, in whole or in part, or has been paid, or that the property is
54.20 exempt from the tax so levied, may have the validity of the claim, defense, or objection
54.21 determined by the district court of the county in which the tax is levied or by the Tax
54.22 Court by serving one copy of a petition for such determination upon the county auditor,
54.23 one copy on the county attorney, one copy on the county treasurer, and three copies on the
54.24 county assessor. The county assessor shall immediately forward one copy of the petition
54.25 to the appropriate governmental authority in a home rule charter or statutory city or town
54.26 in which the property is located if that city or town employs its own certified assessor.
54.27 A copy of the petition shall also be forwarded by the assessor to the school board of the
54.28 school district in which the property is located.

54.29 (b) In counties where the office of county treasurer has been combined with the
54.30 office of county auditor, the county may elect to require the petitioner to serve the number
54.31 of copies as determined by the county. The county assessor shall immediately forward one
54.32 copy of the petition to the appropriate governmental authority in a home rule charter or
54.33 statutory city or town in which the property is located if that city or town employs its own

55.1 certified assessor. A list of petitioned properties, including the name of the petitioner, the
 55.2 identification number of the property, and the estimated market value, shall be sent on
 55.3 or before the first day of July by the county auditor/treasurer to the school board of the
 55.4 school district in which the property is located.

55.5 (c) For all counties, the petitioner must file the copies with proof of service, in the
 55.6 office of the court administrator of the district court on or before April 30 of the year in
 55.7 which the tax becomes payable. A petition for determination under this section may be
 55.8 transferred by the district court to the Tax Court. An appeal may also be taken to the Tax
 55.9 Court under chapter 271 at any time following receipt of the valuation notice that county
 55.10 assessors are required by section 273.121 to send to persons whose property is to be
 55.11 included on the assessment roll that year, but prior to May 1 of the year in which the
 55.12 taxes are payable.

55.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.

55.14 Sec. 26. Minnesota Statutes 2014, section 290C.03, is amended to read:

55.15 **290C.03 ELIGIBILITY REQUIREMENTS.**

55.16 (a) Land may be enrolled in the sustainable forest incentive program under this
 55.17 chapter if all of the following conditions are met:

55.18 (1) the land consists of at least 20 contiguous acres and at least 50 percent of the
 55.19 land must meet the definition of forest land in section 88.01, subdivision 7, during the
 55.20 enrollment;

55.21 (2) a forest management plan for the land must be (i) prepared by an approved plan
 55.22 writer and implemented during the period in which the land is enrolled, and (ii) registered
 55.23 with the Department of Natural Resources;

55.24 (3) timber harvesting and forest management guidelines must be used in conjunction
 55.25 with any timber harvesting or forest management activities conducted on the land during
 55.26 the period in which the land is enrolled;

55.27 (4) the land must be enrolled for a minimum of eight years;

55.28 (5) there are no delinquent property taxes on the land; ~~and~~

55.29 (6) claimants enrolling more than 1,920 acres in the sustainable forest incentive
 55.30 program must allow year-round, nonmotorized access to fish and wildlife resources and
 55.31 motorized access on established and maintained roads and trails, unless the road or trail is
 55.32 temporarily closed for safety, natural resource, or road damage reasons on enrolled land
 55.33 except within one-fourth mile of a permanent dwelling or during periods of high fire
 55.34 hazard as determined by the commissioner of natural resources; and

56.1 (7) the land is not classified as 2c managed forest land.

56.2 (b) Claimants required to allow access under paragraph (a), clause (6), do not by
56.3 that action:

56.4 (1) extend any assurance that the land is safe for any purpose;

56.5 (2) confer upon the person the legal status of an invitee or licensee to whom a duty
56.6 of care is owed; or

56.7 (3) assume responsibility for or incur liability for any injury to the person or property
56.8 caused by an act or omission of the person.

56.9 (c) A minimum of three acres must be excluded from enrolled land when the land is
56.10 improved with a structure that is not a minor, ancillary, or nonresidential structure. If land
56.11 does not meet the definition of forest land in section 290C.02, subdivision 6, because the
56.12 land is (1) enrolled in the reinvest in Minnesota program, (2) enrolled in a state or federal
56.13 conservation reserve or easement program under sections 103F.501 to 103F.531, (3)
56.14 subject to the Minnesota agricultural property tax under section 273.111, or (4) subject
56.15 to agricultural land preservation controls or restrictions as defined in section 40A.02, or
56.16 the Metropolitan Agricultural Preserves Act under chapter 473H, the entire parcel that
56.17 contains the land is not eligible to be enrolled in the program.

56.18 **EFFECTIVE DATE.** The amendment to paragraph (a), clause (2), is effective for
56.19 certifications filed after July 1, 2016. The amendment adding paragraph (a), clause (7), is
56.20 effective for certifications and applications due in 2015 and thereafter. The amendment
56.21 adding paragraph (c) is effective the day following final enactment.

56.22 Sec. 27. Minnesota Statutes 2014, section 477A.013, is amended by adding a
56.23 subdivision to read:

56.24 Subd. 14. **Communication by electronic mail.** Prior to receiving aid pursuant to
56.25 this section, a city must register an official electronic mail address with the commissioner,
56.26 which the commissioner may use as an exclusive means to communicate with the city.

56.27 **EFFECTIVE DATE.** This section is effective for aids payable in 2016 and thereafter.

56.28 Sec. 28. Minnesota Statutes 2014, section 477A.19, is amended by adding a
56.29 subdivision to read:

56.30 Subd. 3a. **Certification.** On or before June 1 of each year, the commissioner of
56.31 natural resources shall certify to the commissioner of revenue the number of watercraft
56.32 launches and the number of watercraft trailer parking spaces in each county.

56.33 **EFFECTIVE DATE.** This section is effective for aids payable in 2016 and thereafter.

57.1 Sec. 29. Minnesota Statutes 2014, section 477A.19, is amended by adding a
57.2 subdivision to read:

57.3 Subd. 3b. **Certification.** On or before June 1 of each year, the commissioner of
57.4 natural resources shall certify to the commissioner of revenue the counties that complied
57.5 with the requirements of subdivision 3 the prior year and are eligible to receive aid
57.6 under this section.

57.7 **EFFECTIVE DATE.** This section is effective for aids payable in 2016 and thereafter.

57.8 Sec. 30. Minnesota Statutes 2014, section 559.202, subdivision 2, is amended to read:

57.9 Subd. 2. **Exception.** This section does not apply to sales made under chapter 282 or
57.10 if the purchaser is represented throughout the transaction by either:

57.11 (1) a person licensed to practice law in this state; or

57.12 (2) a person licensed as a real estate broker or salesperson under chapter 82,
57.13 provided that the representation does not create a dual agency, as that term is defined
57.14 in section 82.55, subdivision 6.

57.15 **EFFECTIVE DATE.** This section is effective for sales of tax-forfeited land
57.16 occurring after the day following final enactment.

57.17 Sec. 31. Laws 2014, chapter 308, article 1, section 14, subdivision 2, is amended to read:

57.18 Subd. 2. **Payment of supplemental credit.** (a) The commissioner must pay
57.19 supplemental credit amounts to each qualifying taxpayer by October 15, 2014.

57.20 (b) If the commissioner cannot locate the qualifying taxpayer by October 15, 2016,
57.21 or if a qualifying taxpayer to whom a warrant was issued does not cash that warrant within
57.22 two years from the date the warrant was issued, the right to the credit shall lapse and the
57.23 warrant shall be deposited in the general fund.

57.24 **EFFECTIVE DATE.** This section is effective the day following final enactment.

57.25 Sec. 32. **REPEALER.**

57.26 Minnesota Statutes 2014, sections 290C.02, subdivisions 5 and 9; and 290C.06, are
57.27 repealed.

57.28 **EFFECTIVE DATE.** This section is effective the day following final enactment.

ARTICLE 9

DEPARTMENT OF REVENUE POLICY PROVISIONS: MISCELLANEOUS

Section 1. Minnesota Statutes 2014, section 270.82, subdivision 1, is amended to read:

Subdivision 1. **Annual report required.** Every railroad company doing business in Minnesota shall annually file with the commissioner on or before March 31 a report under oath setting forth the information prescribed by the commissioner to enable the commissioner to make the valuation and equalization required by sections 270.80 to 270.87. The commissioner shall prescribe the content, format, and manner of the report pursuant to section 270C.30, except that a "law administered by the commissioner" includes the property tax laws. If a report is made by electronic means, the taxpayer's signature is defined pursuant to section 270C.304, except that a "law administered by the commissioner" includes the property tax laws.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. Minnesota Statutes 2014, section 270B.14, subdivision 1, is amended to read:

Subdivision 1. **Disclosure to commissioner of human services.** (a) On the request of the commissioner of human services, the commissioner shall disclose return information regarding taxes imposed by chapter 290, and claims for refunds under chapter 290A, to the extent provided in paragraph (b) and for the purposes set forth in paragraph (c).

(b) Data that may be disclosed are limited to data relating to the identity, whereabouts, employment, income, and property of a person owing or alleged to be owing an obligation of child support.

(c) The commissioner of human services may request data only for the purposes of carrying out the child support enforcement program and to assist in the location of parents who have, or appear to have, deserted their children. Data received may be used only as set forth in section 256.978.

(d) The commissioner shall provide the records and information necessary to administer the supplemental housing allowance to the commissioner of human services.

(e) At the request of the commissioner of human services, the commissioner of revenue shall electronically match the Social Security numbers and names of participants in the telephone assistance plan operated under sections 237.69 to 237.71, with those of property tax refund filers, and determine whether each participant's household income is within the eligibility standards for the telephone assistance plan.

(f) The commissioner may provide records and information collected under sections 295.50 to 295.59 to the commissioner of human services for purposes of the Medicaid

59.1 Voluntary Contribution and Provider-Specific Tax Amendments of 1991, Public Law
 59.2 102-234. Upon the written agreement by the United States Department of Health and
 59.3 Human Services to maintain the confidentiality of the data, the commissioner may provide
 59.4 records and information collected under sections 295.50 to 295.59 to the Centers for
 59.5 Medicare and Medicaid Services section of the United States Department of Health and
 59.6 Human Services for purposes of meeting federal reporting requirements.

59.7 (g) The commissioner may provide records and information to the commissioner of
 59.8 human services as necessary to administer the early refund of refundable tax credits.

59.9 (h) The commissioner may disclose information to the commissioner of human
 59.10 services as necessary to verify income for welfare income verification for eligibility and
 59.11 premium payment under the MinnesotaCare program, under section 256L.05, subdivision
 59.12 2, as well as the medical assistance program under section 256B.

59.13 (i) The commissioner may disclose information to the commissioner of human
 59.14 services necessary to verify whether applicants or recipients for the Minnesota family
 59.15 investment program, general assistance, food support, Minnesota supplemental aid
 59.16 program, and child care assistance have claimed refundable tax credits under chapter 290
 59.17 and the property tax refund under chapter 290A, and the amounts of the credits.

59.18 (j) The commissioner may disclose information to the commissioner of human
 59.19 services necessary to verify income for purposes of calculating parental contribution
 59.20 amounts under section 252.27, subdivision 2a.

59.21 **EFFECTIVE DATE.** This section is effective the day following final enactment.

59.22 Sec. 3. Minnesota Statutes 2014, section 270C.30, is amended to read:

59.23 **270C.30 RETURNS AND OTHER DOCUMENTS; FORMAT; FURNISHING.**

59.24 Except as otherwise provided by law, the commissioner shall prescribe the content
 59.25 and format, and manner of all returns and other forms required to be filed under a law
 59.26 administered by the commissioner, and may furnish them subject to charge on application.

59.27 **EFFECTIVE DATE.** This section is effective the day following final enactment.

59.28 Sec. 4. Minnesota Statutes 2014, section 270C.33, subdivision 8, is amended to read:

59.29 Subd. 8. **Sufficiency of notice.** An assessment of tax made by the commissioner,
 59.30 sent postage prepaid by United States mail to the taxpayer at the taxpayer's last known
 59.31 address, or sent by electronic mail to the taxpayer's last known electronic mailing address
 59.32 as provided for in section 325L.08, is sufficient even if the taxpayer is deceased or is
 59.33 under a legal disability, or, in the case of a corporation, has terminated its existence, unless

60.1 the commissioner has been provided with a new address by a party authorized to receive
60.2 notices of assessment. Notice of an assessment is sufficient if it is sent on or before the
60.3 notice date designated by the commissioner on the assessment.

60.4 **EFFECTIVE DATE.** This section is effective for orders dated after September
60.5 30, 2015.

60.6 Sec. 5. Minnesota Statutes 2014, section 270C.34, subdivision 2, is amended to read:

60.7 Subd. 2. **Procedure.** (a) A request for abatement of penalty under subdivision 1 or
60.8 section 289A.60, subdivision 4, or a request for abatement of interest or additional tax
60.9 charge, must be filed with the commissioner within 60 days of the notice date of the notice
60.10 was mailed to the taxpayer's last known address, stating that a penalty has been imposed
60.11 or additional tax charge. For purposes of this section, the term "notice date" means the
60.12 notice date designated by the commissioner on the order or other notice that a penalty or
60.13 additional tax charge has been imposed.

60.14 (b) If the commissioner issues an order denying a request for abatement of penalty,
60.15 interest, or additional tax charge, the taxpayer may file an administrative appeal as
60.16 provided in section 270C.35 or appeal to Tax Court as provided in section 271.06.

60.17 (c) If the commissioner does not issue an order on the abatement request within
60.18 60 days from the date the request is received, the taxpayer may appeal to Tax Court as
60.19 provided in section 271.06.

60.20 **EFFECTIVE DATE.** This section is effective for orders and notices dated after
60.21 September 30, 2015.

60.22 Sec. 6. Minnesota Statutes 2014, section 270C.347, subdivision 1, is amended to read:

60.23 Subdivision 1. **Checks and warrants, authority to reissue.** Notwithstanding any
60.24 other provision of law, the commissioner may, based on a showing of reasonable cause,
60.25 reissue an uncashed rebate, supplemental agricultural credit, or property tax refund warrant
60.26 or check that has lapsed under any provision of law relating to rebates or under section
60.27 290A.18, subdivision 2. The authority to reissue warrants or checks under this subdivision
60.28 is limited to five years after the date of issuance of the original warrant or check.

60.29 **EFFECTIVE DATE.** This section is effective the day following final enactment.

60.30 Sec. 7. Minnesota Statutes 2014, section 270C.35, subdivision 3, is amended to read:

60.31 Subd. 3. **Notice date.** For purposes of this section, the term "notice date" means the
60.32 date of designated by the commissioner on the order adjusting the tax or order denying a

61.1 request for abatement, or, in the case of a denied refund, the notice date of designated by
61.2 the commissioner on the notice of denial.

61.3 **EFFECTIVE DATE.** This section is effective for orders and notices dated after
61.4 September 30, 2015.

61.5 Sec. 8. Minnesota Statutes 2014, section 270C.38, subdivision 1, is amended to read:

61.6 Subdivision 1. **Sufficient notice.** (a) If no method of notification of a written
61.7 determination or action of the commissioner is otherwise specifically provided for by
61.8 law, notice of the determination or action sent postage prepaid by United States mail to
61.9 the taxpayer or other person affected by the determination or action at the taxpayer's
61.10 or person's last known address, is sufficient. If the taxpayer or person being notified is
61.11 deceased or is under a legal disability, or, in the case of a corporation being notified that
61.12 has terminated its existence, notice to the last known address of the taxpayer, person, or
61.13 corporation is sufficient, unless the department has been provided with a new address by a
61.14 party authorized to receive notices from the commissioner.

61.15 (b) If a taxpayer or other person agrees to accept notification by electronic means,
61.16 notice of a determination or action of the commissioner sent by electronic mail to the
61.17 taxpayer's or person's last known electronic mailing address as provided for in section
61.18 325L.08 is sufficient.

61.19 (c) Notice of a determination or action of the commissioner is sufficient if it is sent
61.20 on or before the notice date designated by the commissioner on the assessment.

61.21 **EFFECTIVE DATE.** This section is effective for orders dated after September
61.22 30, 2015.

61.23 Sec. 9. Minnesota Statutes 2014, section 270C.445, is amended by adding a
61.24 subdivision to read:

61.25 **Subd. 9. Enforcement; limitations.** (a) Notwithstanding any other law, the
61.26 imposition of a penalty or any other action against a tax return preparer authorized by
61.27 subdivision 6 with respect to a return may be taken by the commissioner within the period
61.28 provided by section 289A.38 to assess tax on that return.

61.29 (b) Imposition of a penalty or other action against a tax return preparer authorized
61.30 by subdivision 6 other than with respect to a return must be taken by the commissioner
61.31 within five years of the violation of statute.

61.32 **EFFECTIVE DATE.** This section is effective for tax preparation services provided
61.33 after the day following final enactment.

62.1 Sec. 10. Minnesota Statutes 2014, section 270C.446, subdivision 5, is amended to read:

62.2 Subd. 5. **Removal from list.** The commissioner shall remove the name of a tax
62.3 preparer from the list of tax preparers published under this section:

62.4 (1) when the commissioner determines that the name was included on the list in error;

62.5 (2) within ~~90 days~~ three years after the preparer has demonstrated to the commissioner
62.6 that the preparer fully paid all fines or penalties imposed, served any suspension, satisfied
62.7 any sentence imposed, successfully completed any probationary period imposed, and
62.8 successfully completed any remedial actions required by the commissioner, the State
62.9 Board of Accountancy, or the Lawyers Board of Professional Responsibility; or

62.10 (3) when the commissioner has been notified that the tax preparer is deceased.

62.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

62.12 Sec. 11. Minnesota Statutes 2014, section 271.06, subdivision 2, is amended to read:

62.13 Subd. 2. **Time; notice; intervention.** Except as otherwise provided by law, within
62.14 60 days after the notice of the making and filing date of an order of the commissioner of
62.15 revenue, the appellant, or the appellant's attorney, shall serve a notice of appeal upon
62.16 the commissioner and file the original, with proof of such service, with the Tax Court
62.17 administrator or with the court administrator of district court acting as court administrator
62.18 of the Tax Court; provided, that the Tax Court, for cause shown, may by written order
62.19 extend the time for appealing for an additional period not exceeding 30 days. For purposes
62.20 of this section, the term "notice date" means the notice date designated by the commissioner
62.21 on the order. The notice of appeal shall be in the form prescribed by the Tax Court. Within
62.22 five days after receipt, the commissioner shall transmit a copy of the notice of appeal to
62.23 the attorney general. The attorney general shall represent the commissioner, if requested,
62.24 upon all such appeals except in cases where the attorney general has appealed in behalf of
62.25 the state, or in other cases where the attorney general deems it against the interests of the
62.26 state to represent the commissioner, in which event the attorney general may intervene or
62.27 be substituted as an appellant in behalf of the state at any stage of the proceedings.

62.28 Upon a final determination of any other matter over which the court is granted
62.29 jurisdiction under section 271.01, subdivision 5, the taxpayer or the taxpayer's attorney
62.30 shall file a petition or notice of appeal as provided by law with the court administrator of
62.31 district court, acting in the capacity of court administrator of the Tax Court, with proof of
62.32 service of the petition or notice of appeal as required by law and within the time required
62.33 by law. As used in this subdivision, "final determination" includes a notice of assessment
62.34 and equalization for the year in question received from the local assessor, an order of the
62.35 local board of equalization, or an order of a county board of equalization.

63.1 The Tax Court shall prescribe a filing system so that the notice of appeal or petition
63.2 filed with the district court administrator acting as court administrator of the Tax Court is
63.3 forwarded to the Tax Court administrator. In the case of an appeal or a petition concerning
63.4 property valuation for which the assessor, a local board of equalization, a county board of
63.5 equalization or the commissioner of revenue has issued an order, the officer issuing the
63.6 order shall be notified of the filing of the appeal. The notice of appeal or petition shall be
63.7 in the form prescribed by the Tax Court.

63.8 **EFFECTIVE DATE.** This section is effective for orders dated after September
63.9 30, 2015.

63.10 Sec. 12. Minnesota Statutes 2014, section 271.06, subdivision 7, is amended to read:

63.11 Subd. 7. **Rules.** Except as provided in section 278.05, subdivision 6, the Rules
63.12 of Evidence and Civil Procedure for the district court of Minnesota shall govern the
63.13 procedures in the Tax Court, where practicable. The Rules of Civil Procedure do not apply
63.14 to alter the 60-day period of time to file a notice of appeal provided in subdivision 2. The
63.15 Tax Court may adopt rules under chapter 14. The rules in effect on January 1, 1989,
63.16 apply until superseded.

63.17 **EFFECTIVE DATE.** This section is effective for orders dated after September
63.18 30, 2015.

63.19 Sec. 13. Minnesota Statutes 2014, section 272.02, subdivision 10, is amended to read:

63.20 Subd. 10. **Personal property used for pollution control.** Personal property used
63.21 primarily for the abatement and control of air, water, or land pollution is exempt to the
63.22 extent that it is so used, and real property is exempt if it is used primarily for abatement
63.23 and control of air, water, or land pollution as part of an agricultural operation, as a part
63.24 of a centralized treatment and recovery facility operating under a permit issued by the
63.25 Minnesota Pollution Control Agency pursuant to chapters 115 and 116 and Minnesota
63.26 Rules, parts 7001.0500 to 7001.0730, and 7045.0020 to 7045.1260, as a wastewater
63.27 treatment facility and for the treatment, recovery, and stabilization of metals, oils,
63.28 chemicals, water, sludges, or inorganic materials from hazardous industrial wastes, or as
63.29 part of an electric generation system. For purposes of this subdivision, personal property
63.30 includes ponderous machinery and equipment used in a business or production activity
63.31 that at common law is considered real property.

63.32 Any taxpayer requesting exemption of all or a portion of any real property or any
63.33 equipment or device, or part thereof, operated primarily for the control or abatement of air,

64.1 water, or land pollution shall file an application with the commissioner of revenue. The
64.2 commissioner shall develop an electronic means to notify interested parties when electric
64.3 power generation facilities have filed an application. The commissioner shall prescribe
64.4 the content, format, and manner of the application pursuant to section 270C.30, except
64.5 that a "law administered by the commissioner" includes the property tax laws, and if an
64.6 application is made by electronic means, the taxpayer's signature is defined pursuant to
64.7 section 270C.304, except that a "law administered by the commissioner" includes the
64.8 property tax laws. The Minnesota Pollution Control Agency shall upon request of the
64.9 commissioner furnish information and advice to the commissioner.

64.10 The information and advice furnished by the Minnesota Pollution Control
64.11 Agency must include statements as to whether the equipment, device, or real property
64.12 meets a standard, rule, criteria, guideline, policy, or order of the Minnesota Pollution
64.13 Control Agency, and whether the equipment, device, or real property is installed or
64.14 operated in accordance with it. On determining that property qualifies for exemption,
64.15 the commissioner shall issue an order exempting the property from taxation. The
64.16 commissioner shall develop an electronic means to notify interested parties when
64.17 the commissioner has issued an order exempting property from taxation under this
64.18 subdivision. The equipment, device, or real property shall continue to be exempt from
64.19 taxation as long as the order issued by the commissioner remains in effect.

64.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

64.21 Sec. 14. Minnesota Statutes 2014, section 272.0211, subdivision 1, is amended to read:

64.22 Subdivision 1. **Efficiency determination and certification.** An owner or operator
64.23 of a new or existing electric power generation facility, excluding wind energy conversion
64.24 systems, may apply to the commissioner of revenue for a market value exclusion on the
64.25 property as provided for in this section. This exclusion shall apply only to the market
64.26 value of the equipment of the facility, and shall not apply to the structures and the land
64.27 upon which the facility is located. The commissioner of revenue shall prescribe the ~~forms~~
64.28 content, format, manner, and procedures for this application pursuant to section 270C.30,
64.29 except that a "law administered by the commissioner" includes the property tax laws. If
64.30 an application is made by electronic means, the taxpayer's signature is defined pursuant
64.31 to section 270C.304, except that a "law administered by the commissioner" includes the
64.32 property tax laws. Upon receiving the application, the commissioner of revenue shall: (1)
64.33 request the commissioner of commerce to make a determination of the efficiency of the
64.34 applicant's electric power generation facility; and (2) shall develop an electronic means to
64.35 notify interested parties when electric power generation facilities have filed an application.

65.1 The commissioner of commerce shall calculate efficiency as the ratio of useful energy
65.2 outputs to energy inputs, expressed as a percentage, based on the performance of the
65.3 facility's equipment during normal full load operation. The commissioner must include in
65.4 this formula the energy used in any on-site preparation of materials necessary to convert
65.5 the materials into the fuel used to generate electricity, such as a process to gasify petroleum
65.6 coke. The commissioner shall use the Higher Heating Value (HHV) for all substances in
65.7 the commissioner's efficiency calculations, except for wood for fuel in a biomass-eligible
65.8 project under section 216B.2424; for these instances, the commissioner shall adjust the
65.9 heating value to allow for energy consumed for evaporation of the moisture in the wood.
65.10 The applicant shall provide the commissioner of commerce with whatever information the
65.11 commissioner deems necessary to make the determination. Within 30 days of the receipt
65.12 of the necessary information, the commissioner of commerce shall certify the findings of
65.13 the efficiency determination to the commissioner of revenue and to the applicant. The
65.14 commissioner of commerce shall determine the efficiency of the facility and certify the
65.15 findings of that determination to the commissioner of revenue every two years thereafter
65.16 from the date of the original certification.

65.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.

65.18 Sec. 15. Minnesota Statutes 2014, section 272.025, subdivision 1, is amended to read:

65.19 Subdivision 1. **Statement of exemption.** (a) Except in the case of property owned
65.20 by the state of Minnesota or any political subdivision thereof, and property exempt from
65.21 taxation under section 272.02, subdivisions 9, 10, 13, 15, 18, 20, and 22 to 25, and at
65.22 the times provided in subdivision 3, a taxpayer claiming an exemption from taxation
65.23 on property described in section 272.02, subdivisions 2 to 33, must file a statement of
65.24 exemption with the assessor of the assessment district in which the property is located.

65.25 (b) A taxpayer claiming an exemption from taxation on property described in section
65.26 272.02, subdivision 10, must file a statement of exemption with the commissioner of
65.27 revenue, on or before February 15 of each year for which the taxpayer claims an exemption.

65.28 (c) In case of sickness, absence or other disability or for good cause, the assessor
65.29 or the commissioner may extend the time for filing the statement of exemption for a
65.30 period not to exceed 60 days.

65.31 (d) The commissioner of revenue shall prescribe the ~~form and contents~~ content,
65.32 format, and manner of the statement of exemption pursuant to section 270C.30, except
65.33 that a "law administered by the commissioner" includes the property tax laws.

66.1 (e) If a statement is made by electronic means, the taxpayer's signature is defined
66.2 pursuant to section 270C.304, except that a "law administered by the commissioner"
66.3 includes the property tax laws.

66.4 **EFFECTIVE DATE.** This section is effective the day following final enactment.

66.5 Sec. 16. Minnesota Statutes 2014, section 272.029, subdivision 4, is amended to read:

66.6 Subd. 4. **Reports.** (a) An owner of a wind energy conversion system subject to tax
66.7 under subdivision 3 shall file a report with the commissioner of revenue annually on or
66.8 before February 1 detailing the amount of electricity in kilowatt-hours that was produced
66.9 by the wind energy conversion system for the previous calendar year. The commissioner
66.10 shall prescribe the ~~form~~ content, format, and manner of the report pursuant to section
66.11 270C.30, except that a "law administered by the commissioner" includes the property tax
66.12 laws. The report must contain the information required by the commissioner to determine
66.13 the tax due to each county under this section for the current year. If an owner of a wind
66.14 energy conversion system subject to taxation under this section fails to file the report
66.15 by the due date, the commissioner of revenue shall determine the tax based upon the
66.16 nameplate capacity of the system multiplied by a capacity factor of 60 percent.

66.17 (b) If a report is made by electronic means, the taxpayer's signature is defined
66.18 pursuant to section 270C.304, except that a "law administered by the commissioner"
66.19 includes the property tax laws.

66.20 ~~(b)~~ (c) On or before February 28, the commissioner of revenue shall notify the owner
66.21 of the wind energy conversion systems of the tax due to each county for the current year
66.22 and shall certify to the county auditor of each county in which the systems are located the
66.23 tax due from each owner for the current year.

66.24 **EFFECTIVE DATE.** This section is effective the day following final enactment.

66.25 Sec. 17. Minnesota Statutes 2014, section 272.0295, subdivision 4, is amended to read:

66.26 Subd. 4. **Reports.** An owner of a solar energy generating system subject to tax
66.27 under this section shall file a report with the commissioner of revenue annually on or
66.28 before January 15 detailing the amount of electricity in megawatt-hours that was produced
66.29 by the system in the previous calendar year. The commissioner shall prescribe the ~~form~~
66.30 content, format, and manner of the report pursuant to section 270C.30. The report must
66.31 contain the information required by the commissioner to determine the tax due to each
66.32 county under this section for the current year. If an owner of a solar energy generating
66.33 system subject to taxation under this section fails to file the report by the due date, the

67.1 commissioner of revenue shall determine the tax based upon the nameplate capacity of
67.2 the system multiplied by a capacity factor of 30 percent.

67.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

67.4 Sec. 18. Minnesota Statutes 2014, section 272.115, subdivision 2, is amended to read:

67.5 Subd. 2. **Form; information required.** The certificate of value shall require
67.6 such facts and information as may be determined by the commissioner to be reasonably
67.7 necessary in the administration of the state education aid formulas. ~~The form~~
67.8 commissioner shall prescribe the content, format, and manner of the certificate of value
67.9 ~~shall be prescribed by the Department of Revenue which shall provide an adequate~~
67.10 supply of forms to each county auditor pursuant to section 270C.30, except that a "law
67.11 administered by the commissioner" includes the property tax laws.

67.12 **EFFECTIVE DATE.** This section is effective the day following final enactment.

67.13 Sec. 19. Minnesota Statutes 2014, section 273.124, subdivision 13, is amended to read:

67.14 Subd. 13. **Homestead application.** (a) A person who meets the homestead
67.15 requirements under subdivision 1 must file a homestead application with the county
67.16 assessor to initially obtain homestead classification.

67.17 ~~(b) The format and contents of a uniform homestead application shall be prescribed~~
67.18 ~~by the commissioner of revenue.~~ The commissioner shall prescribe the content, format,
67.19 and manner of the homestead application required to be filed under this chapter pursuant
67.20 to section 270C.30. The application must clearly inform the taxpayer that this application
67.21 must be signed by all owners who occupy the property or by the qualifying relative and
67.22 returned to the county assessor in order for the property to receive homestead treatment.

67.23 (c) Every property owner applying for homestead classification must furnish to the
67.24 county assessor the Social Security number of each occupant who is listed as an owner
67.25 of the property on the deed of record, the name and address of each owner who does not
67.26 occupy the property, and the name and Social Security number of each owner's spouse who
67.27 occupies the property. The application must be signed by each owner who occupies the
67.28 property and by each owner's spouse who occupies the property, or, in the case of property
67.29 that qualifies as a homestead under subdivision 1, paragraph (c), by the qualifying relative.

67.30 If a property owner occupies a homestead, the property owner's spouse may not
67.31 claim another property as a homestead unless the property owner and the property owner's
67.32 spouse file with the assessor an affidavit or other proof required by the assessor stating that
67.33 the property qualifies as a homestead under subdivision 1, paragraph (e).

68.1 Owners or spouses occupying residences owned by their spouses and previously
68.2 occupied with the other spouse, either of whom fail to include the other spouse's name
68.3 and Social Security number on the homestead application or provide the affidavits or
68.4 other proof requested, will be deemed to have elected to receive only partial homestead
68.5 treatment of their residence. The remainder of the residence will be classified as
68.6 nonhomestead residential. When an owner or spouse's name and Social Security number
68.7 appear on homestead applications for two separate residences and only one application is
68.8 signed, the owner or spouse will be deemed to have elected to homestead the residence for
68.9 which the application was signed.

68.10 (d) If residential real estate is occupied and used for purposes of a homestead by a
68.11 relative of the owner and qualifies for a homestead under subdivision 1, paragraph (c), in
68.12 order for the property to receive homestead status, a homestead application must be filed
68.13 with the assessor. The Social Security number of each relative and spouse of a relative
68.14 occupying the property shall be required on the homestead application filed under this
68.15 subdivision. If a different relative of the owner subsequently occupies the property, the
68.16 owner of the property must notify the assessor within 30 days of the change in occupancy.
68.17 The Social Security number of a relative or relative's spouse occupying the property
68.18 is private data on individuals as defined by section 13.02, subdivision 12, but may be
68.19 disclosed to the commissioner of revenue, or, for the purposes of proceeding under the
68.20 Revenue Recapture Act to recover personal property taxes owing, to the county treasurer.

68.21 (e) The homestead application shall also notify the property owners that if the
68.22 property is granted homestead status for any assessment year, that same property shall
68.23 remain classified as homestead until the property is sold or transferred to another person,
68.24 or the owners, the spouse of the owner, or the relatives no longer use the property as their
68.25 homestead. Upon the sale or transfer of the homestead property, a certificate of value must
68.26 be timely filed with the county auditor as provided under section 272.115. Failure to
68.27 notify the assessor within 30 days that the property has been sold, transferred, or that the
68.28 owner, the spouse of the owner, or the relative is no longer occupying the property as a
68.29 homestead, shall result in the penalty provided under this subdivision and the property
68.30 will lose its current homestead status.

68.31 (f) If a homestead application has not been filed with the county by December 15,
68.32 the assessor shall classify the property as nonhomestead for the current assessment year
68.33 for taxes payable in the following year, provided that the owner may be entitled to receive
68.34 the homestead classification by proper application under section 375.192.

68.35 **EFFECTIVE DATE.** This section is effective the day following final enactment.

69.1 Sec. 20. Minnesota Statutes 2014, section 273.371, subdivision 1, is amended to read:

69.2 Subdivision 1. **Report required.** Every electric light, power, gas, water, express,
69.3 stage, and transportation company and pipeline doing business in Minnesota shall
69.4 annually file with the commissioner on or before March 31 a report under oath setting
69.5 forth the information prescribed by the commissioner to enable the commissioner to
69.6 make valuations, recommended valuations, and equalization required under sections
69.7 273.33, 273.35, 273.36, 273.37, and 273.3711. The commissioner shall prescribe the
69.8 content, format, and manner of the report pursuant to section 270C.30, except that
69.9 a "law administered by the commissioner" includes the property tax laws. If all the
69.10 required information is not available on March 31, the company or pipeline shall file the
69.11 information that is available on or before March 31, and the balance of the information
69.12 as soon as it becomes available. If a report is made by electronic means, the taxpayer's
69.13 signature is defined pursuant to section 270C.304, except that a "law administered by the
69.14 commissioner" includes the property tax laws.

69.15 **EFFECTIVE DATE.** This section is effective the day following final enactment.

69.16 Sec. 21. Minnesota Statutes 2014, section 287.2205, is amended to read:

69.17 **287.2205 TAX-FORFEITED LAND.**

69.18 Before a state deed for tax-forfeited land may be issued, the deed tax must be paid
69.19 by the purchaser of tax-forfeited land whether the purchase is the result of a public
69.20 auction or private sale or a repurchase of tax-forfeited land. State agencies and local
69.21 units of government that acquire tax-forfeited land by purchase or any other means are
69.22 subject to this section. The deed tax is \$1.65 for a conveyance of tax-forfeited lands to a
69.23 governmental subdivision for an authorized public use under section 282.01, subdivision
69.24 1a, for a school forest under section 282.01, subdivision 1a, or for redevelopment purposes
69.25 under section 282.01, subdivision 1b.

69.26 **EFFECTIVE DATE.** This section is effective the day following final enactment.

69.27 Sec. 22. Minnesota Statutes 2014, section 289A.08, is amended by adding a
69.28 subdivision to read:

69.29 Subd. 17. **Format.** The commissioner shall prescribe the content, format, and
69.30 manner of the returns and other documents pursuant to section 270C.30. This does not
69.31 authorize the commissioner to require individual income taxpayers to file individual
69.32 income tax returns electronically.

70.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.

70.2 Sec. 23. Minnesota Statutes 2014, section 289A.09, subdivision 1, is amended to read:

70.3 Subdivision 1. **Returns.** (a) An employer who is required to deduct and withhold tax
70.4 under section 290.92, subdivision 2a or 3, and a person required to deduct and withhold
70.5 tax under section 290.923, subdivision 2, must file a return with the commissioner for each
70.6 quarterly period unless otherwise prescribed by the commissioner.

70.7 (b) A person or corporation required to make deposits under section 290.9201,
70.8 subdivision 8, must file an entertainer withholding tax return with the commissioner.

70.9 (c) A person required to withhold an amount under section 290.9705, subdivision 1,
70.10 must file a return.

70.11 (d) A partnership required to deduct and withhold tax under section 290.92,
70.12 subdivision 4b, must file a return.

70.13 (e) An S corporation required to deduct and withhold tax under section 290.92,
70.14 subdivision 4c, must also file a return.

70.15 (f) ~~Returns must be filed in the form and manner, and contain the information~~
70.16 ~~prescribed by the commissioner~~ The commissioner shall prescribe the content, format,
70.17 and manner of the returns pursuant to section 270C.30. Every return for taxes withheld
70.18 must be signed by the employer, entertainment entity, contract payor, partnership, or S
70.19 corporation, or a designee.

70.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

70.21 Sec. 24. Minnesota Statutes 2014, section 289A.11, subdivision 1, is amended to read:

70.22 Subdivision 1. **Return required.** (a) Except as provided in section 289A.18,
70.23 subdivision 4, for the month in which taxes imposed by chapter 297A are payable, or for
70.24 which a return is due, a return for the preceding reporting period must be filed with the
70.25 commissioner ~~in the form and manner the commissioner prescribes.~~ The commissioner
70.26 shall prescribe the content, format, and manner of the returns pursuant to section 270C.30.
70.27 A person making sales at retail at two or more places of business may file a consolidated
70.28 return subject to rules prescribed by the commissioner. In computing the dollar amount of
70.29 items on the return, the amounts are rounded off to the nearest whole dollar, disregarding
70.30 amounts less than 50 cents and increasing amounts of 50 cents to 99 cents to the next
70.31 highest dollar.

70.32 (b) Notwithstanding this subdivision, a person who is not required to hold a sales tax
70.33 permit under chapter 297A and who makes annual purchases, for use in a trade or business,
70.34 of less than \$18,500, or a person who is not required to hold a sales tax permit and who

71.1 makes purchases for personal use, that are subject to the use tax imposed by section
 71.2 297A.63, may file an annual use tax return ~~on a form prescribed by the commissioner.~~
 71.3 The commissioner shall prescribe the content, format, and manner of the return pursuant
 71.4 to section 270C.30. If a person who qualifies for an annual use tax reporting period is
 71.5 required to obtain a sales tax permit or makes use tax purchases, for use in a trade or
 71.6 business, in excess of \$18,500 during the calendar year, the reporting period must be
 71.7 considered ended at the end of the month in which the permit is applied for or the purchase
 71.8 in excess of \$18,500 is made and a return must be filed for the preceding reporting period.

71.9 (c) Notwithstanding ~~paragraph~~ paragraphs (a) and (b), a person prohibited by the
 71.10 person's religious beliefs from using electronics shall be allowed to file by mail, without
 71.11 any additional fees. The filer must notify the commissioner of revenue of the intent to file
 71.12 by mail on a form prescribed by the commissioner. A return filed under this paragraph
 71.13 must be postmarked no later than the day the return is due in order to be considered filed
 71.14 on a timely basis.

71.15 **EFFECTIVE DATE.** This section is effective the day following final enactment.

71.16 Sec. 25. Minnesota Statutes 2014, section 289A.50, subdivision 7, is amended to read:

71.17 Subd. 7. **Remedies.** (a) If the taxpayer is notified by the commissioner that the
 71.18 refund claim is denied in whole or in part, the taxpayer may:

71.19 (1) file an administrative appeal as provided in section 270C.35, or an appeal
 71.20 with the Tax Court, within 60 days after ~~issuance~~ the notice date of the commissioner's
 71.21 notice of denial; or

71.22 (2) file an action in the district court to recover the refund.

71.23 (b) An action in the district court on a denied claim for refund must be brought
 71.24 within 18 months of the notice date of the denial of the claim by the commissioner. For
 71.25 the purposes of this section, "notice date" is defined in section 270C.35, subdivision 3.

71.26 (c) No action in the district court or the Tax Court shall be brought within six months
 71.27 of the filing of the refund claim unless the commissioner denies the claim within that period.

71.28 (d) If a taxpayer files a claim for refund and the commissioner has not issued a denial
 71.29 of the claim, the taxpayer may bring an action in the district court or the Tax Court at any
 71.30 time after the expiration of six months from the time the claim was filed.

71.31 (e) The commissioner and the taxpayer may agree to extend the period for bringing
 71.32 an action in the district court.

71.33 (f) An action for refund of tax by the taxpayer must be brought in the district court
 71.34 of the district in which lies the county of the taxpayer's residence or principal place of

72.1 business. In the case of an estate or trust, the action must be brought at the principal place
72.2 of its administration. Any action may be brought in the district court for Ramsey County.

72.3 **EFFECTIVE DATE.** This section is effective for claims for refund denied after
72.4 September 30, 2015.

72.5 Sec. 26. **[290B.11] FORMS.**

72.6 The commissioner shall prescribe the content, format, and manner of all forms and
72.7 other documents required to be filed under this chapter pursuant to section 270C.30.

72.8 **EFFECTIVE DATE.** This section is effective the day following final enactment.

72.9 Sec. 27. Minnesota Statutes 2014, section 290C.13, subdivision 3, is amended to read:

72.10 Subd. 3. **Notice date.** For purposes of this section, the term "notice date" means the
72.11 notice date designated by the commissioner on the order or notice of the determination
72.12 removing enrolled land or the notice date of designated by the commissioner on the notice
72.13 denying an application to enroll land or denying part or all of an incentive payment.

72.14 **EFFECTIVE DATE.** This section is effective for orders and notices dated after
72.15 September 30, 2015.

72.16 Sec. 28. **[293.15] FORMS.**

72.17 The commissioner shall prescribe the content, format, and manner of all forms and
72.18 other documents required to be filed under this chapter pursuant to section 270C.30.

72.19 **EFFECTIVE DATE.** This section is effective the day following final enactment.

72.20 Sec. 29. Minnesota Statutes 2014, section 295.55, subdivision 6, is amended to read:

72.21 Subd. 6. **Form of returns.** ~~The estimated payments and annual return must contain~~
72.22 ~~the information and be in the form prescribed by the commissioner.~~ The commissioner
72.23 shall prescribe the content, format, and manner of the estimated payment forms and annual
72.24 return pursuant to section 270C.30.

72.25 **EFFECTIVE DATE.** This section is effective the day following final enactment.

72.26 Sec. 30. Minnesota Statutes 2014, section 296A.02, is amended by adding a
72.27 subdivision to read:

73.1 Subd. 5. Forms. The commissioner shall prescribe the content, format, and manner
73.2 of all forms and other documents required to be filed under this chapter pursuant to section
73.3 270C.30.

73.4 EFFECTIVE DATE. This section is effective the day following final enactment.

73.5 Sec. 31. Minnesota Statutes 2014, section 296A.22, subdivision 9, is amended to read:

73.6 Subd. 9. **Abatement of penalty.** (a) The commissioner may by written order
73.7 abate any penalty imposed under this section, if in the commissioner's opinion there is
73.8 reasonable cause to do so.

73.9 (b) A request for abatement of penalty must be filed with the commissioner within
73.10 60 days of the notice date of the notice stating that a penalty has been imposed was mailed
73.11 to the taxpayer's last known address. For purposes of this section, the term "notice date"
73.12 means the notice date designated by the commissioner on the order or other notice that a
73.13 penalty has been imposed.

73.14 (c) If the commissioner issues an order denying a request for abatement of penalty,
73.15 the taxpayer may file an administrative appeal as provided in section 270C.35 or appeal to
73.16 Tax Court as provided in section 271.06. If the commissioner does not issue an order on
73.17 the abatement request within 60 days from the date the request is received, the taxpayer
73.18 may appeal to Tax Court as provided in section 271.06.

73.19 EFFECTIVE DATE. This section is effective for orders and notices dated after
73.20 September 30, 2015.

73.21 Sec. 32. Minnesota Statutes 2014, section 296A.26, is amended to read:

73.22 **296A.26 JUDICIAL REVIEW; APPEAL TO TAX COURT.**

73.23 In lieu of an administrative appeal under section 270C.35, any person aggrieved by
73.24 an order of the commissioner fixing a tax, penalty, or interest under this chapter may, within
73.25 60 days from the notice date of the notice of the order, appeal to the Tax Court in the manner
73.26 provided under section 271.06. For purposes of this section, the term "notice date" means
73.27 the notice date designated by the commissioner on the order fixing a tax, penalty, or interest.

73.28 EFFECTIVE DATE. This section is effective for orders dated after September
73.29 30, 2015.

73.30 Sec. 33. Minnesota Statutes 2014, section 297D.02, is amended to read:

73.31 **297D.02 ADMINISTRATION.**

74.1 The commissioner of revenue shall administer this chapter. The commissioner shall
74.2 prescribe the content, format, and manner of all forms and other documents required to be
74.3 filed under this chapter pursuant to section 270C.30. Payments required by this chapter
74.4 must be made to the commissioner on the form provided by the commissioner. Tax obligors
74.5 are not required to give their name, address, Social Security number, or other identifying
74.6 information on the form. The commissioner shall collect all taxes under this chapter.

74.7 **EFFECTIVE DATE.** This section is effective the day following final enactment.

74.8 Sec. 34. Minnesota Statutes 2014, section 297E.02, subdivision 3, is amended to read:

74.9 Subd. 3. **Collection; disposition.** (a) Taxes imposed by this section are due
74.10 and payable to the commissioner when the gambling tax return is required to be filed.
74.11 Distributors must file their monthly sales figures with the commissioner on a form
74.12 prescribed by the commissioner. Returns covering the taxes imposed under this section
74.13 must be filed with the commissioner on or before the 20th day of the month following the
74.14 close of the previous calendar month. ~~The commissioner may require that the returns be~~
74.15 ~~filed via magnetic media or electronic data transfer.~~ The commissioner shall prescribe the
74.16 content, format, and manner of returns or other documents pursuant to section 270C.30.
74.17 The proceeds, along with the revenue received from all license fees and other fees under
74.18 sections 349.11 to 349.191, 349.211, and 349.213, must be paid to the commissioner of
74.19 management and budget for deposit in the general fund.

74.20 (b) The sales tax imposed by chapter 297A on the sale of pull-tabs and tipboards by
74.21 the distributor is imposed on the retail sales price. The retail sale of pull-tabs or tipboards
74.22 by the organization is exempt from taxes imposed by chapter 297A and is exempt from all
74.23 local taxes and license fees except a fee authorized under section 349.16, subdivision 8.

74.24 (c) One-half of one percent of the revenue deposited in the general fund under
74.25 paragraph (a), is appropriated to the commissioner of human services for the compulsive
74.26 gambling treatment program established under section 245.98. One-half of one percent
74.27 of the revenue deposited in the general fund under paragraph (a), is appropriated to
74.28 the commissioner of human services for a grant to the state affiliate recognized by
74.29 the National Council on Problem Gambling to increase public awareness of problem
74.30 gambling, education and training for individuals and organizations providing effective
74.31 treatment services to problem gamblers and their families, and research relating to
74.32 problem gambling. Money appropriated by this paragraph must supplement and must not
74.33 replace existing state funding for these programs.

74.34 **EFFECTIVE DATE.** This section is effective the day following final enactment.

75.1 Sec. 35. Minnesota Statutes 2014, section 297E.04, subdivision 1, is amended to read:

75.2 Subdivision 1. **Reports of sales.** A manufacturer who sells gambling product for
75.3 use or resale in this state, or for receipt by a person or entity in this state, shall file with the
75.4 commissioner, on a form prescribed by the commissioner, a report of gambling product
75.5 sold to any person in the state, including the established governing body of an Indian tribe
75.6 recognized by the United States Department of the Interior. The report must be filed
75.7 monthly on or before the 20th day of the month succeeding the month in which the sale
75.8 was made. ~~The commissioner may require that the report be submitted via magnetic~~
75.9 ~~media or electronic data transfer.~~ The commissioner shall prescribe the content, format,
75.10 and manner of returns or other documents pursuant to section 270C.30. The commissioner
75.11 may inspect the premises, books, records, and inventory of a manufacturer without notice
75.12 during the normal business hours of the manufacturer. A person violating this section is
75.13 guilty of a misdemeanor.

75.14 **EFFECTIVE DATE.** This section is effective the day following final enactment.

75.15 Sec. 36. Minnesota Statutes 2014, section 297E.05, subdivision 4, is amended to read:

75.16 Subd. 4. **Reports.** A distributor shall report monthly to the commissioner, on a form
75.17 the commissioner prescribes, its sales of each type of gambling product. This report must
75.18 be filed monthly on or before the 20th day of the month succeeding the month in which
75.19 the sale was made. ~~The commissioner may require that a distributor submit the monthly~~
75.20 ~~report and invoices required in this subdivision via magnetic media or electronic data~~
75.21 ~~transfer.~~ The commissioner shall prescribe the content, format, and manner of returns or
75.22 other documents pursuant to section 270C.30.

75.23 **EFFECTIVE DATE.** This section is effective the day following final enactment.

75.24 Sec. 37. Minnesota Statutes 2014, section 297E.06, subdivision 1, is amended to read:

75.25 Subdivision 1. **Reports.** An organization must file with the commissioner, on a form
75.26 prescribed by the commissioner, a report showing all gambling activity conducted by that
75.27 organization for each month. Gambling activity includes all gross receipts, prizes, all
75.28 gambling taxes owed or paid to the commissioner, all gambling expenses, and all lawful
75.29 purpose and board-approved expenditures. The report must be filed with the commissioner
75.30 on or before the 20th day of the month following the month in which the gambling activity
75.31 takes place. ~~The commissioner may require that the reports be filed via magnetic media or~~
75.32 ~~electronic data transfer.~~ The commissioner shall prescribe the content, format, and manner
75.33 of returns or other documents pursuant to section 270C.30.

76.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.

76.2 Sec. 38. Minnesota Statutes 2014, section 297F.09, subdivision 1, is amended to read:

76.3 Subdivision 1. **Monthly return; cigarette distributor.** On or before the 18th day
76.4 of each calendar month, a distributor with a place of business in this state shall file a
76.5 return with the commissioner showing the quantity of cigarettes manufactured or brought
76.6 in from outside the state or purchased during the preceding calendar month and the
76.7 quantity of cigarettes sold or otherwise disposed of in this state and outside this state
76.8 during that month. A licensed distributor outside this state shall in like manner file a
76.9 return showing the quantity of cigarettes shipped or transported into this state during the
76.10 preceding calendar month. ~~Returns must be made in the form and manner prescribed by~~
76.11 The commissioner shall prescribe the content, format, and manner of returns pursuant to
76.12 section 270C.30, and the returns must contain any other information required by the
76.13 commissioner. The return must be accompanied by a remittance for the full unpaid tax
76.14 liability shown by it. For distributors subject to the accelerated tax payment requirements
76.15 in subdivision 10, the return for the May liability is due two business days before June 30th
76.16 of the year and the return for the June liability is due on or before August 18th of the year.

76.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.

76.18 Sec. 39. Minnesota Statutes 2014, section 297F.23, is amended to read:

76.19 **297F.23 JUDICIAL REVIEW.**

76.20 In lieu of an administrative appeal under section 270C.35, a person aggrieved by an
76.21 order of the commissioner fixing a tax, penalty, or interest under this chapter may, within 60
76.22 days from the notice date of the notice of the order, appeal to the Tax Court in the manner
76.23 provided under section 271.06. For purposes of this section, the term "notice date" means
76.24 the notice date designated by the commissioner on the order fixing a tax, penalty, or interest.

76.25 **EFFECTIVE DATE.** This section is effective for orders dated after September
76.26 30, 2015.

76.27 Sec. 40. Minnesota Statutes 2014, section 297G.09, subdivision 1, is amended to read:

76.28 Subdivision 1. **Monthly returns; manufacturers, wholesalers, brewers, or**
76.29 **importers.** On or before the 18th day of each calendar month following the month in
76.30 which a licensed manufacturer or wholesaler first sells wine and distilled spirits within
76.31 the state, or a brewer or importer first sells or imports fermented malt beverages, or a
76.32 wholesaler knowingly acquires title to or possession of untaxed fermented malt beverages,

77.1 the licensed manufacturer, wholesaler, brewer, or importer liable for the excise tax must
77.2 file a return with the commissioner, and in addition must keep records and render reports
77.3 as required by the commissioner. ~~Returns must be made in a form and manner prescribed~~
77.4 ~~by the commissioner, and~~ The commissioner shall prescribe the content, format, and
77.5 manner of returns pursuant to section 270C.30. The returns must contain any other
77.6 information required by the commissioner. Returns must be accompanied by a remittance
77.7 for the full unpaid tax liability. Returns must be filed regardless of whether a tax is due.

77.8 **EFFECTIVE DATE.** This section is effective the day following final enactment.

77.9 Sec. 41. Minnesota Statutes 2014, section 297G.22, is amended to read:

77.10 **297G.22 JUDICIAL REVIEW.**

77.11 In lieu of an administrative appeal under this chapter, a person aggrieved by an order
77.12 of the commissioner fixing a tax, penalty, or interest under this chapter may, within 60 days
77.13 from ~~the date of the notice~~ date of the order, appeal to the Tax Court in the manner provided
77.14 under section 271.06. For purposes of this section, the term "notice date" means the notice
77.15 date designated by the commissioner on the order fixing a tax, penalty, or interest.

77.16 **EFFECTIVE DATE.** This section is effective for orders dated after September
77.17 30, 2015.

77.18 Sec. 42. Minnesota Statutes 2014, section 297I.30, is amended by adding a subdivision
77.19 to read:

77.20 Subd. 11. **Format.** The commissioner shall prescribe the content, format, and
77.21 manner of returns or other documents pursuant to section 270C.30.

77.22 **EFFECTIVE DATE.** This section is effective the day following final enactment.

77.23 Sec. 43. Minnesota Statutes 2014, section 297I.60, subdivision 2, is amended to read:

77.24 Subd. 2. **Remedies.** (a) If the taxpayer is notified that the refund claim is denied in
77.25 whole or in part, the taxpayer may contest the denial by:

77.26 (1) filing an administrative appeal with the commissioner under section 270C.35;

77.27 (2) filing an appeal in Tax Court within 60 days of the notice date of the ~~notice of~~
77.28 denial; or

77.29 (3) filing an action in the district court to recover the refund.

77.30 (b) An action in the district court must be brought within 18 months following of the
77.31 notice date of the ~~notice of~~ denial. For purposes of this section, "notice date" is defined in

78.1 section 270C.35, subdivision 3. An action for refund of tax or surcharge must be brought
78.2 in the district court of the district in which lies the taxpayer's principal place of business or
78.3 in the District Court for Ramsey County. If a taxpayer files a claim for refund and the
78.4 commissioner has not issued a denial of the claim, the taxpayer may bring an action in
78.5 the district court or the Tax Court at any time after the expiration of six months from the
78.6 time the claim was filed.

78.7 **EFFECTIVE DATE.** This section is effective for claims for refund denied after
78.8 September 30, 2015.

78.9 Sec. 44. Minnesota Statutes 2014, section 469.319, subdivision 5, is amended to read:

78.10 Subd. 5. **Waiver authority.** (a) The commissioner may waive all or part of a
78.11 repayment required under subdivision 1, if the commissioner, in consultation with
78.12 the commissioner of employment and economic development and appropriate officials
78.13 from the local government units in which the qualified business is located, determines
78.14 that requiring repayment of the tax is not in the best interest of the state or the local
78.15 government units and the business ceased operating as a result of circumstances beyond
78.16 its control including, but not limited to:

- 78.17 (1) a natural disaster;
78.18 (2) unforeseen industry trends; or
78.19 (3) loss of a major supplier or customer.

78.20 (b)(1) The commissioner shall waive repayment required under subdivision 1a if
78.21 the commissioner has waived repayment by the operating business under subdivision 1,
78.22 unless the person that received benefits without having to operate a business in the zone
78.23 was a contributing factor in the qualified business becoming subject to repayment under
78.24 subdivision 1;

78.25 (2) the commissioner shall waive the repayment required under subdivision 1a, even
78.26 if the repayment has not been waived for the operating business if:

78.27 (i) the person that received benefits without having to operate a business in the zone
78.28 and the business that operated in the zone are not related parties as defined in section
78.29 267(b) of the Internal Revenue Code of 1986, as amended through December 31, 2007; and

78.30 (ii) actions of the person were not a contributing factor in the qualified business
78.31 becoming subject to repayment under subdivision 1.

78.32 (c) Requests for waiver must be made no later than 60 days after the earlier of the
78.33 notice date of an order issued under subdivision 4, paragraph (d), or the date of a tax
78.34 statement issued under subdivision 4, paragraph (c). For purposes of this section, the term
78.35 "notice date" means the notice date designated by the commissioner on the order.

79.1 **EFFECTIVE DATE.** This section is effective for orders of the commissioner of
79.2 revenue dated after September 30, 2015.

APPENDIX
Article locations in H1590-1

ARTICLE 1	DEPARTMENT OF REVENUE TECHNICAL PROVISIONS: INDIVIDUAL INCOME AND CORPORATE FRANCHISE TAXES; ESTATE TAXES	Page.Ln 2.1
ARTICLE 2	DEPARTMENT OF REVENUE TECHNICAL PROVISIONS: SALES AND USE TAXES	Page.Ln 15.1
ARTICLE 3	DEPARTMENT OF REVENUE TECHNICAL PROVISIONS: SPECIAL TAXES	Page.Ln 15.13
ARTICLE 4	DEPARTMENT OF REVENUE TECHNICAL PROVISIONS: PROPERTY TAXES	Page.Ln 20.15
ARTICLE 5	DEPARTMENT OF REVENUE TECHNICAL PROVISIONS: MISCELLANEOUS	Page.Ln 33.16
ARTICLE 6	DEPARTMENT OF REVENUE POLICY PROVISIONS: INDIVIDUAL INCOME, CORPORATE FRANCHISE, AND ESTATE TAXES	Page.Ln 35.14
ARTICLE 7	DEPARTMENT OF REVENUE POLICY PROVISIONS: SPECIAL TAXES	Page.Ln 40.18
ARTICLE 8	DEPARTMENT OF REVENUE POLICY PROVISIONS: PROPERTY TAXES	Page.Ln 43.3
ARTICLE 9	DEPARTMENT OF REVENUE POLICY PROVISIONS: MISCELLANEOUS	Page.Ln 58.1

273.111 AGRICULTURAL PROPERTY TAX.

Subd. 9a. **Cross-compliance with agricultural chemical and water laws.** (a) A parcel of property enrolled under this section whose owner is subject to two or more final enforcement actions for violations of chapter 18B, 18C, 18D, 103E, 103F, 103G, or 103H, or any rule adopted under those chapters, including but not limited to the agricultural shoreland use standards in Minnesota Rules, chapter 6120, occurring on the parcel, shall be subject to a property tax penalty as defined in this subdivision.

(b) For the purposes of this subdivision, "final enforcement action" means any administrative, civil, or criminal penalty other than a verbal or written warning. An enforcement action is not final until any time period for corrective action has expired, and until the completion or expiration of any applicable review or appeal procedure or period provided by law.

(c) The first time a final enforcement action is taken based on a violation occurring on a parcel enrolled under this section, the owner must be notified that if a second final enforcement action is issued, the property is subject to a property tax penalty, as defined in this subdivision.

(d) When a second final enforcement action is taken based on a violation occurring on a parcel enrolled under this section within three years from the first violation, the law enforcement officer or other person enforcing the law or rule must notify the county auditor. The auditor must then determine the property tax penalty, equal to the deferred taxes on the parcel for the current year and the two previous years, but not to exceed the current owner's time of ownership, and extend the penalty against the property on the tax list for the current year, provided that no interest or penalties shall be levied on the penalty if timely paid. The penalty levied under this subdivision is in addition to any additional taxes levied under subdivision 9 at the time a property is withdrawn from the program.

281.22 COUNTY AUDITOR TO GIVE NOTICE.

In case any parcel of land bid in for the state at any tax judgment sale heretofore held has not been sold or assigned to an actual purchaser by one year before the expiration of the stated period of redemption of such parcel, it shall be the duty of the county auditor thereupon forthwith to give notice of expiration of the time for redemption of such parcel, as herein provided. Such notice shall be given and all other things done with respect to all such parcels, as provided by section 281.23, except that the notice shall state that the time for redemption will expire one year after service of notice and the filing of proof thereof, instead of 60 days. Otherwise, all the provisions of section 281.23 shall apply to and govern the corresponding matters under this section.

The time for redemption of any parcel of land as to which notice of expiration has been given, as provided in this section, shall expire one year after the giving of such notice and the filing of proof thereof in the office of the county auditor, unless such parcel shall theretofore be assigned to an actual purchaser, as herein provided.

290C.02 DEFINITIONS.

Subd. 5. **Current use value.** "Current use value" means the statewide average annual income per acre, multiplied by 90 percent and divided by the capitalization rate determined under subdivision 9. The statewide net annual income shall be a weighted average based on the most recent data as of July 1 of the computation year on stumpage prices and annual tree growth rates and acreage by cover type provided by the Department of Natural Resources and the United States Department of Agriculture Forest Service North Central Research Station.

Subd. 9. **Capitalization rate.** By July 1 of each year, the commissioner shall determine a statewide capitalization rate for use under this chapter. The rate shall be the average annual effective interest rate for St. Paul on new loans under the Farm Credit Bank system calculated under section 2032A(e)(7)(A) of the Internal Revenue Code.

**290C.06 CALCULATION OF AVERAGE ESTIMATED MARKET VALUE;
MANAGED FOREST LAND.**

The commissioner shall annually calculate a statewide average estimated market value per acre for class 2c managed forest land under section 273.13, subdivision 23.

8092.2000 CONTRACTS WITH STATE; WITHHOLDING; CERTIFICATION.

Minnesota Statutes, section 270C.66 provides that no department of the state of Minnesota nor any political or governmental subdivision thereof shall make final settlement with any contractor, under a contract requiring the employment of employees for wages by said contractor, until satisfactory showing is furnished to said department or governmental subdivision that the contractor in question has complied with the withholding provisions of Minnesota Statutes, section 290.92. The statute further provides that a certificate issued by the commissioner of revenue shall satisfy this requirement.

The provisions of the statute are prospective in their effect and apply only to contracts executed after April 7, 1961. To facilitate the obtaining of the certification provided for by Minnesota Statutes, section 270C.66 the commissioner has made available form IC134. This form is in two parts, the first section thereof is in the form of an affidavit to be executed by a prime contractor or subcontractor and the second portion thereof is the commissioner's certification. The affidavit portion of the form in any event requires that certain identifying information be set forth by the affiant such as the name of the contractor, the address, withholding identification number, the number of the contract or contracts involved and the name of the department of the state or governmental subdivision with whom the contractor has contracted. The affidavit itself is divided into two parts A and B and it is intended that part A will be executed by both a prime contractor or subcontractor with respect to the employees of such prime contractor or subcontractor.

Part B of said affidavit is to be executed only by a prime contractor who has utilized subcontractors in completing a contract with the state or governmental subdivision thereof. In such a case it is contemplated that each subcontractor will execute part A of the affidavit on form IC134 and obtain from the commissioner certification with respect to such subcontractor's own employees. This copy of form IC134 certified to with respect to the subcontractor's employees will be given to the prime contractor who should keep such affidavit and certification in the prime contractor's own files. When the prime contractor has received such an affidavit and certification from all of the subcontractors on the contract, the prime contractor will then be in a position to execute part B of the affidavit as well as part A and obtain a certification from the commissioner as to the prime contractor's own employees. This form IC134, when both parts A and B have been executed by the prime contractor and certified to by the commissioner, should then be delivered to the department or governmental subdivision in satisfaction of the requirements of Minnesota Statutes, section 270C.66.

The withholding section of the Department of Revenue will process these affidavits and any requests for form IC134 or inquiries relative to their use and application should be directed to this part.