



March 3, 2022

RE: HF 3827 (Marquart) Accelerated June sales tax payment

Chair Marquart and Members of the House Tax Committee,

Thank you for the opportunity to submit testimony regarding HF 3827. We thank Chair Marquart for authoring this bill to undo the remaining budget shifts enacted in the 1980s to address a state deficit at that time.

The June accelerated sales tax early remittance resulted in certain sales tax vendors having to remit the sales tax one month early in the month of June instead of the normal schedule on the 20th of the following month. We thank the committee and legislators for their work last session to repeal the early remittance requirement for most sales tax vendors. With the current historic budget surplus, it is time to completely unwind this early remittance for all taxpayers. We have heard from businesses in these industries that have to borrow money in order to pay the early remittance. This early remittance creates a burden and extra cost for taxpayers that collect and remit sales tax on behalf of the state without any compensation for their work.

Thank you for support of this bill and specifically the provision regarding the June accelerated sales tax. We urge you to include this provision in the omnibus tax bill and consider making this effective immediately instead of triggered by the November forecast.

Sincerely,

A handwritten signature in black ink that reads "Beth Kadoun".

Beth Kadoun
Vice President, Tax and Fiscal Policy
Minnesota Chamber of Commerce