There are two main purposes of taxing nonprofit sales. Both of which are flawed when considering taxing animals being adopted from nonprofits.

The first purpose of taxing nonprofit sales is the same as all sales taxes and that is to provide the government with funds it needs to provide services to the public. The public in Minnesota would not tolerate packs of wild dogs, is saddened or angered by stray cats, and expects homeless pets to have housing options available. The public also expects humane treatment of animals, especially companion animals. The government does not directly provide either of these services in most areas but depends on local nonprofit groups (animal shelters and foster based rescues) to provide shelter and humane care for unwanted animals. While some counties and municipalities provide support to nonprofit animal shelters some groups receive no support. It is rare that a shelter would be provided even a fifth of their needed revenue through government support. Animal shelters are providing a public service that Minnesotans expect with very little cost to the government.

Taxing animal shelters to provide the government with money to provide services to the public, seems unreasonable when the animal shelters are already saving the government the money it would cost the government to directly care for the animals. Most groups are required to raise the majority of their funds through adoptions and donations, instead of through government funding. Taxing those efforts seem unreasonable.

Consider this analogy posted by nonprofitaf.com:

“Imagine if your friend has a car that broke down. They try everything to fix it, but they still can’t. So they call you, and they give you $8, which is 10% of what you need to actually buy the parts and fix the car, so you have to go ask other people for the rest of the money. Then, when you fix the car, your friend says, ‘Uh, since you collected all that money from other people to fix my car, you owe me $12 in taxes.’”

Does this seem reasonable?

The second purpose given for taxing nonprofit sales is to prevent nonprofits from an unfair advantage over for-profit businesses. Finding a for-profit business that is caring for homeless animals would be difficult. If you restrict the topic to businesses taking money in return for providing a pet (whether termed adopting or selling) there are for-profit businesses. Most pet stores in Minnesota no longer sell felines or canines due to public outrage over conditions at puppy and kitten mills. (Which is a different tough topic.) These stores sponsor adoption of homeless shelter animals instead. Breeders who sell purebred show animals are in a completely different market than animal shelters. Since there is very little overlap in these business interests it is not necessary to provide for-profit businesses protection from animal shelters.

Since neither of the reasons nonprofits are taxed are valid in this situation, please support elimination of sales tax on the adoption of animal shelter and rescue pets.