

1.1 ..... moves to amend H.F. No. 2887, the delete everything amendment  
1.2 (H2887DE1), as follows:

1.3 Pages 45 to 47, delete sections 4 to 8 and insert:

1.4 "Sec. .... [168E.01] DEFINITIONS.

1.5 Subdivision 1. Scope. As used in this chapter, the following terms have the meanings  
1.6 given.

1.7 Subd. 2. Clothing. "Clothing" has the meaning given in section 297A.67, subdivision  
1.8 8.

1.9 Subd. 3. Commissioner. "Commissioner" means the commissioner of revenue.

1.10 Subd. 4. Person. "Person" has the meaning given in section 297A.61, subdivision 2.

1.11 Subd. 5. Retail delivery. "Retail delivery" means a retail sale by a retailer for delivery  
1.12 to a person located in Minnesota in which the sale contains at least one item of tangible  
1.13 personal property that is subject to taxation under chapter 297A, including the retail sale of  
1.14 clothing notwithstanding the exemption from taxation for clothing under chapter 297A.

1.15 Subd. 6. Retail delivery fee. "Retail delivery fee" means the fee imposed under section  
1.16 168E.03 on retail deliveries.

1.17 Subd. 7. Retail sale. "Retail sale" has the meaning given in section 297A.61, subdivision  
1.18 4.

1.19 Subd. 8. Retailer. "Retailer" means any person making sales, leases, or rental of personal  
1.20 property or services within or into the state of Minnesota that is required to remit the tax  
1.21 imposed under chapter 297A. Retailer includes a:

1.22 (1) retailer maintaining a place of business in this state;

2.1 (2) marketplace provider maintaining a place of business in this state, as defined in  
2.2 section 297A.66, subdivision 1, paragraph (a);

2.3 (3) retailer not maintaining a place of business in this state; and

2.4 (4) marketplace provider not maintaining a place of business in this state, as defined in  
2.5 section 297A.66, subdivision 1, paragraph (b).

2.6 Subd. 9. **Tangible personal property.** "Tangible personal property" has the meaning  
2.7 given in section 297A.61, subdivision 10.

2.8 **EFFECTIVE DATE.** This section is effective July 1, 2024.

2.9 Sec. .... **[168E.03] FEE IMPOSED.**

2.10 Subdivision 1. **Rate.** (a) A retail delivery fee equal to 75 cents shall be imposed on all  
2.11 retail deliveries. Retailers may collect the retail delivery fee from the purchaser.

2.12 (b) Retailers must remit the fee to the commissioner in the time and manner prescribed  
2.13 by the commissioner in accordance with this chapter.

2.14 (c) The retail delivery fee must not be included in the sales price for purposes of  
2.15 calculating tax owed under chapter 297A.

2.16 (d) If the retailer collects the fee from the purchaser:

2.17 (1) the retail delivery fee must be charged in addition to any other delivery fee; and

2.18 (2) the retailer must show the total of the retail delivery fee and other delivery fees as  
2.19 separate items and distinct from the sales price and any other taxes or fees imposed on the  
2.20 retail delivery on the purchaser's receipt, invoice, or other bill of sale.

2.21 Subd. 2. **Delivery.** Each retail sale is a single retail delivery regardless of the number  
2.22 of shipments necessary to deliver the items of tangible personal property purchased.

2.23 Subd. 3. **Returns and cancellations.** A retail delivery fee is nonrefundable if the  
2.24 purchaser returns any or all items purchased to a retailer. The fee must be refunded to the  
2.25 purchaser if the retail delivery is canceled by the purchaser, retailer, or delivery provider.

2.26 **EFFECTIVE DATE.** This section is effective July 1, 2024.

2.27 Sec. .... **[168E.05] EXEMPTIONS.**

2.28 Subdivision 1. **Certain transactions.** The following retail deliveries are exempt from  
2.29 the fee imposed by this chapter:

3.1 (1) a retail delivery that includes only tangible personal property that is exempt from  
3.2 taxation under chapter 297A, except tangible personal property that is exempt as clothing  
3.3 under chapter 297A; and

3.4 (2) a retail delivery on a motor vehicle for which a permit issued by the commissioner  
3.5 of transportation or a road authority is required under chapter 169 or 221.

3.6 Subd. 2. **Certain entities.** (a) A purchaser who is exempt from tax under chapter 297A  
3.7 is exempt from the retail delivery fee.

3.8 (b) A retailer is exempt from collecting, reporting, and remitting the retail delivery fee  
3.9 if in the previous calendar year the retailer made retail sales of \$1 million or less.

3.10 (c) A marketplace provider is exempt from collecting, reporting, and remitting the retail  
3.11 delivery fee when facilitating the sale of a retailer that in the previous calendar year made  
3.12 retail sales through the marketplace provider of \$100,000 or less.

3.13 **EFFECTIVE DATE.** This section is effective July 1, 2024.

3.14 Sec. .... **[168E.07] COLLECTION AND ADMINISTRATION.**

3.15 Subdivision 1. **Returns; payment of fees.** (a) A retailer must report the fee on a return  
3.16 prescribed by the commissioner and must remit the fee with the return. The return and fee  
3.17 must be filed and paid using the filing cycle and due dates provided for taxes imposed under  
3.18 chapter 297A.

3.19 Subd. 2. **Collection and remittance.** A retailer that collects the fee from the purchaser  
3.20 must collect the fee in the same manner as the tax collected under chapter 297A. A retailer  
3.21 using a third-party entity to collect and remit the tax imposed under chapter 297A, may  
3.22 elect to have that third-party entity collect and remit the fee imposed under this chapter.

3.23 Subd. 3. **Administration.** Unless specifically provided otherwise by this chapter, the  
3.24 audit, assessment, refund, penalty, interest, enforcement, collection remedies, appeal, and  
3.25 administrative provisions of chapters 270C and 289A, that are applicable to taxes imposed  
3.26 under chapter 297A, apply to the fee imposed under this chapter.

3.27 Subd. 4. **Interest on overpayments.** The commissioner must pay interest on an  
3.28 overpayment refunded or credited to the retailer from the date of payment of the fee until  
3.29 the date the refund is paid or credited. For purposes of this subdivision, the date of payment  
3.30 is the due date of the return or the date of actual payment of the fee, whichever is later.

3.31 **EFFECTIVE DATE.** This section is effective July 1, 2024.

4.1 Sec. .... **[168E.09] DEPOSIT OF PROCEEDS.**

4.2 Subdivision 1. **Costs deducted.** The commissioner shall retain an amount that does not  
4.3 exceed the total cost of collecting, administering, and enforcing the retail delivery fee and  
4.4 shall deposit the amount in the revenue department service and recovery special revenue  
4.5 fund.

4.6 Subd. 2. **Deposits.** After deposits under subdivision 1, the commissioner must deposit  
4.7 the balance of proceeds from the retail delivery fee in the transportation advancement account  
4.8 under section 174.49.

4.9 **EFFECTIVE DATE.** This section is effective July 1, 2024."

4.10 Renumber the sections in sequence and correct the internal references