

April 14, 2026

|                                  |            |           |
|----------------------------------|------------|-----------|
|                                  | <b>Yes</b> | <b>No</b> |
| DOR Administrative Costs/Savings |            | X         |

Department of Revenue  
Analysis of H.F. 4738 (Keeler) / S.F. 5077 (Pha)

|                                  | <b>Fund Impact</b>      |                         |                         |                         |
|----------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
|                                  | <b><u>F.Y. 2026</u></b> | <b><u>F.Y. 2027</u></b> | <b><u>F.Y. 2028</u></b> | <b><u>F.Y. 2029</u></b> |
|                                  |                         | (000's)                 |                         |                         |
| General Fund                     | \$0                     | \$7,650                 | \$8,430                 | \$8,510                 |
| Natural Resources and Arts Funds | \$0                     | \$440                   | \$490                   | \$490                   |
| Housing Assistance Fund          | \$0                     | \$180                   | \$190                   | \$200                   |
| Special Revenue Fund             | <u>\$0</u>              | <u>\$90</u>             | <u>\$100</u>            | <u>\$100</u>            |
| Total – All Funds                | \$0                     | \$8,360                 | \$9,210                 | \$9,300                 |

Effective for sales and purchases after June 30, 2026.

**EXPLANATION OF THE BILL**

**Current Law:** Consideration paid for a license to use a private suite, private skybox, or private box seat is exempt from the sales and use tax, under certain circumstances. The sale of a right to purchase the privilege of admission to a college or university athletic event in a preferred viewing location for a season of a particular athletic event is exempt from the sales and use tax, under certain circumstances. Suite licenses and collegiate preferred seating do not need to be unbundled transactions to receive the exemptions. The sale of amenities included in the sales price of the privilege of admission to professional sporting events is exempt.

**Proposed Law:** The bill would repeal the exemptions listed above. The bill would appropriate money from the General Fund to the commissioner of human services for safe harbor shelter and housing grants.

**REVENUE ANALYSIS DETAIL**

- Information from public sources and impacted taxpayers regarding suites, boxes, and rates for sports venues were used to inform the estimates.
- According to information from the Census Bureau’s Quarterly Services Survey, national spectator sports admissions totaled approximately \$16 billion in 2025.
- National amounts were apportioned to Minnesota at 1.4%, based on Minnesota’s personal consumption expenditures on recreational services from the Bureau of Economic Analysis.
- It is assumed that 1.9% of spectator sports admissions include amenities.
- The fiscal year 2027 estimates are adjusted for eleven months of collections.

Minnesota Department of Revenue  
Tax Research Division  
<https://www.revenue.state.mn.us/revenue-analyses>