

1.1 Stephenson and Torkelson from the Committee on Ways and Means to which was
1.2 referred:

1.3 H. F. No. 2437, A bill for an act relating to taxation; modifying individual income taxes,
1.4 corporate franchise taxes, sales and use taxes, excise taxes, local sales and use taxes, property
1.5 taxes, local government aids, tax increment financing, and other miscellaneous taxes and
1.6 tax-related provisions; modifying the political contribution refund; modifying subtractions;
1.7 providing for direct free filing; modifying credits, assignments, and transfers; modifying
1.8 and providing for sales and use tax exemptions; modifying excise taxes for sales of premium
1.9 cigars outside of Minnesota; providing for license endorsements for premium cigars;
1.10 modifying accelerated payments for liquor excise and tobacco excise taxes; modifying and
1.11 providing for property tax exemptions; modifying property tax classifications; providing
1.12 for land bank organizations; providing local government aid penalty forgiveness; modifying
1.13 aids; providing for special tax increment financing; modifying tax increment financing
1.14 provisions; modifying provisions related to public finance; modifying provisions related to
1.15 the Tax Expenditure Review Commission; increasing debt issue limits; modifying penalties
1.16 relating to property tax refunds and certificates of rent paid; modifying payments for the
1.17 Sustainable Forest Incentive Act; modifying gross revenues and gross receipts taxes;
1.18 modifying solid waste management tax dedications and definitions; providing for land-value
1.19 taxation districts; repealing the tax on illegal cannabis and controlled substances; creating
1.20 a legislative task force on local sales and use taxes; providing transfers of money;
1.21 appropriating money; amending Minnesota Statutes 2024, sections 3.192; 3.8855,
1.22 subdivisions 2, 3, 4, 5, 7, 8; 10A.02, subdivision 11b; 10A.322, subdivision 4; 37.31,
1.23 subdivision 1; 41B.0391, subdivision 4; 116U.27, subdivision 2; 270C.11, subdivision 4;
1.24 270C.15; 270C.445, subdivisions 3, 6; 272.01, subdivision 2; 272.02, subdivisions 7, 19,
1.25 by adding subdivisions; 273.13, subdivisions 22, 25, 34; 273.38; 273.41; 289A.12,
1.26 subdivision 18; 289A.20, subdivision 4; 289A.60, subdivision 12; 290.01, subdivision 19;
1.27 290.0132, subdivisions 26, 34, by adding subdivisions; 290.0134, subdivision 20; 290.06,
1.28 subdivision 23; 290.0661, by adding a subdivision; 290.0693, subdivisions 1, 4, 6, 8;
1.29 290.0695, subdivisions 1, 2, 3; 290A.03, subdivision 3; 290A.19; 290B.03, subdivision 1;
1.30 290B.04, subdivisions 3, 4; 290B.05, subdivision 1; 290C.07; 295.53, subdivision 4a;
1.31 295.54, subdivision 2; 295.81, subdivision 10; 297A.68, subdivisions 3, 40; 297A.71,
1.32 subdivision 54; 297A.75, subdivisions 1, 2, 3; 297A.77, subdivision 3; 297A.94; 297A.99,
1.33 subdivisions 3a, 10; 297A.995, subdivisions 2, 10; 297E.06, subdivision 4; 297F.01, by
1.34 adding a subdivision; 297F.03, by adding a subdivision; 297F.04; 297F.06, by adding a
1.35 subdivision; 297F.09, subdivisions 2, 10; 297G.09, subdivisions 9, 10; 297H.01, subdivision
1.36 8; 297H.13, subdivision 2; 297I.20, subdivision 4; 373.40, subdivision 2; 446A.086,
1.37 subdivisions 1, 2; 462A.39, subdivision 5; 462A.40, subdivisions 2, 3; 462C.04, subdivision
1.38 2; 469.104; 469.154, subdivision 4; 469.174, subdivision 10; 469.175, subdivision 3; 469.176,
1.39 subdivision 4n; 469.1761, subdivisions 1, 3; 469.1763, subdivisions 2, 3, 4, by adding a
1.40 subdivision; 469.177, subdivision 1; 469.1812, by adding a subdivision; 469.1813,
1.41 subdivisions 1, 6, by adding a subdivision; 474A.091, subdivisions 2, 2a; 475.521,
1.42 subdivision 2; 609.902, subdivision 4; 641.23; Laws 2010, chapter 389, article 7, section

2.1 22, as amended; Laws 2013, chapter 143, article 9, section 21; Laws 2014, chapter 308,
 2.2 article 6, section 9, as amended; Laws 2017, First Special Session chapter 1, article 6, section
 2.3 22; Laws 2023, chapter 1, sections 22; 28; Laws 2023, chapter 64, article 15, section 24;
 2.4 proposing coding for new law in Minnesota Statutes, chapters 289A; 297A; 428A; repealing
 2.5 Minnesota Statutes 2024, sections 13.4967, subdivisions 2a, 5; 290.0679; 297D.01; 297D.02;
 2.6 297D.03; 297D.04; 297D.05; 297D.06; 297D.07; 297D.08; 297D.085; 297D.09, subdivisions
 2.7 1, 1a, 2; 297D.10; 297D.11; 297D.12; 297D.13; 477A.32.

2.8 Reported the same back with the following amendments:

2.9 Page 19, delete lines 10 and 11 and insert:

2.10 "EFFECTIVE DATE. This section is effective retroactively for contributions made in
 2.11 calendar year 2023 and designated to apply to the tax year 2022 contribution limitation."

2.12 Page 24, line 16, delete "All"

2.13 Page 24, delete lines 17 and 18

2.14 Page 24, lines 21 and 23, delete "paid" and insert "collected"

2.15 Page 39, line 12, after the period, insert "For the purposes of this subdivision, a "Tribal
 2.16 purpose" means a public purpose as defined in subdivision 8 and includes noncommercial
 2.17 Tribal government activities."

2.18 Page 39, line 16, before "Property" insert "(a)"

2.19 Page 39, after line 24, insert:

2.20 "(b) Property that qualifies for exemption under this subdivision is limited to no more
 2.21 than five parcels."

2.22 Page 55, line 9, after the period, insert "The repayment must be paid to the county
 2.23 treasurer and the county auditor shall distribute the repayment in the same proportion to the
 2.24 political subdivision that granted the abatement."

2.25 Page 83, line 17, delete "2030" and insert "2031"

2.26 Page 84, line 5, delete "2030" and insert "2031"

2.27 Page 114, line 31, after the semicolon, insert "and"

2.28 Page 115, line 1, delete "block group" and insert "tract" and delete "with a supplemental
 2.29 and insert "that is an environmental justice area, as defined in Minnesota Statutes, section
 2.30 115A.03, subdivision 10b."

2.31 Page 115, delete lines 2 to 6

2.32 With the recommendation that when so amended the bill be placed on the General
 2.33 Register.

3.1 This Committee action taken May 8, 2025

3.2 Co-Chair

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