

March 16, 2026

	Yes	No
DOR Administrative Costs/Savings	X	

Department of Revenue
Analysis of S.F. 4194 (Limmer) / H.F. 4048 (Robbins)

	Fund Impact			
	<u>F.Y. 2026</u>	<u>F.Y. 2027</u>	<u>F.Y. 2028</u>	<u>F.Y. 2029</u>
			(000's)	
Health Care Access Fund	\$0	(\$2,400)	(\$9,800)	(\$10,100)

Effective for gross revenues received after December 31, 2026.

EXPLANATION OF THE BILL

Current Law: Health care providers are subject to a 1.8% tax on gross revenue. Revenues are deposited in the Health Care Access Fund. The current definition of health care provider includes a person whose health care occupation is regulated or required to be regulated by the state of Minnesota furnishing any or all of the following goods or services directly to a patient or consumer: medical, surgical, optical, visual, dental, hearing, nursing services, drugs, laboratory, diagnostic or therapeutic services.

Proposed Law: The bill would exclude from the definition of health care provider a person who provides chiropractic services. The definition change would exempt these providers from the MinnesotaCare tax.

REVENUE ANALYSIS DETAIL

- The estimates are based on tax return data.
- Health care providers pay MinnesotaCare taxes quarterly, with estimated payments due in April, July, October, and January. Since each payment is for revenue collected during the previous quarter, the first quarterly payment that would be affected by the proposal would be April 2027. The revenue impact for fiscal year 2027 is reduced to reflect one quarter of collections.

Minnesota Department of Revenue
Tax Research Division
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