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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 3913

03/02/2026 Authored by Howard
The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to taxation; authorizing the commissioner of revenue to implement a tax
1.3 compliance program; appropriating money.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. TAX COMPLIANCE; TAX ANALYTICS AND BUSINESS
1.6 INTELLIGENCE TOOLS.

1.7 Subdivision 1. Program activities. The commissioner of revenue may implement a
1.8 program of tax compliance, including the use of advanced tax analytics and business
1.9 intelligence tools to enhance tax assessment and collection by improving the means to
1.10 identify taxpayers that should be subject to audit and collection activities and by prioritizing
1.11 those activities to provide a higher rate of return on the activities of Department of Revenue
1.12 employees.

1.13 Subd. 2. Implementation. To implement the program authorized by this section, the
1.14 commissioner of revenue may enter into contracts as the commissioner deems necessary to
1.15 obtain or create tax analytics and business intelligence tools. Any contract entered into under
1.16 this section is subject to Minnesota Statutes, section 16C.072.

1.17 Subd. 3. Priority. The tax compliance program under this section must prioritize
1.18 compliance and enforcement activities for corporations and complex pass-through entities
1.19 under the corporate franchise and individual income taxes, individual income taxpayers
1.20 reporting over \$500,000 in taxable income, and businesses subject to the state's sales and
1.21 use tax laws.

2.1 Sec. 2. **APPROPRIATION; TAX COMPLIANCE; TAX ANALYTICS AND**
2.2 **BUSINESS INTELLIGENCE TOOLS.**

2.3 \$5,000,000 in fiscal year 2027 is appropriated from the general fund to the commissioner
2.4 of revenue for purposes of the tax compliance, tax analytics, and business intelligence tools
2.5 program in section 1. The amount appropriated under this section must supplement and not
2.6 supplant other amounts available for the purposes described in this section.