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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 4048

03/09/2026 Authored by Robbins, Dotseth, Perryman, Allen, Anderson, P. H., and others
The bill was read for the first time and referred to the Committee on Health Finance and Policy
03/23/2026 Adoption of Report: Re-referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to taxation; gross receipts tax on hospitals and health care providers;
1.3 excluding licensed chiropractors from the providers subject to the tax; amending
1.4 Minnesota Statutes 2024, section 295.50, subdivision 4.

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

1.6 Section 1. Minnesota Statutes 2024, section 295.50, subdivision 4, is amended to read:

1.7 Subd. 4. Health care provider. (a) "Health care provider" means:

1.8 (1) a person whose health care occupation is regulated or required to be regulated by
1.9 the state of Minnesota furnishing any or all of the following goods or services directly to a
1.10 patient or consumer: medical, surgical, optical, visual, dental, hearing, nursing services,
1.11 drugs, laboratory, diagnostic or therapeutic services;

1.12 (2) a person who provides goods and services not listed in clause (1) that qualify for
1.13 reimbursement under the medical assistance program provided under chapter 256B;

1.14 (3) a staff model health plan company;

1.15 (4) an ambulance service required to be licensed;

1.16 (5) a person who sells or repairs hearing aids and related equipment or prescription
1.17 eyewear; or

1.18 (6) a person providing patient services, who does not otherwise meet the definition of
1.19 health care provider and is not specifically excluded in ~~clause~~ paragraph (b), who employs
1.20 or contracts with a health care provider as defined in clauses (1) to (5) to perform, supervise,
1.21 otherwise oversee, or consult with regarding patient services.

2.1 (b) Health care provider does not include:

2.2 (1) hospitals; medical supplies distributors, except as specified under paragraph (a),
2.3 clause (5); nursing homes licensed under chapter 144A or licensed in any other jurisdiction;
2.4 wholesale drug distributors; pharmacies; surgical centers; bus and taxicab transportation,
2.5 or any other providers of transportation services other than ambulance services required to
2.6 be licensed; supervised living facilities for persons with developmental disabilities, licensed
2.7 under Minnesota Rules, parts 4665.0100 to 4665.9900; housing with services establishments
2.8 required to be registered under chapter 144D; board and lodging establishments providing
2.9 only custodial services that are licensed under chapter 157 and registered under section
2.10 157.17 to provide supportive services or health supervision services; adult foster homes as
2.11 defined in Minnesota Rules, part 9555.5105; day training and habilitation services for adults
2.12 with developmental disabilities as defined in section 252.41, subdivision 3; boarding care
2.13 homes, as defined in Minnesota Rules, part 4655.0100; and adult day care centers as defined
2.14 in Minnesota Rules, part 9555.9600;

2.15 (2) home health agencies as defined in Minnesota Rules, part 9505.0175, subpart 15; a
2.16 person providing personal care services and supervision of personal care services as defined
2.17 in Minnesota Rules, part 9505.0335; a person providing home care nursing services as
2.18 defined in Minnesota Rules, part 9505.0360; and home care providers required to be licensed
2.19 under chapter 144A for home care services provided under chapter 144A;

2.20 (3) a person who employs health care providers solely for the purpose of providing
2.21 patient services to its employees;

2.22 (4) an educational institution that employs health care providers solely for the purpose
2.23 of providing patient services to its students if the institution does not receive fee for service
2.24 payments or payments for extended coverage; ~~and~~

2.25 (5) a person who receives all payments for patient services from health care providers,
2.26 surgical centers, or hospitals for goods and services that are taxable to the paying health
2.27 care providers, surgical centers, or hospitals, as provided under section 295.53, subdivision
2.28 1, paragraph (b), clause (3) or (4), or from a source of funds that is excluded or exempt from
2.29 tax under sections 295.50 to 295.59.; and

2.30 (6) a person licensed under sections 148.01 to 148.108.

2.31 **EFFECTIVE DATE.** This section is effective for gross revenues received after
2.32 December 31, 2026.