

March 31, 2022

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

Department of Revenue  
Analysis of H.F. 4640 (Huot)

	<b>Fund Impact</b>			
	<b><u>F.Y. 2022</u></b>	<b><u>F.Y. 2023</u></b>	<b><u>F.Y. 2024</u></b>	<b><u>F.Y. 2025</u></b>
	(000's)			
General Fund	\$0	(\$2,800)	(\$3,100)	\$0
Natural Resources and Arts Funds	\$0	(\$200)	(\$200)	\$0
Total – All Funds	\$0	(\$3,000)	(\$3,300)	\$0

Effective day following final enactment.

**EXPLANATION OF THE BILL**

**Current Law:** Sales for tickets to the premises of or events sponsored by Minnesota State Agricultural Society and conducted on the state fairgrounds are subject to the sales tax.

**Proposed Law:** The bill allows the Society to retain sales tax revenues in calendar years 2022 and 2023 on sales of tickets to the premises of or sponsored events during and prior to the period of the annual state fair. Retained funds are to be used to maintain and improve state-owned buildings and facilities on the state fairgrounds.

**REVENUE ANALYSIS DETAIL**

- Sales tax information from the State Agricultural Society was used.
- A growth rate of 10% is assumed for post-pandemic fair attendance.
- State fairs held in calendar years 2022 and 2023 impact fiscal years 2023 and 2024.

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