

Subject Federal conformity; Shuttered Venue Operator Grants

Authors Bahner and Mortensen

Analyst Sean Williams

Date February 21, 2022

Summary

The federal Shuttered Venue Operator Grant (SVOG) program provided emergency assistance grants to certain arts businesses affected by COVID-19. Grant amounts were equal to 45 percent of gross earned revenue, up to a maximum of \$10 million. As of December 2021, the program had provided \$263.8 million in grants to Minnesota venues.

As part of the Consolidated Appropriations Act, 2021 (enacted in December 2020), Congress excluded SVOG grants from gross income, and additionally disallowed taxpayers from being denied a deduction for expenses associated with the grant program.

Minnesota has not conformed to the federal tax treatment, meaning SVOG grants would be included in gross income and subject to state tax. H.F. 2890 would conform the state to the federal treatment.