

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 52

DATE: January 26, 1999

Version: As introduced

Authors: Haas and others

Subject: Exempting local government purchases from the sales tax

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- 1 Sales to government.** Exempts sales to all local governments from the sales tax. This includes sales to their agencies and instrumentalities (e.g. joint power boards). Deletes redundant language that currently exempts specific types of purchases by certain types of local governments. Clarifies that motor vehicles that are exempt from the motor vehicle sales tax if purchased by local governments are also exempt from the general sales tax if the vehicle is leased. *Purchases by state agencies would still be subject to the sales tax.*
- 2 Reporting of sales tax on Minnesota governments.** Removes the language requiring that sales tax paid by local governments be reported to the U.S. Department of Commerce as intergovernmental revenue.
- 3 Effective Date.** Effective beginning with sales after June 30, 1999.

Note: The following bills are identical to H.F. 52:

H.F. 63 - Marko and others

H.F. 79 - Solberg

H.F. 81 - McCollum and others

H.F. 164 - Erhardt

H.F. 231 - Schumacher and others

H.F. 234 - Lindner and others

H.F. 277 - Jaros