

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 1829
Version: As introduced

DATE: March 13, 2015

Authors: Knoblach and Davids

Subject: Repeal June accelerated payment provisions for sales and excise taxes

Analyst: Pat Dalton

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: www.house.mn/hrd/.

Overview

Repeals the required June accelerated tax remittance for sales and use tax, tobacco and cigarette taxes, and liquor taxes beginning with the June 2015 tax liability. Persons with an annual tax liability of \$250,000 or more for any of these taxes are currently required to remit 81.4 percent of the June collections before the end of June.

Section

- 1 **Sales and use returns.** Eliminates a return provision related to the June accelerated sales and use tax payment. Effective beginning with June 2015 liabilities.
- 2 **Sales and use tax.** Repeals the requirement that persons with an annual liability of \$250,000 or more remit 81.4 percent of the June sales and use tax collection two business days before the end of June. Consolidates the existing electronic filing requirements into one paragraph. Effective beginning with June 2015 liabilities.
- 3 **Penalty for failure to make payment by electronic means.** Corrects a cross reference related to changes in section 2.
- 4 **Monthly return, cigarette distributor.** Eliminates a return provision related to the June accelerated cigarette tax payment. Effective beginning with June 2015 liabilities.
- 5 **Monthly return, tobacco products distributor.** Eliminates a return provision related to the June accelerated tobacco products tax payment. Effective beginning with June 2015 liabilities.

Section

- 6** **Payment.** Eliminates a cross reference related to the June accelerated cigarette and tobacco products tax payment. Effective beginning with June 2015
- 7** **Repealer.** Repeals Minnesota Statutes, section 289A.60, which provides a safe harbor provision and underpayment penalty for the payment of the accelerated June sales and use tax payment. Repeals Minnesota Statutes, sections 297F.09 and 297G.09, which require accelerated payments of June tax liabilities for persons with an annual tax liability of \$250,000 or more for either the cigarette and tobacco products taxes, or for the liquor taxes. Effective beginning with June 2015 tax liabilities.