

HOUSE RESEARCH

Bill Summary

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Subject: Repealing the June accelerated tax payments

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Overview

Repeals the June accelerated tax payments for sales, tobacco, and liquor taxes. Currently vendors with annual tax liabilities of \$250,000 or more are required to remit 81.4% of their June sales tax collections two business days before the end of June. Effective beginning with June 2015 tax collections.

Section

- 1 **Sales and use tax returns.** Deletes the special date by which a person remitting an accelerated June sales tax payment must file their June return.
- 2 **Sales and use tax.** Eliminates the requirement that vendors with annual sales tax liabilities of \$250,000 or more must remit 81.4 % of the June sales tax collections before the end of June. These taxes will now be due by the 20th of July.
- 3 **Penalty for failure to make payment by electronic means.** Eliminates a cross reference to the repealed provision in subdivision 2.
- 4 **Monthly return; cigarette distributor.** Deletes the special date by which a person remitting an accelerated June cigarette tax payments must file their June return.
- 5 **Monthly return, tobacco products distributor.** Deletes the special date by which a person remitting an accelerated June tobacco tax payments must file their June return.
- 6 **Payment.** Deletes the accelerated June tax payment requirement from tobacco taxes.
- 7 **Repealer.** Repeals the safe harbor provision for persons remitting accelerated June sales tax payments and repeals the June accelerated tax remittance requirements and related penalties for tobacco taxes and liquor taxes.