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### Article 1: Department of Revenue 2015-2016 Sales Suppression Provisions

- 1 Automated sales suppression devices; definitions.** Defines “automated sales suppression device,” “zapper,” and “phantom-ware” as software programs that falsify the electronic records of cash registers or create a second set of transaction records. These falsified or duplicate records are used to support underpayment of sales taxes on the actual transactions. Also defines “transaction data” and “transaction report.”

Effective August 1, 2017.
- 2 Automated sales suppression devices.** Authorizes the commissioner of revenue to assess civil penalties on persons who sell, transfer, develop, manufacture, or possess with the intent to sell or transfer automated sales suppression devices. The penalty is the greater of: (1) \$2,000; or (2) the amount of tax, penalty, and interest avoidance caused by using the device. Provides an exemption from the penalty for possession of a device to study how to combat tax evasion by the commissioner or person acting on behalf of the commissioner, law enforcement agencies, and post-secondary education institutions.

Effective August 1, 2017.
- 3 Use of automated sales suppression devices.** Establishes a felony criminal penalty (maximum term of five years or \$10,000 fine or both) for the sale, purchase, installation, transfer, development, manufacture, or use of a sales suppression device knowing that the

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device may be used to commit tax fraud. Provides that possession of a device to study how to combat tax evasion by the commissioner or person acting on behalf of the commissioner, law enforcement agencies, and post-secondary education institutions is not a felony.

Effective August 1, 2017.

- 4 **Automated sales suppression devices.** Classifies automated sales suppression devices as contraband subject to forfeiture.

Effective August 1, 2017.

## **Article 2: Department of Revenue 2015-2016 Policy and Technical Provisions; Income, Corporate Franchise, and Estate Taxes**

- 1 **Information included on income tax returns.** Strikes obsolete references to telefiling of individual income tax returns.

Effective the day following final enactment.

- 2 **Electronic filing requirement.** Extends the requirement that professional tax preparers submit individual income tax returns electronically to corporate, partnership, and fiduciary returns. It would also extend the \$5.00 fee for each individual income tax return submitted by a professional preparer in paper form, including returns which the taxpayer has requested the preparer to submit in paper form, to corporate, partnership, and fiduciary returns.

Effective for tax year 2017.

- 3 **Withholding statement.** Changes the required date for employer filing of W-2 forms with DOR from February 28 to January 31, effective for wages paid after December 31, 2016.

Authorizes the commissioner to determine the content, format, and manner in which employers submit W-2 wage and withholding statements, and eliminates the requirement that employers submit an annual reconciliation of their quarterly withholding returns. The requirement has been rendered obsolete by the department's ability to electronically identify discrepancies in withholding accounts without the need for a separate return.

Effective for W-2 statements and reconciliations required to be submitted to the commissioner after December 31, 2017.

- 4 **Reporting of exempt interest and dividends.** Extends the requirement that regulated investment companies paying \$10 or more in exempt-interest dividends to a Minnesota resident report the amount paid to the recipient by February 15 of the year following the year of payment and by June 1 of the year following the year of payment to the commissioner to also apply to any person receiving \$10 or more of exempt non-Minnesota municipal bond interest or dividends and paying those amounts as nominee to an individual who is a resident of Minnesota.

Effective for reports required to be filed after December 31, 2017.

- 5 **Annual withholding returns.** Sets the threshold to file an annual withholding returns at \$500, eliminates the indexing of the threshold, and authorizes the commissioner to allow

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newly eligible employers to file an annual return. Changes the date when employers must file an annual return from February 28 to January 31.

Effective for wages paid after December 31, 2016.

- 6 Annual withholding returns.** Makes a conforming change to be consistent with the provisions of section 5.

Effective for taxable years beginning after December 31, 2016.

- 7 Partnership assessments.** Provides that assessments made on partnerships under the provisions of section 8 are joint and several liabilities of the partnership and the general partner.

Effective the day following final enactment.

- 8 Assessments for pass-through entities.** Allows S corporation shareholders and partners to request that DOR assessments be issued to and paid by the entity after initiation of an audit. The commissioner must decide whether to grant the request based on the “best interest of the state” and the decision is not appealable to either the tax or district court.

Effective the day following final enactment.

- 9 Expanded electronic filing.** Extends the requirement that professional tax preparers include an identification number on each individual income tax return to also apply to corporate, partnership, and fiduciary returns. It would also extend the \$50 penalty for each individual income tax return submitted by a professional preparer without the appropriate identification number to corporate, partnership, and fiduciary returns.

Effective for tax year 2017.

- 10 Long term care insurance premiums credit.** Changes a reference to the “7.5 percent income test” for deduction of medical expenses at the federal level to “adjusted gross income test,” to reflect the 2013 change to the federal deduction providing that medical expenses are subject to a 10 percent of adjusted gross income test, except that the percentage remains at 7.5 percent for taxpayers age 65 and older through tax year 2016.

Effective retroactively for taxable years beginning after December 31, 2012.

- 11 Research credit base period.** Clarifies that Minnesota gross receipts must be used in all calculations of the base period for the research credit.

Effective the day following final enactment.

- 12 Allocation language; corporate franchise tax.** Replaces the term “assignable” with “allocable” in the statute that determines the amount of gain from the sale of goodwill or income from a covenant not to compete that is subject to Minnesota income or corporate franchise tax.

Effective the day following final enactment.

- 13 Partnership assessments.** Makes a conforming change to be consistent with changes in section 8.

- 14 Landlord submission of certificates of rent paid to commissioner.** Authorizes the commissioner to require owners or managing agents of residential rental property to submit

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certificates of rent paid (CRP) to renters, in the content, format, and manner prescribed by the commissioner. The CRP would be due by February 1 of the year following the year the rent was paid, which is the same date by which the owner or managing agent must provide CRPs to renters under current law.

Effective for CRPs relating to rent paid after December 31, 2016, but requires the commissioner to first consult with representatives of owners or managing agents to develop an implementation and administration plan that attempts to minimize financial burdens and costs of compliance.

- 15**     **Additions to taxable estate.** Clarifies that taxable gifts made within three years of death are subject to estate tax. Present law could be read to imply they are taxable only if they are deducted in computing the federal taxable estate, but under federal law they are never included in the federal estate because they were subject to the federal gift tax instead.

Effective retroactive to the original date for the requirement to include these gifts in the Minnesota taxable estate (gifts after June 30, 2013).

- 16**     **Estate tax calculation.** Clarifies that property subject to a Minnesota-only Qualified Terminable Interest Property (QTIP) election is excluded in the calculation of the Minnesota taxable estate.

Effective retroactive to the original date of the Minnesota QTIP election (decedents dying after June 30, 2011).

- 17**     **Includable small business property-estate tax.** Clarifies that the qualified small business property subtraction under the estate tax excludes any cash, cash equivalents, or publicly traded securities, whether or not used in the small business or owned directly or through intangible property such as stock or partnership interests. DOR has been administering the small business property subtraction in this manner.

Effective retroactive to the original effective date of the small business subtraction (decedents dying after June 30, 2011).

- 18**     **Recapture tax.** Provides an exemption from the recapture tax for qualified farm property under the estate tax to provide that property, classified as agricultural homestead when the decedent died, does not stop being qualified farm property if during the three-year period (required to avoid recapture tax):

- a residence is re-classified as 4bb property (non-homestead residential); or
- up to one-fifth of the land is reclassified as 2b property (rural vacant land) and the heir has not substantially altered the land during the three-year period.

Effective retroactive to the original effective date of the qualified farm property subtraction (decedents dying after June 30, 2011).

- 19**     **Repealer.** Repeals:

- Minnesota Rules, part 8092.1400, (annual withholding returns) to eliminate any inconsistencies with the provisions of sections 2 and 9. Effective for tax year 2017,

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except that notifications from DOR to employers regarding eligibility to file an annual return for taxes withheld in calendar year 2017 remain in force.

- Minnesota Rules, part 8092.2000, which unnecessarily duplicates statutory law and contains obsolete references to DOR forms. This rule sets procedures that construction contractors must follow to demonstrate compliance with income tax withholding obligations before receiving final payment under contracts with state or local government agencies.

Effective the day following final enactment.

### **Article 3: Department of Revenue 2015-2016 Policy and Technical Provisions; Special Taxes and Sales and Use Taxes**

- 1 Fire state aid.** Replaces the term “town and farmers’ mutual insurance companies” with “township mutual insurance companies,” consistent of the use of the term elsewhere in statute.

Effective the day following final enactment.

- 2 MinnesotaCare tax; omission in excess of 25 percent.** Extends the longer statute of limitations (6.5 years versus 3.5 years) for DOR to assess tax for omissions of 25 percent or more to MinnesotaCare taxes. Present law applies this similar authority to sales and use, withholding, income, and estate taxes.

Effective the day following final enactment.

- 3 Exemptions.** Replaces the term “town and farmers’ mutual insurance companies” with “township mutual insurance companies.”

Effective the day following final enactment.

- 4 MinnesotaCare tax; pharmacy refund.** Provides that a request for refund of MinnesotaCare taxes for legend drugs delivered outside Minnesota must be filed on the annual return by March 15 of the year following the year in which the drugs were delivered, and that a refund will not be allowed if the initial claim for refund is filed later than one year from that date. Current law requires the refund to be claimed within 18 months of the date of delivery outside of Minnesota.

Effective for qualifying legend drugs delivered outside Minnesota after December 31, 2017.

- 5 Petroleum tax; bulk storage or bulk storage facility definition.** Defines bulk storage or bulk storage facility for purposes of the petroleum tax chapter.

Effective the day following final enactment.

- 6 Petroleum tax; motor fuel definition.** Modifies the definition of “motor fuel” to include gaseous forms of fuel; current law is limited to liquid fuel.

Effective the day following final enactment.

- 7 Petroleum products definition; biobutanol.** Updates the definition of “petroleum products” to include biobutanol.

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Effective the day following final enactment.

- 8 Gasoline tax; biobutanol.** Clarifies that biobutanol blends are taxable as gasoline by adding a reference to biobutanol.

Effective day following final enactment.

- 9 Exemptions.** Clarifies that the tax exemption applicable to air flight equipment does not include aircraft with a maximum takeoff weight of less than 30,000 pounds.

Effective for sales and purchases made after December 31, 2017.

- 10 Deposit in state airport fund.** Clarifies that the tax revenue collected from the sale or purchase of an aircraft dedicated to the state airports fund includes interest and penalties, but does not include that portion of the sales tax that is constitutionally dedicated.

Effective the day following final enactment.

- 11 Untaxed gambling product.** Provides authority to tax all forms of gambling that are illegal under the criminal code under chapter 609. Adds a tax return filing requirement for persons or entities conducting untaxed gambling. Prohibits the commissioner from disclosing information in returns related to untaxed gambling, and provides that the information in the returns may not be used in criminal proceedings unless independently obtained.

Effective for games played or purchased after June 30, 2017.

- 12 Solid waste management tax; recyclable materials and source-separated compostable materials.** Clarifies that the exemption from the solid waste management tax for recycling materials only applies if the price for handling the materials is separately itemized on a bill to the generator of the waste. Also updates terminology regarding the exemption for source-separated compostable materials, consistent with terms used in chapter 115A and related rules.

Effective the day following final enactment.

- 13 Insurance premiums tax; township mutual insurance companies.** Replaces the term “town and farmers’ mutual insurance companies” with “township mutual insurance companies.”

Effective the day following final enactment.

- 14 Firefighter relief surcharge payments.** Modifies the definition of “commissioner” to reflect that the commissioner of revenue, not the commissioner of management and budget, determines payments under the firefighter relief surcharge for cities of the first class.

Effective the day following final enactment.

- 15 Firefighter relief surcharge payments appropriation.** Changes the appropriation for firefighter relief surcharge payments to the commissioner of revenue, not the commissioner of management and budget, since the commissioner of revenue makes the payments.

Effective the day following final enactment.

- 16 Occupation tax net operating loss.** Strikes an obsolete net operating loss provision, which applied to tax periods for which net operating loss carryover is no longer available.

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Effective the day following final enactment.

### **Article 4: Department of Revenue 2015-2016 Policy and Technical Provisions; Property Tax**

- 1**      **Income-producing property assessment data classification.** Makes property tax data related to income-producing property that is collected by the state of Minnesota for assessment purposes private or nonpublic data. Present law provides that property tax data on income-producing properties collected by political subdivisions is nonpublic.

Effective the day following final enactment.

- 2**      **Definition of air commerce.** Modifies the definition of air commerce to:
- include airline companies making three or more flights within Minnesota during a calendar year;
  - strike language related to intermittent or irregularly timed flights, for which a new definition is proposed in section 5; and
  - strike a specific exclusion from air commerce of casual transportation for hire.

Effective for assessment year 2017 and thereafter.

- 3**      **Definition of flight property.** Provides that flight property does not include aircraft with a maximum takeoff weight of less than 30,000 pounds. The current law exclusion of aircraft with a gross weight of less than 30,000 pounds is stricken in section 6. Maximum takeoff weight is a standard aviation term that refers to the maximum weight at which the pilot of an aircraft is allowed to take off.

Effective for assessment year 2018 and thereafter.

- 4**      **Definition of person.** Modifies the definition of “person” used for the airline flight property tax to make it consistent with the definition used for other taxes administered by the commissioner.

Effective for assessment year 2018 and thereafter.

- 5**      **Definition of intermittent or irregularly timed flights.** Defines “intermittent or irregularly timed flights” as flights in which departures and arrivals are negotiated with the customer. The term also includes charter flights. Under present law the definition of this term is embedded in the definition of “air commerce,” which is modified in section 2.

Effective for assessment year 2018 and thereafter.

- 6**      **Assessment of flight property.** Deletes language that excludes aircraft with a gross weight of less than 30,000 pounds and used on intermittent and irregularly timed flights from the provisions of the airline flight property tax. Section 3 excluded aircraft with “maximum takeoff weight” from the definition of “flight property,” so such aircraft will not be valued for purposes of the tax. Companies engaged in air commerce and using aircraft with maximum takeoff weights of less than 30,000 pounds and flown on intermittent and irregularly timed flights will still need to file reports.

Effective for assessment year 2018 and thereafter.

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- 7 Airline flight property tax reports.** Provides that airline companies must file reports unless the commissioner determines that the company is exempt. Also clarifies that the commissioner may prescribe the content, format, and manner of air flight property tax reports, and adds a cross-reference to the definition of “electronic signature.” The provision requiring airline companies to file reports unless determined to be exempt is effective for reports filed in 2017 and thereafter.
- The provisions regarding the content, format, and manner of reports are effective the day following final enactment.
- 8 Commissioner may file reports for airlines.** Provides that if an airline company does not file a report, the commissioner may file a report for it based on information that the commissioner has or can obtain and also may issue a notice of net tax capacity.
- Effective for assessment year 2018 and thereafter.
- 9 State Board of Equalization (board) reassessment orders.** Authorizes the State Board of Equalization to issue orders to county assessors to reassess all or part of a parcel if the board determines that property has been under or over-valued and the board determines that the assessment is grossly unfair or inequitable.
- Effective for assessment year 2018 and thereafter.
- 10 County Board of Appeal and Equalization Proceedings Minutes.** Eliminates the requirement that county boards of appeal and equalization file a printed or typewritten copy of meeting minutes with the commissioner of revenue.
- Effective for county boards of appeal and equalization meetings held in 2018 and thereafter.
- 11 Personal property; pipeline companies.** Clarifies that all transportation pipelines are subject to tax as personal property without regard to the material transported through the pipeline.
- Effective the day following final enactment.
- 12 Wind Energy Conversion Systems.** Provides that in determining if the nameplate capacities of wind energy conversion systems may be combined in order to determine the total size of the system for purposes of the wind energy production tax rate, the systems must have been built within the same 12 month period, rather than within the same calendar year. This change would make the criteria consistent with that used for the solar energy production tax.
- Effective for reports filed in 2018 and thereafter.
- 13 Wind energy production tax reports.** Allows the commissioner to grant an extension of time to file wind energy production tax reports for up to 15 days upon a showing of good cause.
- Effective for reports filed in 2018 and thereafter.
- 14 Division of duties between local and county auditor.** Requires local assessors to enter construction and valuation data into the records as directed by the county auditor.
- Effective for assessment year 2018 and thereafter.

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- 15**      **Division of duties between local and county assessor.** Requires local assessors to enter construction and valuation data into the records as directed by the county auditor.
- 16**      **Valuation notice compliance.** Provides that if an assessor fails to timely mail valuation notices to taxpayers, the assessor must mail an additional valuation notice and convene a supplemental local board of appeal and equalization meeting or local review session.  
Effective for valuation notices sent in 2018 and thereafter.
- 17**      **Blind/disabled homestead classification.** Clarifies that the market value of class 1b blind or disabled homestead property over \$50,000 is classified as either class 1a or 2a property depending upon the use of the property.  
Effective for assessment year 2018 and thereafter.
- 18**      **Personal property; listing and assessment in county.** Clarifies that the personal property of pipeline companies is subject to listing and assessment in the local jurisdiction without regard to the material transported through the pipeline.  
Effective the day following final enactment.
- 19**      **Personal property; listing and assessment in county.** Clarifies that the personal property of pipeline companies is subject to listing and assessment in the local jurisdiction without regard to the material transported through the pipeline.  
Effective the day following final enactment.
- 20**      **State assessed property tax appeals.** Provides that utility and railroad company tax court appeals of commissioner orders must be filed within 60 days from the date of the order or 90 days if an extension is granted. Also provides that in the case of a conflict between the provisions of this section and chapter 278 (district or tax court), this section prevails.  
Effective for assessment year 2018.
- 21**      **Railroad and utility company appeals.** Makes several changes in how utilities and railroads may appeal their valuations. Companies must request an administrative appeal in writing within 30 days of the valuation. The commissioner may grant a 15 day extension to file. The appeal must include identifying information about the company, include the assessment periods, identify findings that the company disputes and identify reasons for the dispute. An appeal conference must be held within 20 days, and the commissioner must notify the company of the final determination within 30 days after the conference. Taxpayers may appeal the commissioner's determination to either tax or district court.  
Effective for assessment year 2018.
- 22**      **Settlement of appeals.** Authorizes the commissioner to settle utility and railroad valuation appeals when it is in the best interest of the state to do so.  
Effective beginning with assessment year 2018.
- 23**      **Administrative appeal and appeal to tax court.** Clarifies that if a taxpayer files an administrative appeal of a commissioner order and also files an appeal to tax court for that order, the administrative appeal is dismissed.

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Effective beginning with assessment year 2017.

- 24 Equalization of public utility structures.** Requires the value of state-assessed public utility structures to be equalized to the level accepted by the State Board of Equalization.

Effective beginning with assessment year 2017.

- 25 Local boards of appeal and equalization.** Clarifies that the boards to which provisions related to meeting dates and times apply are the local boards of appeal and equalization.

Effective the day following final enactment.

- 26 County board of appeal and equalization valuation.** Prohibits county boards of appeal and equalization from making a change in value to benefit a property if the owner has denied the assessor access to the property. This makes the authority of county boards of appeal and equalization consistent with local boards, which are prohibited from making valuation changes if the owner has denied the assessor access.

Effective for county board of appeal and equalization meetings in 2018 and thereafter.

- 27 County board of appeal and equalization certification.** Extends the deadline from December 1 to the following February 1, for county boards of appeal and equalization to certify a trained board member to be eligible to hold regular board of appeal and equalization meetings.

Effective for county boards of appeal and equalization meetings held in 2018 and thereafter.

- 28 Public meeting announcement.** Clarifies that taxing authorities only need to announce the time and place of the regularly scheduled meetings at which the budget and levy will be discussed if they have such a meeting.

Effective the day following final enactment.

- 29 Property tax levy reports.** Eliminates the requirement that towns with populations greater than 5,000 and communities receiving taconite aid file a property tax levy report.

Effective the day following final enactment.

- 30 State assessed property tax appeals.** Provides that appeals of valuation notices provided by a county assessor may be filed in tax court prior to May 1 of the year in which taxes are payable, in order to clarify that the additional time to appeal valuation notices does not apply to state assessed property.

Effective the day following final enactment.

- 31 Conveyances to public entities.** Makes technical and minor changes in the language describing the procedures for taxing districts to sell tax-forfeited land.

Effective the day following final enactment.

- 32 Conditional use deed.** Clarifies that when a governmental subdivision wishes to purchase tax-forfeited property that it owns, but that is subject to a conditional use deed, the governmental subdivision must first re-convey the land subject to the conditional use deed to the commissioner of revenue before the commissioner may convey the property free of the use restriction back to the governmental subdivision.

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Effective the day following final enactment.

- 33 City email address.** Requires cities receiving aid to register an official email address with the commissioner.  
Effective for aids payable in 2018 and thereafter.
- 34 Aquatic invasive species prevention aid.** Requires the commissioner of natural resources to annually certify the number of watercraft launches and watercraft trailer parking spaces in each county for purposes of administering aquatic invasive species prevention aid.  
Effective for aids payable in 2018 and thereafter.
- 35 Aquatic invasive species prevention guidelines.** Requires the commissioner of natural resources to annually certify to the commissioner of revenue the counties that have complied with the requirement to establish guidelines for addressing aquatic invasive species.  
Effective for aids payable in 2018 and thereafter.
- 36 Tax-forfeited property contracts for deed.** Provides that the five-day rescission period for sales made by contracts for deed does not apply to sales of tax-forfeited property.  
Effective for sales of tax-forfeited land occurring after the day following final enactment.
- 37 Repealer; property tax exemption for public utility project.** Restores an exemption for personal property of an electric generating facility that was inadvertently repealed in 2014.  
Effective retroactively from May 20, 2014.
- 38 Repealer.** (a) Repeals Minnesota Statutes, section 281.22, which is an obsolete provision that provided a one-year notice period for the expiration of redemption for properties bid in for the state prior to 1935.  
(b) Repeals the current rule regarding the equalization of public utility structures.  
Paragraph (a) is effective the day following final enactment. Paragraph (b) is effective beginning with assessment year 2017.

## **Article 5: Department of Revenue 2015-2016 Policy and Technical Provisions; Miscellaneous**

- 1 Annual railroad returns.** Authorizes the commissioner to prescribe the content, format, and manner of annual railroad property tax returns, and defines “electronic signature” for railroad property tax returns by reference to the definition used for state tax purposes.  
Effective the day following final enactment.
- 2 Revenue recapture; income floors on medical debts; definition of debtor.** Updates the income amounts used to determine if a medical care debt may be submitted to the department’s revenue recapture system to have tax refunds applied to the debt to be the income amounts in effect for 2015, and provides for the updated amounts to be adjusted annually for inflation beginning in 2016. Also clarifies that the income of the debtor’s spouse is included in the calculation and that the spouse is considered a dependent.  
Effective retroactively to debts incurred in tax year 2015 and following years.

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- 3 Data disclosure to commissioner of human services.** Authorizes the commissioner to provide information to the commissioner of human services to verify income for eligibility and premium payment under the medical assistance program.  
Effective the day following final enactment.
- 4 Commissioner's authority; manner of returns.** Authorizes the commissioner to prescribe the manner for filing all returns required to be filed under state tax laws. Current law authorizes the commissioner to prescribe the content and format of returns.  
Effective the day following final enactment.
- 5 Prohibition against collection.** Provides that the 60 day time period used as one criterion in determining when a collection action on an order of assessment is prohibited ends 60 days after the notice date designated on the order; current law provides that the prohibition ends 60 days after the date the order is mailed.  
Effective for orders dated after December 31, 2017.
- 6 Sufficiency of notice.** Provides that a notice of an assessment of tax is sufficient if sent on or before the date designated by the commissioner in the notice.  
Effective for orders dated after December 31, 2017.
- 7 Time for filing; request for abatement of penalty or additional tax.** Provides that the 60 day time period for requesting abatement of a penalty or additional tax assessment begins on notice date designated on the order notifying the taxpayer of the penalty or additional tax; current law provides that the 60 days begins on the date the order is mailed.  
Effective for orders dated after December 31, 2017.
- 8 Notice date; definition.** Modifies the definition of "notice date" to mean the date designated by the commissioner on an order adjusting tax or denying a request for abatement. Current law defines "notice date" as the date of an order or notice.  
Effective for orders and notices dated after December 31, 2017.
- 9 Administrative appeal.** Provides that if a taxpayer files an administrative appeal of an order of the commissioner and also files an appeal to Tax Court for that same order, the administrative appeal is dismissed and the commissioner is no longer required to make a determination.  
Effective for administrative appeals filed after June 30, 2017.
- 10 Sufficient notice.** Provides that a notice of an action or determination of the commissioner is sufficient if sent on or before the date designated by the commissioner in the notice.  
Effective for orders dated after December 31, 2017.
- 11 Tax preparer administrative penalty; statute of limitation.** Establishes that the statute of limitations to assess an administrative penalty against a tax return preparer for an improper return equals the amount of time allowed to assess tax. Establishes a five year statute of limitations for imposing a penalty arising from violations not related to a specific tax return.  
Effective for tax preparation services provided after the day following final enactment.

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- 12 Publication of names of tax preparers subject to penalty.** Extends from 90 days to three years the period of time in which the name of a tax preparer who has been subject to a penalty may be posted by DOR.  
Effective the day following final enactment.
- 13 Individual tax identification number.** Clarifies that for purposes of the license clearance program, a licensing authority may accept an individual tax identification number in addition to Social Security and Minnesota business identification numbers.  
Effective the day following final enactment.
- 14 Tax court appeals; period of time to appeal.** Provides that the 60 day time period for appealing an order of the commissioner to the tax court begins on notice date designated on the order; current law provides that the 60 days begins on the date the order is filed.  
Effective for orders dated after December 31, 2017.
- 15 Period of time to appeal orders of assessment.** Provides that the 60 day time period for appealing an order of assessment begins on notice date designated on the order; current law provides that the 60 days begins on the date the order is filed.  
Effective for orders dated after December 31, 2017.
- 16 Application for exemption for personal property used for pollution control.** Authorizes the commissioner to prescribe the content, format, and manner of applications for exemption from the property tax on personal property for property used for pollution control, and defines “electronic signature” for pollution control personal property exemption applications.  
Effective the day following final enactment.
- 17 Application for market value exclusion for electric power generation efficiency.** Authorizes the commissioner to prescribe the content, format, and manner of applications for the market value exclusion for electric power generation efficiency, and defines “electronic signature” for market value exclusion applications.  
Effective the day following final enactment.
- 18 Statement of exemption for personal property.** Authorizes the commissioner to prescribe the content, format, and manner of annual statements required taxpayers claiming exemptions for personal property, and defines “electronic signature” for annual statements related to personal property exemptions. Current law authorizes the commissioner to prescribe the “form and contents” of the statements.  
Effective the day following final enactment.
- 19 Annual wind energy reports.** Changes the date when annual wind energy reports are due from February 1 to January 15, effective for reports required to be filed in 2018.  
Also authorizes the commissioner to prescribe the content, format, and manner of annual reports from owners of wind energy conversion systems, and defines “electronic signature” for wind energy report. Current law authorizes the commissioner to prescribe the “form” of the reports.

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Effective the day following final enactment.

- 20 Annual solar energy reports.** Authorizes the commissioner to prescribe the content, format, and manner of annual reports from owners of solar energy generating systems. Current law authorizes the commissioner to prescribe the “form” of the reports.

Effective the day following final enactment.

- 21 Certificate of value.** Authorizes the commissioner to prescribe the content, format, and manner of the certificate of value required to be filed with the county of auditor on the sale of real property. Current law authorizes the commissioner to prescribe the “form” of the reports.

Effective the day following final enactment.

- 22 Homestead application.** Authorizes the commissioner to prescribe the content, format, and manner of homestead applications. Current law authorizes the commissioner to prescribe the “format and contents” of the application.

Effective the day following final enactment.

- 23 Annual utility company reports.** Authorizes the commissioner to prescribe the content, format, and manner of annual reports from utility companies. Also authorizes the commissioner to file a report for a company if the company fails to do so.

Effective the day following final enactment.

- 24 Deed tax on school forest.** Clarifies that the deed tax for a conveyance of tax-forfeited land to a governmental subdivision for a school forest is \$1.65.

Effective the day following final enactment.

- 25 Income tax returns.** Authorizes the commissioner to prescribe the content, format, and manner of returns and other documents required to be filed under the individual income, fiduciary income, corporate franchise, mining, and entertainment taxes, but provides that the authorization provided does not allow the commissioner to require individuals to file income tax returns electronically.

Effective the day following final enactment.

- 26 Withholding tax returns.** Authorizes the commissioner to prescribe the content, format, and manner of returns and other documents required to be filed under the various withholding taxes. Current law authorizes the commissioner to prescribe the “form and manner” of the returns.

Effective the day following final enactment.

- 27 Sales and use tax returns.** Authorizes the commissioner to prescribe the content, format, and manner of sales and use tax returns. Current law authorizes the commissioner to prescribe the “form and manner” of the returns.

Effective the day following final enactment.

- 28 Partnership return due date.** Requires partnerships to file their returns on the day the equivalent federal return is due.

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Effective the day following final enactment.

- 29**     **Erroneous refund statute of limitations.** Define an “erroneous refund” and clarifies that DOR has 3.5 years from the due date of the return to assess tax under a claim filed by a taxpayer, not two years after issuing a refund. This effectively reverses the Minnesota Supreme Court decision in *Connexus Energy v. Commissioner of Revenue*, 868 N.W.2d 234 (Minn. 2015).

Effective for refunds issued after the day following final enactment. The changes do not invalidate any assessments made before the effective date.

- 30**     **Denial of refund claims; period of time to appeal.** Provides that the 60 day time period for appealing the denial of a refund claim begins on the notice date designated on the notice of denial; current law provides that the 60 days begins on the date the notice is issued. Also provides that actions in district court must be brought with 18 months of the notice date. Current law references the “date of denial of the claim.”

Effective for denials of claims for refunds after December 31, 2017.

- 31**     **Senior citizens’ property tax deferral; forms.** Authorizes the commissioner to prescribe the content, format, and manner of all forms and documents required for the senior citizens’ deferral.

Effective the day following final enactment.

- 32**     **Exempt property of educational institutions; forms.** Authorizes the commissioner to prescribe the content, format, and manner of all forms and documents related to taxation of income related to exempt property of educational institutions.

Effective the day following final enactment.

- 33**     **Gross receipts taxes; forms.** Authorizes the commissioner to prescribe the content, format, and manner of all forms and the annual returns required under gross receipts taxes.

Effective the day following final enactment.

- 34**     **Petroleum and other fuels taxes; forms.** Authorizes the commissioner to prescribe the content, format, and manner of all forms and other documents required under the petroleum and other fuels taxes.

Effective the day following final enactment.

- 35**     **Time for filing; request for abatement of penalty under petroleum tax.** Provides that the 60 day time period for requesting abatement of a penalty begins on notice date designated on the order notifying the taxpayer of the penalty; current law provides that the 60 days begins on the date the notice is mailed.

Effective for orders dated after December 31, 2017.

- 36**     **Tax court appeals; petroleum tax.** Provides that the 60 day time period for appealing to the Tax Court an order of the commissioner related to a tax, penalty, or interest under the petroleum tax begins on notice date designated on the order; current law provides that the 60 days begins on the “date of the notice of the order.”

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Effective for orders dated after December 31, 2017.

- 37**     **Controlled substance tax; forms.** Authorizes the commissioner to prescribe the content, format, and manner of all forms and other documents required under the controlled substance tax.

Effective the day following final enactment.

- 38**     **Gambling taxes; forms.** Authorizes the commissioner to prescribe the content, format, and manner of returns required under the gambling taxes.

Effective the day following final enactment.

- 39**     **Gambling taxes; manufacturers' reports.** Authorizes the commissioner to prescribe the content, format, and manner of the manufacturers' sales reports required under the gambling taxes.

Effective the day following final enactment.

- 40**     **Gambling taxes; distributors' reports.** Authorizes the commissioner to prescribe the content, format, and manner of the distributors' sales reports required under the gambling taxes.

Effective the day following final enactment.

- 41**     **Gambling taxes; organization reports.** Authorizes the commissioner to prescribe the content, format, and manner of the reports required of organizations conducting gambling activities.

Effective the day following final enactment.

- 42**     **Cigarette and tobacco taxes; monthly returns.** Authorizes the commissioner to prescribe the content, format, and manner of monthly cigarette and tobacco tax returns.

Effective the day following final enactment.

- 43**     **Tax court appeals; cigarette and tobacco tax.** Provides that the 60 day time period for appealing to the tax court an order of the commissioner related to a tax, penalty, or interest under the cigarette and tobacco tax begins on notice date designated on the order; current law provides that the 60 days begins on the "date of the notice of the order."

Effective for orders dated after December 31, 2017.

- 44**     **Liquor taxes; monthly returns.** Authorizes the commissioner to prescribe the content, format, and manner of the liquor tax monthly returns.

Effective the day following final enactment.

- 45**     **Tax court appeals; liquor tax.** Provides that the 60 day time period for appealing to the tax court an order of the commissioner related to a tax, penalty, or interest under the liquor tax begins on notice date designated on the order; current law provides that the 60 days begins on the "date of the notice of the order."

Effective for orders dated after December 31, 2017.

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- 46 Insurance taxes; forms.** Authorizes the commissioner to prescribe the content, format, and manner of all forms and other documents required under the insurance premiums tax.  
Effective the day following final enactment.
- 47 Denial of refund claims; insurance taxes; period of time to appeal.** Provides that the 60 day time period for appealing the denial of a refund claim begins on the notice date designated on the notice of denial; current law provides that the 60 days begins on the date of the denial. Also provides that actions in district court must be brought within 180 days of the notice date. Current law references the “date of the notice of denial.”  
Effective for denials of claims for refunds after December 31, 2017.
- 48 JOBZ repayment waiver; time for requesting.** Provides that the 60 day time period for requesting waiver of a repayment of JOBZ benefits begins on the notice date designated on the notice of repayment order.  
Effective for orders dated after December 31, 2017.
- 49 Effective date.** Modifies the effective date for 2016 corrections bill provision relating to sustainable forest incentive act program.

## **Article 6: Department of Revenue 2015-2016 Sustainable Forest Incentive Act Provisions**

- 1 Eligibility requirements.**
- Requires that forest management plans must be registered with the Department of Natural Resources. Effective for certifications filed after July 1, 2018.
  - Provides that the entire parcel containing land enrolled in Reinvest in Minnesota, certain federal or state easement programs, agricultural preserves, or green acres may not be enrolled in SFIA. Effective the day following final enactment.
  - Clarifies that 2c managed forest land may not be enrolled. Effective for certifications and applications due in 2017 and thereafter.
  - Requires that a minimum of three acres be excluded from enrolled land when land is improved with a structure. Effective the day following final enactment.
- 2 Verification of forest management plan.** Requires the commissioner of natural resources to annually verify to the commissioner of revenue that a SFIA claimant has a forest management plan on file with the Department of Natural Resources.  
Effective for certifications filed after July 1, 2018.
- 3 Repealer.** Repeals obsolete definitions and provisions related to calculating the current use value and estimated market value. The current payment is \$7 per acre.  
Effective the day following final enactment.