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Article 1: Department of Revenue Individual Income, Corporate Franchise, and Estate Tax Technical Provisions

- 1 Subtraction for military retirement pay.** Clarifies that a taxpayer may not claim both the credit for past military service and the subtraction for military retirement pay.
Effective retroactively for tax years beginning after December 31, 2015.
- 2 Household income; homestead credit refund and renter property tax refund.** Corrects a reference to the Internal Reference Code relating to inflation adjustment of individual retirement account limits.
Effective the day following final enactment.
- 3 Property tax refunds; proof of taxes paid.** Provides that a taxpayer is only required to provide a property tax statement upon request by the commissioner.
Effective for refunds based on rent paid after December 31, 2015, and property taxes payable after December 31, 2016.
- 4 Federal estate tax credit.** Strikes an obsolete reference to the federal credit for state death taxes.
Effective the day following final enactment.

Section

- 5 Repealer.** Repeals Minnesota Statutes, sections 290.9743, and 290.9744, which became obsolete following the repeal of federal Financial Asset Securitization Investment Trust (FASIT) legislation in 2005.

Effective the day following final enactment.

Article 2: Department of Revenue Property Tax and Local Government Aid Technical Provisions

- 1 Flight property.** Corrects a cross-reference to the net tax capacity of the airline flight property.

Effective the day following final enactment.

- 2 Property tax administrator certifications.** Provides that DOR certifications of assessors expire after four years.

Effective the day following final enactment.

- 3 Taconite homestead credit.** Clarifies that the taconite homestead credit applies to both the homestead and nonhomestead portions of qualifying property.

Effective the day following final enactment.

- 4 Annexation requirements.** Removes the requirement that the Office of Administrative Hearings send copies of municipal boundary adjustment orders to DOR.

Effective the day following final enactment.

- 5 Population data; county program aid.** Changes references from “over age 65” to “age 65 and over” to match the age category in U.S. Census Bureau data that is used in calculating county program aid.

Effective the day following final enactment.

- 6 Town Aid.** Modifies language to correctly use the term “ratio” and by clarifying that the data to be used is the most recently available data as of January 1 of the year in which the aid is calculated.

Effective the day following final enactment.

Article 3: Department 2017 Technical Provisions: Sales and Use and Special Taxes

- 1 Local taxes.** Clarifies that when a special law grants a local government the authority to impose a local tax other than the sales tax (for example, lodging, entertainment, admissions, or food and beverage taxes), and DOR administers the local tax, then terms in the special law have the meanings given in chapter 297A or Minnesota Rules, chapter 8130, unless the special law defines them differently. Undefined terms are considered to be consistent with the department’s position as to the extent of the tax base. Provides that terms are defined in this matter regardless of whether the local government specifically or formally adopts the definitions into its local law.

Section

Effective the day following final enactment.

2 **Occupation tax apportionment; other ores.** Strikes obsolete language.

3 **Occupation tax; iron ore and taconite.** Strikes obsolete language.

4 **Production tax.** Reorganizes the subdivision and changes the term "direct reduced iron" to "direct reduced ore" consistent with the rest of the minerals chapter.

Effective the day following final enactment.

5 **Production tax distribution.** Clarifies the distributions of production tax revenue to cities and towns affected by mining to include cities and towns within three miles of a mine pit that was actively mined by LTV in 1999.

Effective the day following final enactment.

6 **Production tax distribution.** Clarifies distributions of production tax revenue to counties with an electric power plant that provides power to mining and concentrating activities in another county.

Effective the day following final enactment.