

Subject Repealing June accelerated tax payments

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Date March 26, 2019

Overview

Repeals the requirement that persons with over \$250,000 in sales, tobacco, or liquor taxes annually must remit 81.4 percent of their estimated June tax liability by two days before the end of June. The June accelerated payment requirement was first enacted at a rate of 50 percent in 1981. Over the years the threshold of amount of annual tax needed to trigger the requirement and the percent that must be paid on an accelerated schedule has varied, depending on the state's fiscal situation. The highest the accelerated portion has been is 90 percent, between 2008 and 2014.

Effective beginning with June 2020 tax liabilities.

Summary

Section	Description
1	Sales and use tax returns. Eliminates the special report filing date for June sales and use tax.
2	Sales and use tax. Removes the June accelerated remittance requirement for vendors with annual sales tax remittances of \$250,000 or more.
3	Penalty for failure to make payment by electronic means. Makes a cross-reference change needed because of the repeal of the June accelerated payment requirement.
4	Monthly return; cigarette distributor. Eliminates the special report filing date for the June cigarette tax.
5	Monthly return; tobacco products distributor. Eliminates the special report filing date for the June tobacco products tax.

Section	Description
6	Payment. Eliminates a reference to the repealed June accelerated payment for cigarettes and tobacco products.
7	Repealer. Repeals (1) the safe harbor provision for the June accelerated sales tax payment, (2) the June accelerated payment provision for cigarette and tobacco products distributors, and (3) the June accelerated payment provision for the liquor tax.



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