

**Subject** Sales tax exemption for suite licenses

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## Overview

H.F. 3754 would make a number of changes to the sales and use tax imposed on the privilege of admission (tickets) to places of amusement and athletic events.

For suite licenses and collegiate season tickets, the bill would clarify that food and beverages sold for consumption in the exempt seating areas are taxable, notwithstanding the exemption for the privilege of admission itself.

In addition, taxable amenities included in the sales price for privilege of admission would be exempt for purchasers who sell the purchased tickets.

Lastly, H.F. 3574 allows taxable sales for the privilege of admission to places of amusement and athletic events to be reported as accruing when the event takes place, rather than when the ticket sales are made.

## Summary

Section	Description
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<b>1</b>	<b>Suite licenses.</b>
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Amends the suite license exemption to specify that food and beverage sales in a suite, skybox, or private box seat are taxable but that the taxability of these sales does not affect the current exemption for suites licenses.

Effective date: sales after June 30, 2022.

<b>2</b>	<b>Season ticket purchasing rights to collegiate events.</b>
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Amends the sales tax exemption for collegiate season ticket sales in the same manner as provided for suite licenses in section 1.

Effective date: sales after June 30, 2022.

Section	Description
3	<p><b>Certain amenities included with the privilege of admission.</b></p> <p>Allows an exemption for the amenities included in the sales price for the privilege of admission, if the purchaser sells the privilege of admission.</p> <p>Effective date: sales after June 30, 2022.</p>
4	<p><b>Reporting of gross receipts.</b></p> <p>For reporting the gross receipts from sales for the privilege of admission, amends the reporting requirements for taxpayers using the accrual method by deeming accrual to occur when the event occurs.</p> <p>Effective date: sales after June 30, 2022.</p>



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