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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 3660

03/29/2016 Authored by Drazkowski
The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to taxation; sales and use; exempting occasional sales of lodging from
1.3 the sales and use tax and lodging taxes; amending Minnesota Statutes 2014,
1.4 sections 297A.61, by adding a subdivision; 297A.67, by adding a subdivision;
1.5 469.190, by adding a subdivision.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2014, section 297A.61, is amended by adding a
1.8 subdivision to read:

1.9 Subd. 58. Occasional sales of lodging. "Occasional sales of lodging" means the
1.10 rental or leasing of all or a portion of a dwelling unit for 14 or fewer days in a calendar
1.11 year, including any related services, where the income from the rental is excluded from
1.12 gross income for federal tax purposes under section 280A(g)(2) of the Internal Revenue
1.13 Code. For purposes of this subdivision "dwelling unit" has the meaning given under
1.14 section 280A(f) of the Internal Revenue Code.

1.15 EFFECTIVE DATE. This section is effective for sales and purchases made after
1.16 June 30, 2016.

1.17 Sec. 2. Minnesota Statutes 2014, section 297A.67, is amended by adding a subdivision
1.18 to read:

1.19 Subd. 34. Occasional sales of lodging. The provision of occasional sales of lodging
1.20 is exempt. The use or consumption of occasional sales of lodging is exempt.

1.21 EFFECTIVE DATE. This section is effective for sales and purchases made after
1.22 June 30, 2016.

2.1 Sec. 3. Minnesota Statutes 2014, section 469.190, is amended by adding a subdivision
2.2 to read:

2.3 Subd. 8. **Exemption.** Occasional sales of lodging, as defined in section 297A.61,
2.4 subdivision 58, are exempt from lodging taxes imposed under this section or any lodging
2.5 tax imposed under a special law, enacted either before, on, or after July 1, 2016.

2.6 **EFFECTIVE DATE.** This section is effective for sales and purchases made after
2.7 June 30, 2016.