

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-NINTH SESSION**

**S.F. No. 3223**

(SENATE AUTHORS: HOFFMAN)

DATE	D-PG	OFFICIAL STATUS
03/24/2016		Introduction and first reading Referred to Taxes

A bill for an act

relating to taxes; sales and use; providing a small business refund for the cost of using a certified service provider or a certified automated system; proposing coding for new law in Minnesota Statutes, chapter 297A.

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

Section 1. **[297A.816] SMALL BUSINESS COLLECTION CREDIT.**

Subdivision 1. **Eligibility.** A retailer or seller that is a small business may apply to the commissioner for a refund for the annual cost of employing a certified service provider or a certified automated system to collect and remit the appropriate amount of sales taxes collected on their sales.

Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the meanings given in this subdivision.

(b) "Certified service provider" and "certified automated system" have the meanings given in article II of the Streamlined Sales and Use Tax Agreement, as amended through May 15, 2014.

(c) "Small business" means a small business as defined in section 645.445.

Subd. 3. **Application; administration.** Upon application on forms prescribed by the commissioner, a refund of the costs under subdivision 1 must be paid to the qualifying small business. The application must provide sufficient information to permit the commissioner to verify that the business qualifies and to document the actual costs incurred. An applicant may file one application per calendar year for expenses incurred in its latest fiscal year ending prior to the date of application.

Subd. 4. **Interest.** Interest must be paid on the refund at the rate in section 270C.405, from 90 days after the refund claim is filed with the commissioner.

2.1            Subd. 5. **Appropriation.** The amount required to pay the refunds under this section  
2.2 is appropriated to the commissioner from the general fund.

2.3            **EFFECTIVE DATE.** This section is effective beginning with costs after June  
2.4 30, 2016.