

SENATE
STATE OF MINNESOTA
EIGHTY-NINTH SESSION

S.F. No. 1510

(SENATE AUTHORS: DZIEDZIC, Ortman and Koenen)

DATE	D-PG	OFFICIAL STATUS
03/09/2015	608	Introduction and first reading Referred to Taxes

A bill for an act

relating to taxation; sales and use; modifying exemptions for durable medical equipment and supplies; providing for refunds; appropriating money; amending Minnesota Statutes 2014, section 297A.67, subdivision 7a; Laws 2013, chapter 143, article 8, sections 22, as amended; 23, as amended.

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

Section 1. Minnesota Statutes 2014, section 297A.67, subdivision 7a, is amended to read:

Subd. 7a. **Accessories and supplies.** Accessories and supplies required for the effective use of durable medical equipment for home use only or purchased in a transaction covered by Medicare or Medicaid, or other health insurance plan, that are not already exempt under subdivision 7, are exempt. Accessories and supplies for the effective use of a prosthetic device, that are not already exempt under subdivision 7, are exempt. For purposes of this subdivision "durable medical equipment," "prosthetic device," "Medicare," and "Medicaid" have the definitions given in subdivision 7, and "other health insurance plan" means a health plan defined in section 62A.011, subdivision 3, or 62V.02, subdivision 4, or a qualified health plan defined in section 62A.011, subdivision 7.

EFFECTIVE DATE. This section is effective retroactively for sales and purchases made after April 1, 2009. Any vendor who paid sales or use tax on accessories and supplies purchased in a transaction covered by a health insurance plan defined in section 62A.011, subdivision 3, or 62V.02, subdivision 4, or a qualified health plan defined in section 62A.011, subdivision 7, that are not already exempt under Minnesota Statutes, section 297A.67, subdivision 7, and that were sold after April 1, 2009, and before July 1, 2015, may apply for a refund of the sales or use tax paid in the manner provided in

2.1 Minnesota Statutes, section 289A.50, subdivision 1, but only if the vendor did not collect
 2.2 and remit sales tax on the accessories and supplies for which a refund is claimed. Interest
 2.3 on the refund shall be paid at the rate in Minnesota Statutes, section 270C.405, from 90
 2.4 days after the refund claim is filed with the commissioner of revenue. The amount to make
 2.5 the refunds is annually appropriated to the commissioner of revenue from the general
 2.6 fund. Notwithstanding limitations on claims for refunds under Minnesota Statutes, section
 2.7 289A.40, claims may be filed with the commissioner until June 30, 2016.

2.8 Sec. 2. Laws 2013, chapter 143, article 8, section 22, the effective date, as amended by
 2.9 Laws 2014, chapter 308, article 3, section 30, is amended to read:

2.10 **EFFECTIVE DATE.** Subdivision 7, paragraph (c), clause (2), is effective for sales
 2.11 and purchases made after June 30, 2013. The provisions of subdivision 7, paragraph (b),
 2.12 and paragraph (c), clause (8), are effective retroactively for sales and purchases made
 2.13 after April 1, 2009. Any vendor who paid sales or use tax on items now exempt under
 2.14 subdivision 7, paragraph (b), and paragraph (c), clause (8), that were sold after April 1,
 2.15 2009, and before July 1, 2013, may apply for a refund of the sales or use tax paid in the
 2.16 manner provided in Minnesota Statutes, section 289A.50, subdivision 1, but only if the
 2.17 vendor did not collect and remit sales tax on the items for which a refund is claimed.
 2.18 Interest on the refund shall be paid at the rate in Minnesota Statutes, section 270C.405,
 2.19 from 90 days after the refund claim is filed with the commissioner of revenue. The amount
 2.20 to make the refunds is annually appropriated to the commissioner of revenue from the
 2.21 general fund. Notwithstanding limitations on claims for refunds under Minnesota Statutes,
 2.22 section 289A.40, claims may be filed with the commissioner until June 30, ~~2015~~ 2016.

2.23 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.24 Sec. 3. Laws 2013, chapter 143, article 8, section 23, the effective date, as amended by
 2.25 Laws 2014, chapter 308, article 3, section 31, is amended to read:

2.26 **EFFECTIVE DATE.** This section is effective for sales and purchases made after
 2.27 June 30, 2013, except that the provision regarding accessories and supplies purchased
 2.28 in a transaction covered by Medicare or Medicaid that are not already exempt under
 2.29 Minnesota Statutes, section 297A.67, subdivision 7, and the provision defining "Medicare"
 2.30 and "Medicaid" are effective retroactively for sales and purchases made after April 1,
 2.31 2009. Any vendor who paid sales or use tax on accessories and supplies purchased in a
 2.32 transaction covered by Medicare or Medicaid that are not already exempt under Minnesota
 2.33 Statutes, section 297A.67, subdivision 7, and that were sold after April 1, 2009, and before

3.1 July 1, 2013, may apply for a refund of the sales or use tax paid in the manner provided in
3.2 Minnesota Statutes, section 289A.50, subdivision 1, but only if the vendor did not collect
3.3 and remit sales tax on the accessories and supplies for which a refund is claimed. Interest
3.4 on the refund shall be paid at the rate in Minnesota Statutes, section 270C.405, from 90
3.5 days after the refund claim is filed with the commissioner of revenue. The amount to make
3.6 the refunds is annually appropriated to the commissioner of revenue from the general
3.7 fund. Notwithstanding limitations on claims for refunds under Minnesota Statutes, section
3.8 289A.40, claims may be filed with the commissioner until June 30, ~~2015~~ 2016.

3.9 **EFFECTIVE DATE.** This section is effective retroactively for sales and purchases
3.10 made after April 1, 2009.