

**SENATE
STATE OF MINNESOTA
NINETY-FIRST SESSION**

S.F. No. 2932

(SENATE AUTHORS: UTKE)

DATE
02/11/2020

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4710 Introduction and first reading
Referred to Taxes

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to taxation; sales and use; providing an exemption for a certain nonprofit
1.3 arena board and construction of a certain ice arena; amending Minnesota Statutes
1.4 2018, sections 297A.70, by adding a subdivision; 297A.71, by adding a subdivision;
1.5 Minnesota Statutes 2019 Supplement, section 297A.75, subdivision 1.

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

1.7 Section 1. Minnesota Statutes 2018, section 297A.70, is amended by adding a subdivision
1.8 to read:

1.9 Subd. 22. **Nonprofit arena board.** Sales to an organization that exists primarily for the
1.10 purpose of owning or operating facilities that are part of the Lake of the Woods International
1.11 Arena are exempt if the organization is a private, nonprofit corporation exempt from federal
1.12 income taxation under section 501(c)(3) of the Internal Revenue Code.

1.13 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June
1.14 30, 2020.

1.15 Sec. 2. Minnesota Statutes 2018, section 297A.71, is amended by adding a subdivision to
1.16 read:

1.17 Subd. 53. **International arena construction.** (a) Materials and supplies used or consumed
1.18 in, and equipment incorporated into, the construction or improvement of the Lake of the
1.19 Woods International Arena are exempt. The tax on purchases exempt under this subdivision
1.20 must be imposed and collected as if the rate under section 297A.62, subdivision 1, applied
1.21 and then refunded in the manner provided in section 297A.75.

2.1 (b) The exemption under this subdivision is effective for purchases made after March
2.2 30, 2018, and before April 1, 2020.

2.3 **EFFECTIVE DATE.** This section is effective retroactively from March 30, 2018.

2.4 Sec. 3. Minnesota Statutes 2019 Supplement, section 297A.75, subdivision 1, is amended
2.5 to read:

2.6 Subdivision 1. **Tax collected.** The tax on the gross receipts from the sale of the following
2.7 exempt items must be imposed and collected as if the sale were taxable and the rate under
2.8 section 297A.62, subdivision 1, applied. The exempt items include:

2.9 (1) building materials for an agricultural processing facility exempt under section
2.10 297A.71, subdivision 13;

2.11 (2) building materials for mineral production facilities exempt under section 297A.71,
2.12 subdivision 14;

2.13 (3) building materials for correctional facilities under section 297A.71, subdivision 3;

2.14 (4) building materials used in a residence for veterans with a disability exempt under
2.15 section 297A.71, subdivision 11;

2.16 (5) elevators and building materials exempt under section 297A.71, subdivision 12;

2.17 (6) materials and supplies for qualified low-income housing under section 297A.71,
2.18 subdivision 23;

2.19 (7) materials, supplies, and equipment for municipal electric utility facilities under
2.20 section 297A.71, subdivision 35;

2.21 (8) equipment and materials used for the generation, transmission, and distribution of
2.22 electrical energy and an aerial camera package exempt under section 297A.68, subdivision
2.23 37;

2.24 (9) commuter rail vehicle and repair parts under section 297A.70, subdivision 3, paragraph
2.25 (a), clause (10);

2.26 (10) materials, supplies, and equipment for construction or improvement of projects and
2.27 facilities under section 297A.71, subdivision 40;

2.28 (11) materials, supplies, and equipment for construction, improvement, or expansion
2.29 of:

2.30 (i) an aerospace defense manufacturing facility exempt under Minnesota Statutes 2014,
2.31 section 297A.71, subdivision 42;

3.1 (ii) a biopharmaceutical manufacturing facility exempt under section 297A.71, subdivision
3.2 45;

3.3 (iii) a research and development facility exempt under Minnesota Statutes 2014, section
3.4 297A.71, subdivision 46; and

3.5 (iv) an industrial measurement manufacturing and controls facility exempt under
3.6 Minnesota Statutes 2014, section 297A.71, subdivision 47;

3.7 (12) enterprise information technology equipment and computer software for use in a
3.8 qualified data center exempt under section 297A.68, subdivision 42;

3.9 (13) materials, supplies, and equipment for qualifying capital projects under section
3.10 297A.71, subdivision 44, paragraph (a), clause (1), and paragraph (b);

3.11 (14) items purchased for use in providing critical access dental services exempt under
3.12 section 297A.70, subdivision 7, paragraph (c);

3.13 (15) items and services purchased under a business subsidy agreement for use or
3.14 consumption primarily in greater Minnesota exempt under section 297A.68, subdivision
3.15 44;

3.16 (16) building materials, equipment, and supplies for constructing or replacing real
3.17 property exempt under section 297A.71, subdivisions 49; 50, paragraph (b); ~~and 51; and~~
3.18 53; and

3.19 (17) building materials, equipment, and supplies for qualifying capital projects under
3.20 section 297A.71, subdivision 52.

3.21 **EFFECTIVE DATE.** This section is effective retroactively from March 30, 2018.