

CHAPTER 297B

MOTOR VEHICLE EXCISE TAX

297B.035 Motor vehicles purchased for resale or use by dealer.

297B.09 Allocation of revenue.

297B.035 MOTOR VEHICLES PURCHASED FOR RESALE OR USE BY DEALER.

[For text of subd 1, see M.S.1990]

Subd. 2. **Annual tax for dealer plate.** Motor vehicles which satisfy the definitions of subdivision 1, shall be taxed at a yearly rate of \$15 per dealer plate. This tax shall be paid when dealer plates, tabs, or stickers are purchased and shall be deposited in the state treasury and credited as provided in section 297B.09. This tax shall be in lieu of any other state sales, excise, or use tax.

[For text of subds 3 and 4, see M.S.1990]

History: 1991 c 333 s 37

297B.09 ALLOCATION OF REVENUE.

Subdivision 1. **General fund share.** (a) Money collected and received under this chapter must be deposited in the state treasury and credited to the general fund. The amounts collected and received shall be credited as provided in this subdivision, and transferred from the general fund on July 15 and February 15 of each fiscal year. The commissioner of finance must make each transfer based upon the actual receipts of the preceding six calendar months and include the interest earned during that six-month period. The commissioner of finance may establish a quarterly or other schedule providing for more frequent payments to the transit assistance fund if the commissioner determines it is necessary or desirable to provide for the cash flow needs of the recipients of money from the transit assistance fund.

(b) Twenty-five percent of the money collected and received under this chapter after June 30, 1990, and before July 1, 1991, must be transferred to the highway user tax distribution fund and the transit assistance fund for apportionment as follows: 75 percent must be transferred to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund, and the remaining 25 percent of the money must be transferred to the transit assistance fund to be appropriated to the commissioner of transportation for transit assistance within the state and to the regional transit board.

(c) The distributions under this subdivision to the highway user tax distribution fund until June 30, 1991, and to the trunk highway fund thereafter, must be reduced by the amount necessary to fund the appropriation under section 41A.09, subdivision 1. For the fiscal years ending June 30, 1988, and June 30, 1989, the commissioner of finance, before making the transfers required on July 15 and January 15 of each year, shall estimate the amount required to fund the appropriation under section 41A.09, subdivision 1, for the six-month period for which the transfer is being made. The commissioner shall then reduce the amount transferred to the highway user tax distribution fund by the amount of that estimate. The commissioner shall reduce the estimate for any six-month period by the amount by which the estimate for the previous six-month period exceeded the amount needed to fund the appropriation under section 41A.09, subdivision 1, for that previous six-month period. If at any time during a six-month period in those fiscal years the amount of reduction in the transfer to the highway user tax distribution fund is insufficient to fund the appropriation under section 41A.09, subdivision 1 for that period, the commissioner shall transfer to the general fund from the highway user tax distribution fund an additional amount sufficient to fund the

appropriation for that period, but the additional amount so transferred to the general fund in a six-month period may not exceed the amount transferred to the highway user tax distribution fund for that six-month period.

Subd. 3. Local government trust fund share. Notwithstanding subdivision 1, the commissioner of revenue shall deposit in the local government trust fund all revenues, including interest and penalties, derived from the portion of the tax under this chapter attributable to (1) the local option excise taxes under section 297A.021 and (2) a rate of 1.5 percent.

History: 1991 c 233 s 94; 1991 c 291 art 2 s 14

NOTE: As part of a veto, the governor struck certain language of Laws 1991, chapter 233, section 94.

If the effect of his action was to remove amendments to subdivision 1 made by that act, the subdivision reads as printed above. If the effect was to remove all of clauses (b) and (e), the subdivision reads as printed below:

"Subdivision 1. **GENERAL FUND SHARE.** (a) Money collected and received under this chapter must be deposited in the state treasury and credited to the general fund. The amounts collected and received shall be credited as provided in this subdivision, and transferred from the general fund on July 15 and February 15 of each fiscal year. The commissioner of finance must make each transfer based upon the actual receipts of the preceding six calendar months and include the interest earned during that six-month period. The commissioner of finance may establish a quarterly or other schedule providing for more frequent payments to the transit assistance fund if the commissioner determines it is necessary or desirable to provide for the cash flow needs of the recipients of money from the transit assistance fund."