

Senate Tax Committee
Friday, March 18, 2005
Room 15 Capitol
Chair, Senator Lawrence J. Pogemiller

Present

Pogemiller, Chair
Tomassoni, Vice Chair
Belanger
Betzold
Limmer
Marty
McGinn
Moua
Skoe

Absent

Bakk
Johnson
Ortman

Senator Pogemiller called the meeting to order at 9:35 a.m.

A quorum was present.

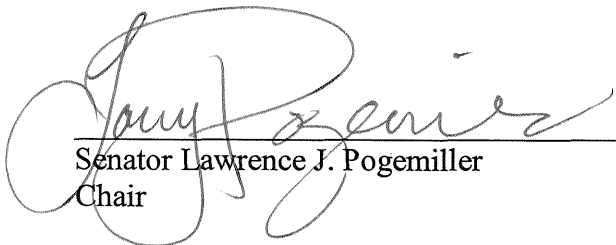
Agenda Item #1: Tax 2 Draft Articles

1. Introduction of the Tax Preparers Regulation Amendment
 - a. Senator Tomassoni moved the Tax Preparers Regulation Amendment. Motion adopted
2. SF 971 – Public Finance Bill (Pogemiller)
 - a. Senator Marty moved to delete all sections of SF 971 except for section 1. Motion adopted
 - b. Senator Marty moved without recommendation of the committee, section 1, as amended, be re-referred to the Commerce Committee. Motion adopted
3. Spreadsheet “Tax 2 Draft 3-18-05”
 - a. Anita Neumann, Tax Committee Fiscal Analyst
 - b. Article by article overview
4. Amendments
 - a. A-1 Amendment
 - i. Senator Tomassoni moved the A-1 amendment. Motion adopted
 - b. Income Tax Article
 - i. Senator Tomassoni moved that on pg. 13, line 28, delete “16” and insert “12”, delete “17” and “13” and that on line 29, delete “2005” and insert “2004”. On pg. 21, line 14, delete “11” and “17” and insert “7” and delete “are” and insert “is”. On pg. 21, line 15, delete “2005” and insert “2004”. Motion adopted
 - c. A-2 Public Finance
 - i. Testimony
 1. Barry Tilly, Dakota County Board of Commerce
 2. Keith Carlson, MICA
 - ii. Senator Belanger moved the A-2 amendment. Motion adopted
 - d. Senator Tomassoni moved that SF 3000, SF 1667 and SF 2406, concerning changing the rate to 1.26% for companies, LUP land payments and insurance premiums be incorporated into Tax 2. Motion adopted.
 - e. Minerals and aggregate
 - i. Barry Tilly expressed concern with pg. 17, lines 32-36
 - ii. Senator McGinn moved to delete section 21, subdivision 1, 3.i, found on pg. 17, lines 33-35, with appropriate changes. Motion adopted
 - f. Miscellaneous Article Discussion
 - i. Tax Preparers Amendment 1209
 - g. A-1 Local development Article
 - i. Testimony from Bonnie Balach
 - ii. Senator Moua moved to adopt the A-1 amendment. Motion adopted.

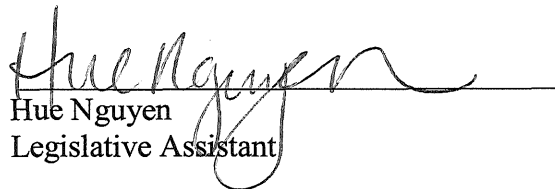
5. General Testimony
 - a. Jack Horner, MN Housing, LMV
 - b. Jack Mansun, Department of Revenue
6. Continuation of spreadsheet - items on spreadsheet but not in bill
 - a. Senator Limmer moved to incorporate SF 2682 from last year into Tax 2. Motion adopted
 - b. Governors Recommendations-Car lease
 - i. Senator Tomassoni moved by request, that we carry the Governor's latest recommendations on car leases. Motion adopted
7. A-2 Local Development Amendment
 - a. Senator Belanger moved to delay Senator Ortman's exemption for Public Safety Radio Construction to the 2008 biennium and to adopt the A-2 amendment. Motion adopted.
8. Continuation of Testimony
 - a. Tom Murphy, Association of General Contractors
 - i. Regarding Senator McGinn's Minerals and Aggregate motion
9. Continuation of spreadsheet discussion
 - a. Senator Belanger moved that SF 848 is incorporated into Tax 2. Motion adopted
10. AMT fix
 - a. Laura Fenstermaker, MN CPA
 - b. Handout #1 "AMT Exemption Amounts"
 - c. Overview by M.J. Hedstrom, Tax Committee Fiscal Analyst

Senator Pogemiller adjourned the meeting at 11:45 a.m.

Respectfully Submitted:



Senator Lawrence J. Pogemiller
Chair



Hue Nguyen
Legislative Assistant

**Senate Committee on Taxes
Friday, March 18, 2005
9:00 a.m., Room 15 Capitol
AGENDA**

Draft articles of Tax-2 Omnibus bill.

**Senator Lawrence J. Pogemiller
Chair**

**Hue Nguyen
Legislative Assistant**

Senate Committee Meeting Log

Committee Name: Taxes

Date: 3-18-05 Day: Fri

Start Time: 9:30 A (started 1/2 hr. late - 9A)

Agenda

Bill # (or Topic)	SF 971
Author	Pogemiller
Short Descriptor	
Action(s)	referred to commerce
Bill # (or Topic)	Draft articles of tax & omnibus bill
Author	
Short Descriptor	as
Action(s)	amended and general discussion
Bill # (or Topic)	
Author	
Short Descriptor	
Action(s)	
Bill # (or Topic)	
Author	
Short Descriptor	
Action(s)	

Bill # (or Topic)	
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Action(s)	

Adjournment Time: _____

Recorded by: Eun M. Campbell Date: 3-18-05
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