

**Senate Tax Committee**  
**Thursday, April 14, 2005**  
**Room 15 Capitol**  
**Chair, Senator Lawrence J. Pogemiller**

Present

Pogemiller, Chair  
Tomassoni, Vice Chair  
Bakk  
Belanger  
Betzold  
Johnson  
Limmer  
Marty  
Moua  
Ortman  
Skoe

Absent

McGinn

Senator Pogemiller called the meeting to order at 9:15 a.m.

A quorum was present.

**Agenda Item #1: Growth and Justice chart "What is the business tax reality?"**

1. Presented by Joel Kramer, Executive Director, Growth and Justice
  - a. Explanation of what Ernst & Young defined as a tax
    - i. Not included - sales tax on consumers, individual income taxes and capital gains.
2. Discussion
  - a. Corporate income tax is a small portion of business taxes. The largest are property taxes and sales taxes.
  - b. The map shows how much tax businesses legally have to pay, not individuals in the business
3. Testimony
  - a. Jill Larson, MN Business Partnership
    - i. Handout #1 "Fast facts-taxes and spending"
    - ii. Handout #2 "50 state property tax comparison"
  - b. Tom Hesse, MN Chamber of Commerce
4. General discussion
  - a. What should be used to measure tax ranking?
  - b. Business tax in Minnesota
  - c. Handout #3 "Do taxes thwart growth?"

**Agenda Item #2: Presentation of NAIOP "Hidden" Funds report**

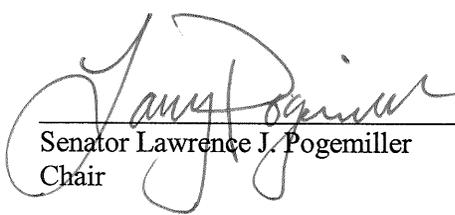
1. Presentation of the power point presentation "Hidden Funds" by Lynn Reed and Aaron Twait, MN Taxpayers Association and Kaye Rakow, NAIOP
  - a. Handout #1 "Minnesota's Hidden Funds Summary"
  - b. Anita Neumann, Senate Fiscal Policy Analyst, Discussion of fund transfers
2. General discussion

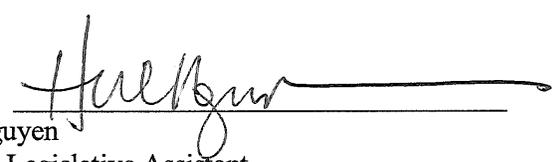
**Agenda Item #3: SF 2206 (Pogemiller) Defining the term tax**

1. Overview by JoAnne Sellner, Senate Counsel
2. General discussion
  - a. What does "other thing" on pg. 1, lines 10 and 11 mean?
  - b. License tab-fee or tax?
  - c. "Voluntarily chooses to pay" language on pg. 1, lines 11 and 12

Senator Pogemiller adjourned the meeting at 11:35 a.m.

Respectfully Submitted:

  
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Senator Lawrence J. Pogemiller  
Chair

  
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Hue Nguyen  
Legislative Assistant

Senate Committee on Taxes  
Thursday, April 14, 2005  
9:00 a.m., Room 15 State Capitol  
AGENDA

Discussion of Growth and Justice chart "What is the Business Tax Reality";  
testimony from business organizations and other stakeholders.

Joel Kramer, Executive Director, Growth and Justice  
Jill Larson, MN Business Partnership  
Tom Hesse, MN Chamber of Commerce

Presentation of NAIOP "Hidden Funds" Report.

Kaye Rakow, NAIOP  
Lynn Reed, MN Taxpayers Association  
Aaron Twait, MN Taxpayers Association

SF 2206 (Pogemiller) Defining the term tax.

Senator Lawrence J. Pogemiller  
Chair

Hue Nguyen  
Legislative Assistant

## Senate Committee Meeting Log

Committee Name: TAXES  
 Date: 4/14/05 Day: Thurs. Start Time: 9:15 A

### Agenda

Bill # (or Topic)	Discussion of Growth and Justice chart
Author	"What is the business tax reality"; testimony
Short Descriptor	from business organizations and other stakeholders
Action(s)	general discussion
Bill # (or Topic)	Presentation of NAIOP "Hidden Funds" Report
Author	
Short Descriptor	
Action(s)	presentation and general discussion
Bill # (or Topic)	SF 2206
Author	Pogemiller
Short Descriptor	Defining the term tax
Action(s)	general discussion, no further action
Bill # (or Topic)	
Author	
Short Descriptor	
Action(s)	