

Property Tax Aids and Credits – Same and Similar Provisions

Summary Page	House	Senate	Description
Technical fixes for population certifications			
34	Art. 3, Sec. 1	Art. 14, Sec. 1	State demographer population certification schedule
34	Art. 3, Sec. 3	Art. 14, Sec. 35	Date for population estimates for Iron Range fiscal disparities calculation
34	Art. 3, Sec. 4	Art. 14, Sec. 46	Metropolitan Council population certification schedule
35	Art. 3, Sec. 5	Art. 14, Sec. 47	Date for population estimates for Metropolitan fiscal disparities calculation
35	Art. 3, Sec. 6	Art. 14, Sec. 48	Date for population estimates for LGA and CPA
36	Art. 3, Sec. 10	Art. 14, Sec. 50	Date for household estimates for LGA
36	Art. 3, Sec. 11	Art. 14, Sec. 51	Date for population over 65 estimates for CPA
LGA distribution changes			
35	Art. 3, Sec. 7	Art. 22, Sec. 14	Small city transition to large city revenue need
36	Art. 3, Sec. 8	Art. 22, Sec. 15	Taylor's Falls base adjustment - House permanent v. Senate one year
Anoka/Washington court employee post-retirement costs			
36	Art. 3, Sec. 12	Art. 22, Sec. 16	County TBEA allocation of \$73,259 to Anoka and \$59,664 to Washington
37	Art. 3, Sec. 17	Art. 22, Sec. 21	Adds \$132,923 to County TBEA appropriation
38	Art. 3, Sec. 21	Art. 22, Sec. 24	2005 court aid adjustment
38	Art. 3, Sec. 22	Art. 22, Sec. 25	Reduces court appropriation in the same amount as TBEA increase
Retroactive language correction for 2004 aid reductions			
38	Art. 3, Sec. 18	Art. 14, Sec. 54	Language correction for 2004 city aid reductions
38	Art. 3, Sec. 19	Art. 14, Sec. 55	Language correction for 2004 county aid reductions
Fractional homesteads (money item)			
34	Art. 3, Sec. 2	Art. 4, Sec. 1	Market value credit fix for fractional homesteads (\$500,000 annual cost starting FY 07)

Sales and Special Taxes Provisions

Department Technical provisions (identical in both bills; no \$)

Page no.	Topic	House	Senate
Sales:			
74	Omission of use tax	Art. 7, sec. 2	Art.15, sec. 1
75	Time limitation for assessments	Art. 7, sec. 3	Art. 15, sec. 2
75	Definition of bad debt	Art. 7, sec. 4	Art. 15, sec. 3
75	Time limitation on purchaser filed refund claims	Art. 7, sec. 5	Art. 15, Sec. 4
75	Time limitation on capital equipment refund claims	Art. 7, sec. 6	Art. 15, sec. 5
75	Sale and purchase (dietary supplements and lodging)	Art. 7, sec. 7 (part)	Art. 15, sec. 6
76	Retail sales (purchase for resale)	Art. 7, sec. 8 (part)	Art. 15, sec. 7 (part)
76	Motor vehicle rental tax and fee	Art. 7, sec. 10	Art. 15, sec. 8
76	Sourcing	Art. 7, sec. 11	Art. 15, sec. 9
76	Sourcing – transportation equipment	Art. 7, sec. 12	Art. 15, sec. 10
77	Dietary Supplements	Art. 7, sec. 13	Art. 15, sec 11
78	Industrial production (taxable services)	Art. 7, sec 18 (part)	Art. 15, sec. 12
78	Capital equipment (taxable services and restaurants, online data, and cement truck parts)	Art. 7, sec. 19 (part)	Art. 15, sec. 13
79	Preexisting contracts and bids	Art. 7, sec. 22	Art. 15, sec. 15
83	Local sales tax base sourcing	Art. 7, sec. 37	Art. 15, sec. 16
86	Repeal of obsolete rules	Art. 7, sec. 48	Art. 15, sec. 14
Special taxes:			
95	Mortgage Registry- armory exemption	Art. 8, sec. 2	Art. 16, sec. 1
98	Petroleum tax penalty abatement	Art. 8, sec. 8	Art. 16, sec. 7
98	Gambling taxes	Art. 8, sec. 9-14	Art. 16, sec. 8-13
99	Cigarettes in interstate commerce	Art. 8, sec. 15	Art. 16, sec. 14
99	Bond requirements (tobacco)	Art. 8, sec. 16	Art. 16, sec. 15
99	June acceleration (cigarettes and tobacco)	Art. 8, sec. 17- 18	Art. 16, sec. 16-17
99	Bad debt (cigarettes)	Art. 8, sec. 19	Art. 12, sec. 20
101	Reinsurance	Art. 8, sec. 23	Art. 16, sec. 19
101	Gross premiums tax	Art. 8, sec. 25	Art. 16, sec. 20
102	Metropolitan solid waste landfill fee penalty	Art. 8, sec. 29	Art. 18, sec. 17
103	Repealer of an unnecessary lawful gambling provision	Art. 8, sec. 31	Art. 16, sec. 21

Technical sales tax, no general fund money, in only one bill:

- p. 75 & 79 : Tree removal and land clearing – House Art.7, sec. 7 (part) and 23 SET ASIDE
- p. 92: Local sales tax exemptions – Senate Art. 15, sec. 17 (DOR wants House position of no provision)
- p. 98: Aviation fuel tax exemption for air ambulances – Senate Art. 16, sec. 6 SET ASIDE

DOR Technical with \$:

- p. 96: Fur Tax payments – House Art. 8, sec. 6; Senate Art. 16, sec. 5 (identical)
- p. 100: Quarterly and annual returns and payments for liquor taxes: House Art. 8, sec. 21; Senate Art. 16, sec. 18 (identical)

Governor’s recommendations (revenue raisers) in both bills:

Page no.	Topic	House	Senate
Sales:			
74	Contracts with foreign vendors	Art. 7, sec. 1	Art. 3, sec. 1
76 and 80	Upfront motor vehicle leases – (House applies to < 11,000 lbs, Senate to < 10,000 lbs)	Art. 7, sec. 8, 30	Art. 12, sec. 14, 16
77	Sales tax exemption for cigarettes	Art. 7, sec. 17	Art. 12, sec. 15
78	Reversal of <i>Great Lakes Pipeline</i> case	Art. 7, sec. 18 &19 (part)	Art. 3, sec. 3 & 4
84	Reimpose motor vehicle rental surcharge	Art. 7, sec. 42	Art. 3, sec. 6
Special Taxes:			
96	Liquor gross receipts tax	Art. 8, sec. 7	Art. 3, sec. 2
99 & 102	Cigarette wholesale tax (House has 20¢ per pack and Senate has 21¢ per pack)	Art. 8, sec. 20, 30	Art. 12, sec. 21, 29
100	Direct business (stop loss insurance)	Art. 8, sec. 22	Art. 3, sec. 5

Streamline Sales Tax Act (SSTA) Compliance provisions:

Page no.	Topic	House	Senate
77	Drugs and medical devices	Art. 7, sec. 14 ✗	Art. 21, sec. 3
77	Baby Products	Art. 7, sec. 15 ✗	no provision
79	Medical supplies	Art. 7, sec. 20 ✗	Art. 21, sec. 6
80	Chairs, lifts, ramps, and elevators (Senate doesn’t have refund cross-reference)	Art. 7, sec. 26 & 29 ✗	Art. 21, sec. 7

Income Tax Article – Same and Similar provisions

Summary page	House	Senate	Description
49	Art. 5, Sec. 3	Art. 13, Sec. 1	Electronic payment of refunds (DOR)
49	Art. 5, Sec. 4	Art. 13, Sec. 2	Bonus depreciation, composite returns (DOR)
50	Art. 5, Sec. 6	Art. 13, Sec. 3	Fractional year returns (DOR)
50	Art. 5, Sec. 7	Art. 18, Sec. 6	Estate tax filing extension (DOR)
50	Art. 5, Sec. 9	Art. 18, Sec. 7	Innocent spouse limits (DOR)
51	Art. 5, Sec. 10	Art. 13, Sec. 4	Notify DOR of fed tax changes (DOR)
51	No provision	Art. 5, sec. 1	Time extension, property value appeals, combat zones (w/language change)
51	Art. 5, Sec. 11	Art. 13, Sec. 5	Electronic payment of refunds (DOR)
51	Art. 5, Sec. 12	No provision	Preparer penalty if reckless disregard (DOR)
51	Art. 5, Sec. 13	Art. 13, Secs. 6-7 *	Fraudulent refund claims – Senate has updated language (DOR)
52	Art. 5, Sec. 15	Art. 19, Sec. 2	Resident trusts
53	Art. 5, Sec. 16, first two bullets	Art. 13, Sec. 8	Tech. change, taxes based on net income, and bond interest (DOR)
54	Art. 5, Sec. 17, first three bullets	Art. 13, Sec. 9	Tech. change, bond interest, youthworks, bonus depreciation for converted corps (DOR)
55	Art. 5, Sec. 18	Art. 13, Sec. 10	Tech. change, environmental tax, bonus depreciation reference (DOR)
56	Art. 5, Sec. 19	Art. 13, Sec. 11	Tech change, taxes based on net income (DOR)
58	Art. 5, Sec. 24	no provision	Working family credit, replace obsolete IRC reference
58	Art. 5, Sec. 27	Art. 13, sec. 12	K-12 credit, qualifying curriculum areas (DOR)
66	Art. 5, Sec. 38	Art. 5, Sec. 17	Withholding by publicly traded partnerships
66	Art. 5, Sec. 39	Art. 13, Sec. 14	Definition MN taxable estate (DOR)
66	Art. 5, Sec. 40, first part only	Art. 13, Sec. 15	Estate tax computation (DOR)
67	Art. 5, Sec. 43	Art. 13, Sec. 16	Rule repealer (DOR)

SET ASIDE

MISCELLANEOUS ARTICLE – SAME AND SIMILAR PROVISIONS

Summary Page	House	Senate	Description
123	Art. 11, Sec. 2	Art. 18, Sec. 2	Taxpayer Rights Advocate assumes duties of case reviewer. (DOR)
124	Art. 11, Sec. 4 *	Art. 12, Sec. 1	Identifies tax preparers subject to regulations; Senate exempts fiduciaries, preparers who prepare fewer than 6 returns per year, individuals who prepare returns for close relatives, and individuals who prepare their employer's return from the refund anticipation loan disclosure requirements; House does not.
	Art. 11, Sec. 12 *	Art. 12, Sec. 8	
124	Art. 11, Sec. 5 *	Art. 12, Sec. 2	Tax preparers itemized bills required.
125	Art. 11, Sec. 7 *	Art. 12, Sec. 3	Tax preparers administration penalties.
125	Art. 11, Secs. 8 – 10 *	Art. 12, Secs. 4 – 6	Exchange of data on tax preparers.
125	Art. 11, Sec. 11 *	Art. 12, Sec. 7	Tax preparers data privacy.
125	Art. 11, Sec. 13 *	Art. 12, Sec. 9	Tax preparers penalty publications. Senate includes preparers subject to administrative penalties on the list; House only lists preparers subject to criminal penalties.
127	Art. 11, Sec. 14 *	Art. 18, Sec. 3	Date of assessment of a consent agreement.
127	Art. 11, Sec. 15 *	Art. 18, Sec. 4	Offer in compromise deposit requirement.
127	Art. 11, Sec. 16 *	Art. 18, Sec. 5	Transcription of liens to Secretary of State.
127	Art. 11, Sec. 17 *	Art. 12, Sec. 10	Fines for petty misdemeanors in revenue recapture program.
127	Art. 11, Sec. 19 *	Art. 12, Sec. 11	Updates cross-reference.
127	Art. 11, Sec. 20 *	Art. 18, Sec. 8	Sending orders of assessment by electronic mail.
128	Art. 11, Sec. 22 *	Art. 18, Sec. 9	Penalty for extended delinquency.
128	Art. 11, Sec. 24 *	Art. 18, Sec. 11	Penalty for submitting incorrect employee withholding exemption certificate to employer.
128	Art. 11, Sec. 25 *	Art. 12, Sec. 12	Termination or suspension of electronic filing authority for tax preparers.
129	Art. 11, Sec. 27 *	Art. 18, Sec. 12	Personal liability standard for withholding tax.
129	Art. 11, Sec. 28 *	Art. 18, Sec. 16	Obsolete language in Unfair Cigarette Sales Tax Act.
129	Art. 11, Sec. 30	Art. 24, Sec. 7	Definition of fee and tax.

set aside

MISCELLANEOUS ARTICLE – SAME AND SIMILAR PROVISIONS

			Senate adds statement that this is not intended to extend or limit Constitutional requirement that bills to raise revenue must originate in the House.
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Property Tax Issues – Same and Similar provisions

Summary page	House	Senate	Description
9	Art. 2, Sec. 1 X	Art. 8, Sec. 15	Biomass generation facility - Benson
9	Art. 2, Sec. 2 X	Art. 22, Sec. 5	Crown hydro – Minneapolis
9	Art. 2, Sec. 3 X	Art. 8, Sec. 18	Generation facility – Faribault
10	Art. 2, Sec. 5 X	Art. 8, Sec. 24	Generation facility – Shakopee
10	Art. 2, Sec. 6 X	Art. 8, Sec. 23	Generation facility – Cambridge
11	Art. 2, Sec. 7 X	Art. 22, Sec. 6	Generation facility – Blooming Grove Twp
11	No provision	Art. 8, Sec. 16 X	Generation facility – Mankato - changes criteria (use Senate language)
12	Art. 2, Sec. 8 X	Art. 22, Sec. 7	Efficiency determination – electric generation facility (use House language)
12	Art. 2, Sec. 9 X	Art. 22, Sec. 8	Sliding scale exclusion
15	Art. 2, Sec. 15	Art. 8, Sec. 31	Lead hazard reduction valuation exclusion
18	Art. 2, Sec. 18 X	Art. 8, Sec. 38	Ag homestead, grandson/granddaughter
20	Art. 2, Sec. 23 X	Art. 8, Sec. 41	Noncommercial aircraft hangars only (other parts of this section not the same)
23	Art. 2, Sec. 27	Art. 8, Sec. 51 & Art. 14, Sec. 33	Ramsey County library levy & technical changes (other parts of section not the same)
26	Art. 2, Sec. 33	Art. 12, Sec. 13 X	Early payment of e-file PTR claims
26	Art. 2, Secs. 35-36 X	SF 310 (Passed Senate)	Town total revenue defined and levy authorization clarified
26	Art. 2, Secs. 37-38 X	Art. 12, Secs. 26-27	Town collections for emergency services (use House language with effective dates)
29	Art. 2, Sec. 46 X	Art. 8, Sec. 68	Recapture – Caponi Art Park (use House language for correct effective date)
29	Art. 2, Sec. 47	Art. 8, Sec. 69	EMS special taxing districts authorization date extension
30	Art. 2, Sec. 48	Art. 22, Sec. 23	Big Marine Lake veterans camp (use House Language)
32	Art. 2, Sec. 53 X	Art. 8, Sec. 67	Caponi Art Park special assessment repealer (use House language)

Property tax issues – provisions with costs or slight policy differences

Summary page	House	Senate	Description
10	Art. 2, Sec. 4	Art. 8, Sec. 17/25	Generation facility – Cannon Falls (local approval for county? city? school district?)
32	Art. 2, Sec. 52	Art. 8, Sec. 72	Great River School exemption (has \$15K cost in FY '06)

SET ASIDE

Federal Update Differences

House has/Senate does not have

- conformity with Public-Law 109-7 (exclusive of federal disaster mitigation payments)
- conformity with health savings accounts

Senate has/House does not have

- conformity with standard deductions for married couples for 2007 and 2008 taxable years

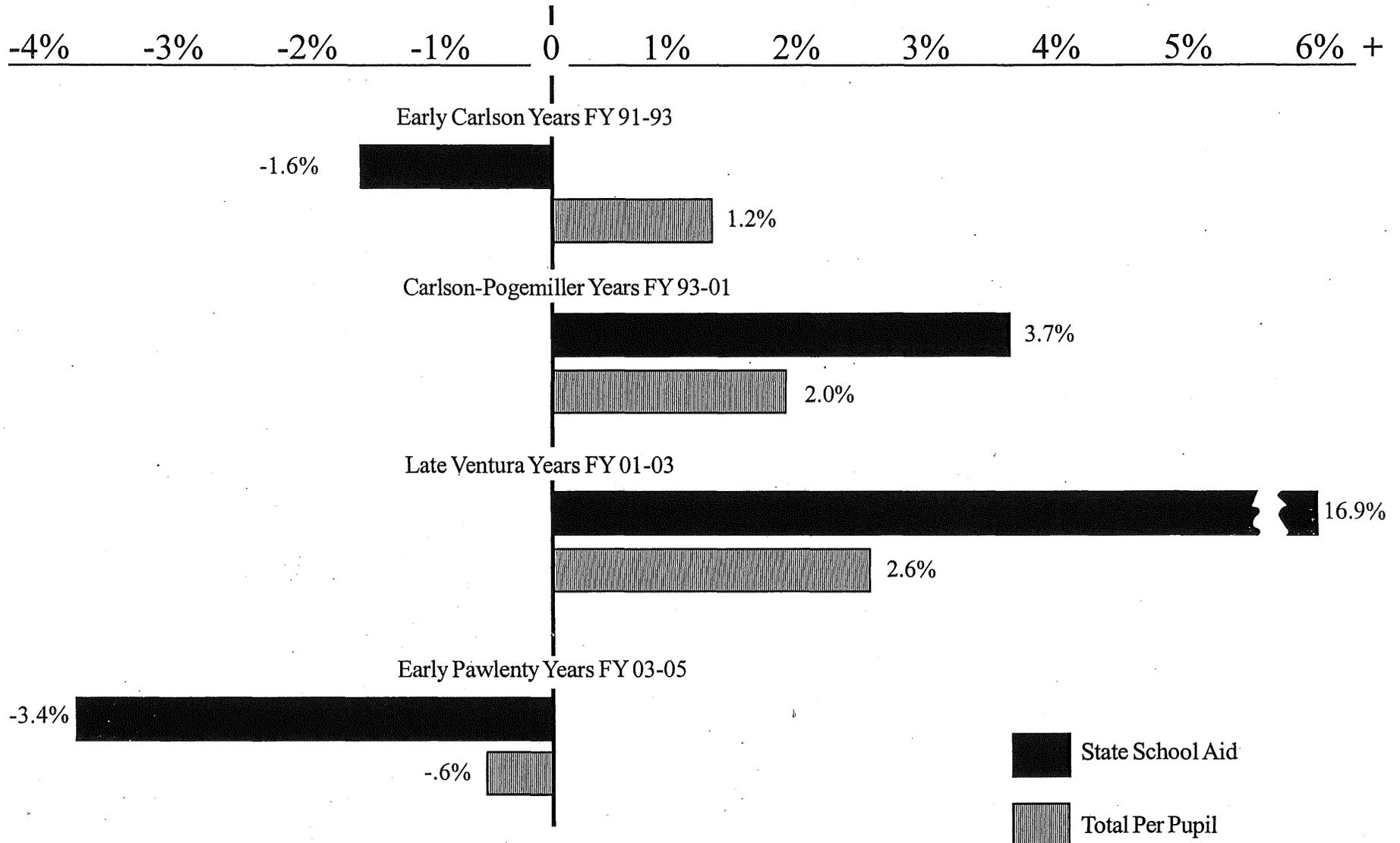
Minor conforming changes would be needed to coordinate merging of three Senate update provisions.



1 moves to amend H. F. No. 785, the third
 2 engrossment, as follows:
 3 Page 121, after line 35, insert:
 4 "(b) In addition to the opportunity for a conference under
 5 paragraph (a), the commissioner shall also provide the railroad
 6 and utility companies the opportunity to discuss any questions
 7 or concerns relating to the values established by the
 8 commissioner through certification or notice in a less formal
 9 manner. This does not change or modify the deadline for
 10 requesting a conference under paragraph (a), the deadline in
 11 section 271.06 for appealing an order of the commissioner in-Tax
 12 Court, or the deadline in section 278.01 for filing-a-property
 13 tax-claim-or-objection-in-Tax-Court-or-district appealing
 14 property taxes in court."
 15 Page 121, delete line 36
 16 Page 122, delete lines 1-10

State School Aids and Total School Revenue

FY 1991-2005/Governors Carlson, Ventura & Pawlenty - Annual Averages



All Figures in Real Dollars (Inflation Adjusted)

SENATE CONFERENCE COMMITTEE

DATE: May 18, 2005

TIME: 7:55 pm

ROOM: 15 CAPITAL

CHAIR: KRINKIE

SE HF 785

OR

HF _____

Remarks:

Senate Committee Meeting Log

Committee Name: TAX CONFERENCE COMMITTEE

Date: May 18, 2005 Day: Wednesday Start Time: 7:55pm

Agenda

Bill # (or Topic)	HF 785
Author	KRINKIE / POHLMILLER
Short Descriptor	OMNIBUS TAX BILL
Action(s)	(1) Overview of Fiscal Spreadsheet
	(2) SIDE BY SIDE
	Adjourn @ 10:45 pm
Bill # (or Topic)	
Author	
Short Descriptor	
Action(s)	
Bill # (or Topic)	
Author	
Short Descriptor	
Action(s)	
Bill # (or Topic)	
Author	
Short Descriptor	
Action(s)	

Bill # (or Topic)	
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Bill # (or Topic)	
Author	
Short Descriptor	
Action(s)	

Adjournment Time: _____

Recorded by: _____ Date: _____

Received by: _____ Date: _____

Reformatted by: _____ Date: _____

Returned on (date): _____ Received by: _____