

Tax Working Group
Wednesday, June 1, 2005
Room 15 Capitol
Chair, Senator Lawrence Pogemiller

Senate Conferees

Pogemiller, Chair
Belanger
Betzold
Moua
Skoe-Absent

House Conferees

Krinkie
Abrams
Lanning
Lenczewski
Simpson

Senator Pogemiller called the meeting to order at 9:20 a.m.

A quorum was present.

Agenda Item #1: Bill Comparison Summary HF 785 (May 31, 2005)

1. House Article 4 and Senate Article 14 (SF 1683) and on Department of Revenue Electronic Payment provisions, Senate Article 17
2. Income and Corporate Franchise Taxes, Senate provision Article 1 (SF 1209)
 - a. Senator Belanger moved Senate Article 1 (SF 1209), Section 1 be included in the Omnibus Tax bill. Motion adopted
3. Cigarette tax discussion
4. New revenue discussion

Senator Pogemiller recessed the meeting at 10:05 a.m.

Senator Pogemiller reconvened the meeting at 11:00 a.m.

Agenda Item #2: General tax discussion

1. Education funding discussion by Eric Nauman, Senate Fiscal Analyst
 - a. Handout #1 "Senate CRFA"
 - b. Handout #2 "MDE, Program Finance"
 - c. Handout #3 "Hypothetical comparison of total levies under Gov's 5/20 proposal"
2. New spending initiatives
3. Senator Johnson's letter to Governor Pawlenty

Agenda Item #3: Bill Comparison Summary

1. Sales, Use and Special Taxes provisions, House, various articles and Senate Article 3 (SF 1209)
 - a. Senator Belanger moved that House provision, Article 7, Section 1 be included in the Omnibus Tax bill. Motion adopted
 - b. Senator Belanger moved that House provision, Article 8, Section 7 be incorporated into the Omnibus Tax bill. Motion adopted
 - c. Senator Belanger moved Senate provision Article 3 (SF 1209), Section 3 be incorporated into the Omnibus Tax bill. Motion adopted
 - d. Representative Abrams moved that House provisions in Article 7, Section 19 dealing with the Great Lakes be incorporated into the Omnibus Tax bill. Motion adopted
 - e. Representative Lenczewski moved that House provision Article 8, Section 22 and House provision Article 7, Section 42 for inclusion in the Omnibus Tax bill. Motion adopted
2. Miscellaneous provisions, House, various articles, Senate Article 4 (SF 1209)
 - a. Senator Moua moved that House provision, Article 3, Section 2 be included in the Omnibus Tax bill. Motion adopted
 - i. This provision may already have been adopted in SF 2228. If it has not already been adopted, then it is hereby adopted.

Agenda Item #4: Continued discussion of education funding

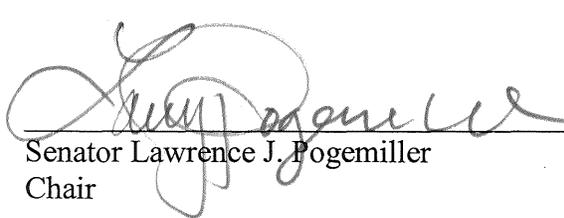
1. Department of Education, Tom Melcher, Director Division of Program Finance

Agenda Item #5: Continuation of Bill Summary Comparison

1. Property Tax provisions, House Article 2 and Senate Articles 8 and 22
 - a. Representative Abrams moved that House Article 2, Sections 41 and 42 be included in the Omnibus Tax bill. Motion adopted
 - b. Representative Abrams moved that House Article 2, Sections 44 and 45 be included into the Omnibus Tax bill. Motion adopted
 - c. Representative Abrams moved that House Article 2, Section 51 and Senate Article 8, Sections 3 through 8 not be included into the Omnibus Tax bill. Motion adopted
2. Income, Corporate Franchise and Estate Taxes, House Article 5 and Senate Articles 1 (SF 1209), 13 (SF 1683), 19 (SF 2206) and 20 (SF 2206)
 - a. Representative Abrams moved that House Article 5, Section 4 be incorporated into the Omnibus Tax bill. Motion adopted
3. Sales and Use Tax provisions, House Article 7 and Senate Articles 3 (SF 1209), 7 (SF 1683), 15 (SF 1683) and 21(SF 2206)
 - a. Representative Lanning moved that Senate Article 12, Section 14 be incorporated into the Omnibus Tax bill. Motion adopted
 - b. Senator Moua moved that House Article 7, Section 16 be incorporated into the Omnibus Tax bill. Motion adopted
 - c. Representative Simpson moves that House Article 7, Section 21 be incorporated into the Omnibus Tax bill. Motion adopted
 - d. Representative Abrams moved that House Article 7, Section 30 be incorporated into the Omnibus Tax bill. Motion adopted
 - e. Senator Moua moved that House Article 7, Section 43 be incorporated into the Omnibus Tax bill. Motion adopted
4. Special Taxes provisions, House Article 8 and Senate Articles 3 (SF 1209) and 16 (SF 1683)
 - a. Representative Krinkie moved that Senate Article 16 (SF 1683), Section 16 be incorporated into the Omnibus Tax bill. Motion adopted
5. Economic Development provisions, House Article 9 and Senate File 1683, Article 5 (Local Development)
 - a. Representative Lanning moved that House Article 9, Section 7 be incorporated into the Omnibus Tax bill. Motion adopted
6. Miscellaneous provisions, House Article 11 and Senate Article 12 (SF 1683), 18 (SF 1683) and 24 (SF 2206)
 - a. Discussion regarding Tax Reform Commission, House Article 11, Section 31
 - b. Representative Krinkie moved that House Article 11, Section 23 be included in the Omnibus Tax bill. Motion adopted

Senator Pogemiller adjourned the meeting at 1:05 p.m.

Respectfully Submitted:


Senator Lawrence J. Pogemiller
Chair


Hue Nguyen
Legislative Assistant