

Tax Working Group
Wednesday, June 29, 2005
Room 15 Capitol
Chair, Senator Pogemiller

Senate Conferees

Pogemiller, Chair
Belanger
Betzold
Moua
Skoe

House Conferees

Krinkie
Abrams
Lanning
Lenczewski
Simpson

Senator Pogemiller called the meeting to order at 10:30 am

Agenda #1: Sales and Use Tax

1. Discussion of use tax modification by Senator Kierlin.
2. Discussion of Department of Revenue collection of sales and use taxes by Jack Mansun, Assistant Commissioner, DOR

Agenda #2: Insurance Premium Taxes

1. Insurance premium taxes modifications included in Senate Omnibus Bill but not the House Omnibus Tax Bill.
2. Overview by Joanne Sellner, Senate Counsel
3. Testimony by Bob Johnson, Insurance Federation of Minnesota Senate

Agenda#3: Outstanding Provisions in House and Senate Bill

1. House Article 2, section 24 - Disabled veterans homesteads, discussion only
2. Senate Article 8, section 43 – Vacant commercial industrial property
 - a. Representative Lanning moved Article 8, section 43. Motion adopted.
3. Senate Article 8, section 45 – Valuation of utility properties
 - a. Overview by Commissioner Salamone
 - b. Testimony by Steve Hive, Coalition of Greater MN Cities

Agenda#4: Update of Current Budget Proposals

1. Overview of Governor's Offer by Ward Einess, Senior Tax Policy Advisor, Governor's office
 - a. Handout #1 "Gov/House Republicans Proposal"
 - b. Handout #2 "Governor's Offer June 28 – morning"

Senator Pogemiller recessed the Tax Working Group at noon.

Senator Pogemiller called the meeting to order at 7:40 pm

Agenda #1: Discussion of Bi-partisan plan to end 2005 Special Session

Agenda #2: Additional Revenues

1. Tobacco tax rate
 - a. Testimony
 - i. Bob Tennesen, USD Public Affairs
 - ii. Cort Holten, , Chestnut & Cambronne
 - b. Handouts
 - i. Handout #1 "Tobacco products rate increase"
 - ii. Handout #2 "State Tax Rates..."
2. Sales and Use Tax Proposal Regarding Pipelines
 - a. Testimony by Teresa Lynch, Dorsey and Whitney
3. Tax Shelters – discussion of staff language

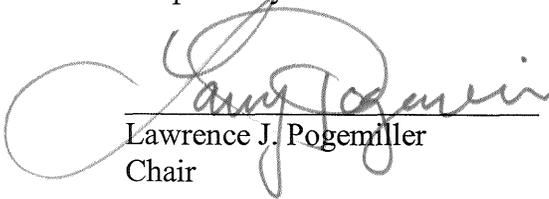
Agenda #3: Outstanding Provisions

1. Valuation Adjustments
 - a. Representative Krinkie moved House Article 2, section 25. Motion adopted.

2. Joint Truth in Taxation Hearings
 - a. Representative Abrams moved Senate Article 8, section 47 and 48. Motion adopted.
3. Cruelty to animals
 - a. Representative Abrams moved Senate Article 8, section 50. Motion adopted.
4. Regional Rail Levy
 - a. Testimony by Lona Schriber, Anoka County
 - b. Representative Krinkie moved House Article 2, section 27. Motion adopted.
5. Petition involving low income rental property
6. Ramsey County Library
 - a. Representative Krinkie moved Senate Article 8, section 46 and House Article 2, section 27. Motion adopted.
7. Discussion regarding delinquent taxes.

Senator Pogemiller adjourned the meeting at 7:05 pm.

Respectfully submitted:


Lawrence J. Pogemiller
Chair


Hue Nguyen
Legislative Assistant