

**SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION**

S.F. No. 2558

(SENATE AUTHORS: BAKK and Tomassoni)

DATE
05/15/2021

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4255 Introduction and first reading
Referred to Taxes

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to taxation; sales and use; modifying provisions related to the privilege
1.3 of admission and the exemption for suite licenses; amending Minnesota Statutes
1.4 2020, sections 297A.67, subdivision 35; 297A.68, by adding a subdivision;
1.5 297A.79.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2020, section 297A.67, subdivision 35, is amended to read:

1.8 Subd. 35. **Suite licenses.** The sale of the privilege of admission under section 297A.61,
1.9 subdivision 3, paragraph (g), clause (1), to a place of amusement or athletic event does not
1.10 include consideration paid for a license to use a private suite, private skybox, or private box
1.11 seat, and the sale of the license is exempt provided that: (1) the lessee may use the private
1.12 suite, private skybox, or private box seat by mutual arrangement with the lessor on days
1.13 when there is no amusement or athletic event; and (2) the sales price for the privilege of
1.14 admission is separately stated and is equal to or greater than the highest priced general
1.15 admission ticket for the closest seat not in the private suite, private skybox, or private box
1.16 seat. The sale of food and beverages for consumption in a private suite, private skybox, or
1.17 private box seat must be taxable to the extent provided under this chapter, but these taxable
1.18 sales do not invalidate the exemption in this subdivision.

1.19 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June
1.20 30, 2021.

2.1 Sec. 2. Minnesota Statutes 2020, section 297A.68, is amended by adding a subdivision to
2.2 read:

2.3 Subd. 46. **Certain amenities included with privilege of admission.** Amenities included
2.4 in the sales price of the privilege of admission under section 297A.61, subdivision 3,
2.5 paragraph (m), are exempt when purchased by a taxpayer selling the privilege of admission.

2.6 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June
2.7 30, 2021.

2.8 Sec. 3. Minnesota Statutes 2020, section 297A.79, is amended to read:

2.9 **297A.79 REPORTING OF GROSS RECEIPTS.**

2.10 At the option of the taxpayer, gross receipts from sales may be reported on the cash basis
2.11 as the consideration is received or on the accrual basis as sales are made. For taxpayers
2.12 reporting on the accrual basis, in the case of receipts from the sale of the privilege of
2.13 admission to places of amusement and athletic events, the sale is made and accrual occurs
2.14 at the time the event occurs.

2.15 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June
2.16 30, 2021.