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S.F. No. 2558 – Modifying exemptions for suite licenses and certain amenities and reporting of gross receipts (as proposed to be amended by the A-2 amendment)

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Section 1. Suite licenses. Provides that the sale of taxable food and beverages for consumption in a private suite, private skybox, or private box seat does not invalidate the sales tax exemption under existing law for the sale of a license to use a private suite, skybox, or private box seat. Effective for sales and purchases made after June 30, 2022.

Section 2. Season ticket purchasing rights to collegiate events. Provides that the sale of taxable food and beverages for consumption in a preferred seating location does not invalidate the sales tax exemption under existing law for the sale of the right to purchase the privilege of admission to a college or university athletic event in a preferred viewing location. Effective for sales and purchases made after June 30, 2022.

Section 3. Certain amenities included with the privilege of admission. Under current law, the sale of the privilege of admission to a place of amusement, recreational area, or athletic event includes all charges included in the sales price without deduction for amenities that may be provided, unless the amenities are separately stated and the purchaser of the privilege of admission is entitled to add or decline the amenities, and the amenities are not otherwise taxable. This section provides that amenities included in the privilege of admission are exempt if purchased by the taxpayer who sells the privilege of admission. Effective for sales and purchases made after June 30, 2022.

Section 4. Reporting of gross receipts. Provides that for taxpayers reporting on the accrual basis, sales of the privilege of admission to places of amusement and athletic events, the sale is made and accrual occurs at the time the amusement or athletic event occurs. Effective for sales and purchases made after June 30, 2022.