



Providing nonpartisan legal, research, and fiscal analysis services to the Minnesota Senate

S.F. No. 4431 – Political Contribution Refund Electronic System (As amended by the A-4 amendment)

Author: Senator Bonnie S. Westlin

Prepared by: Alexis C. Stangl, Director (651/296-4397)

Date: March 5, 2024

S.F. 4431 establishes an electronic filing system for the political contribution refund (sometimes called the PCR) program. It eliminates the current paper filing system. The bill appropriates money to the Department of Revenue to establish and implement the new system. The maximum amounts of the refund, \$75 for an individual and \$150 for a married couple filing jointly, are not changed in the bill.

Section 1 [§10A.02, subd. 11b; Data privacy related to electronic reporting system] allows the Campaign Finance and Public Disclosure Board (“Board”) to share data with the Commissioner of Revenue (“Commissioner”) to the extent necessary to administer the political contribution refund program. This section is effective January 1, 2026.

Section 2 [§10A.322, subd. 4; Refund receipt forms; penalty] replaces references to paper receipts with references to electronic refund receipts. A receipt may only be issued for a contribution of \$5 or more. Receipts must include a unique receipt validation number that allows the Commissioner to verify the information with the Board. The Board must provide weekly revenue receipt validation reports to the Commissioner that include specified information. Strikes references to paper receipts. This section is effective for contributions made after December 31, 2025.

Section 3 [§290.06, subd. 23; Refund of contributions to political parties and candidates] eliminates references to paper receipts and inserts references to electronic filing. Allows taxpayers to file more than one claim per year. Prohibits the Commissioner from issuing a refund to a taxpayer that exceeds the maximum refund amount. A claim must be for a minimum of \$10. Requires the commissioner to establish an electronic filing system for taxpayers to claim refunds. Strikes permissive language about claims filed on the Internet or other electronic means. This section is effective for contributions made after December 31, 2025.

Section 5 [Appropriation] appropriates an unspecified amount of money in fiscal year 2025 to the commissioner from the general fund to establish and implement an electronic filing system for political contribution refund claims. This is a onetime appropriation and is available until June 30, 2026. This section is effective June 1, 2024.