

April 12, 2024

Chair Rest and Members of the Senate Taxes Committee:

Thank you for the opportunity to submit written testimony on Sen. Hauschild's SF 3976, imposing local lodging taxes on the service fees of accommodations intermediaries.

Minnesota Realtors® (MNR) was founded in 1919 and is a business trade association with a membership of over 21,000 real estate professionals statewide active in all aspects of the real estate transaction.

MNR would like to share our opposition to SF 3976 and its application of local lodging taxes to services provided by "accommodation intermediaries," defined in Minn. Stat. 297A.61, Subd. 47 as *"...any person or entity, other than an accommodations provider, that facilitates the sale of lodging."* This provision further defines the term *"facilitates the sale"* to include *"...brokering, coordinating, or in any way arranging for the purchase of or the right to use accommodations by a customer."*

MNR has members working in all aspects of housing, from representing buyers and sellers in the purchase of a home, to brokering the sale of lodging at vacation or short-term rentals.

MNR does not support expanding the reach of local lodging taxes to the services provided by travel intermediaries, whether they are online travel companies or local individuals working with a few vacation rental property owners.

Thank you again for the opportunity to provide written testimony on SF 3976.

Sincerely,



Paul Eger  
Senior Vice President, Governmental Affairs  
Minnesota Realtors®