

SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 1911

(SENATE AUTHORS: BOLDON, Port, Murphy and Mitchell)		
DATE	D-PG	OFFICIAL STATUS
02/27/2025	558	Introduction and first reading Referred to Elections
03/03/2025	628	Author added Mitchell

1.1

A bill for an act

1.2

relating to campaign finance; establishing the Minnesota Civic Fund program;

1.3

repealing the political contribution refund program; authorizing rulemaking;

1.4

appropriating money; amending Minnesota Statutes 2024, sections 10A.01,

1.5

subdivision 11; 10A.02, subdivision 13; 10A.15, subdivision 1; 10A.20, subdivision

1.6

3; 10A.322, subdivision 4; 10A.34, subdivision 4; 289A.37, subdivision 2; 289A.50,

1.7

subdivision 1; 290.01, subdivision 6; 290.06, subdivision 23; proposing coding

1.8

for new law as Minnesota Statutes, chapter 10B; repealing Minnesota Statutes

1.9

2024, sections 10A.322, subdivision 4; 13.4967, subdivision 2; 290.06, subdivision

1.10

23.

1.11

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

1.12

Section 1. Minnesota Statutes 2024, section 10A.01, subdivision 11, is amended to read:

1.13

Subd. 11. **Contribution.** (a) "Contribution" means money, a negotiable instrument,

1.14

Minnesota Civic Fund credit redemption under chapter 10B, or a donation in kind that is

1.15

given to a political committee, political fund, principal campaign committee, local candidate,

1.16

or party unit. An allocation by an association of general treasury money to be used for

1.17

activities that must be or are reported through the association's political fund is considered

1.18

to be a contribution for the purposes of disclosure required by this chapter.

1.19

(b) "Contribution" includes a loan or advance of credit to a political committee, political

1.20

fund, principal campaign committee, local candidate, or party unit, if the loan or advance

1.21

of credit is: (1) forgiven; or (2) repaid by an individual or an association other than the

1.22

political committee, political fund, principal campaign committee, local candidate, or party

1.23

unit to which the loan or advance of credit was made. If an advance of credit or a loan is

1.24

forgiven or repaid as provided in this paragraph, it is a contribution in the year in which the

1.25

loan or advance of credit was made.

(c) "Contribution" does not include services provided without compensation by an individual volunteering personal time on behalf of a candidate, local candidate, ballot question, political committee, political fund, principal campaign committee, or party unit; the publishing or broadcasting of news items or editorial comments by the news media; or an individual's unreimbursed personal use of an automobile owned by the individual while volunteering personal time.

Sec. 2. Minnesota Statutes 2024, section 10A.02, subdivision 13, is amended to read:

Subd. 13. **Rules.** (a) Chapter 14 applies to the board. The board may adopt rules to carry out the purposes of this chapter and chapter 10B.

(b) In addition to the notice required under chapter 14, the board shall notify the chairs and ranking minority members of the committees or subcommittees in the senate and house of representatives with primary jurisdiction over elections within seven calendar days of taking the following actions:

(1) publication of a notice of intent to adopt rules or a notice of hearing;

(2) publication of proposed rules in the State Register;

(3) issuance of a statement of need and reasonableness; or

(4) adoption of final rules.

Sec. 3. Minnesota Statutes 2024, section 10A.15, subdivision 1, is amended to read:

Subdivision 1. **Anonymous contributions.** A political committee, political fund, principal campaign committee, or party unit may not retain an anonymous contribution in excess of \$20, but must forward it to the board for deposit in the general account of the state elections campaign account. An anonymous contribution is not an eligible contribution for purposes of qualifying for the Minnesota Civic Fund credit program established in chapter 10B.

Sec. 4. Minnesota Statutes 2024, section 10A.20, subdivision 3, is amended to read:

Subd. 3. **Contents of report.** (a) The report required by this section must include each of the items listed in paragraphs (b) to ~~(q)~~ (r) that are applicable to the filer. The board shall prescribe forms based on filer type indicating which of those items must be included on the filer's report.

(b) The report must disclose the amount of liquid assets on hand at the beginning of the reporting period.

(c) The report must disclose the name, address, employer, or occupation if self-employed, and registration number if registered with the board, of each individual or association that has made one or more contributions to the reporting entity, including the purchase of tickets for a fundraising effort, that in aggregate within the year exceed \$200 for legislative or statewide candidates or more than \$500 for ballot questions, together with the amount and date of each contribution, and the aggregate amount of contributions within the year from each source so disclosed. A donation in kind must be disclosed at its fair market value. An approved expenditure must be listed as a donation in kind. A donation in kind is considered consumed in the reporting period in which it is received. The names of contributors must be listed in alphabetical order. Contributions from the same contributor must be listed under the same name. When a contribution received from a contributor in a reporting period is added to previously reported unitemized contributions from the same contributor and the aggregate exceeds the disclosure threshold of this paragraph, the name, address, and employer, or occupation if self-employed, of the contributor must then be listed on the report.

(d) The report must disclose the aggregate value of all Minnesota Civic Fund credits redeemed under section 10B.08 by the reporting entity during the reporting period.

(e) The report must disclose the sum of contributions to the reporting entity during the reporting period.

~~(e)~~ (f) The report must disclose each loan made or received by the reporting entity within the year in aggregate in excess of \$200, continuously reported until repaid or forgiven, together with the name, address, occupation, principal place of business, if any, and registration number if registered with the board of the lender and any endorser and the date and amount of the loan. If a loan made to the principal campaign committee of a candidate is forgiven or is repaid by an entity other than that principal campaign committee, it must be reported as a contribution for the year in which the loan was made.

~~(f)~~ (g) The report must disclose each receipt over \$200 during the reporting period not otherwise listed under paragraphs (c) to ~~(e)~~ (f).

~~(g)~~ (h) The report must disclose the sum of all receipts of the reporting entity during the reporting period.

~~(h)~~ (i) The report must disclose the name, address, and registration number if registered with the board of each individual or association to whom aggregate expenditures, approved expenditures, independent expenditures, and ballot question expenditures have been made by or on behalf of the reporting entity within the year in excess of \$200, together with the

amount, date, and purpose of each expenditure, including an explanation of how the expenditure was used, and the name and address of, and office sought by, each candidate or local candidate on whose behalf the expenditure was made, identification of the ballot question that the expenditure was intended to promote or defeat and an indication of whether the expenditure was to promote or to defeat the ballot question, and in the case of independent expenditures made in opposition to a candidate or local candidate, the candidate's or local candidate's name, address, and office sought. A reporting entity making an expenditure on behalf of more than one candidate or local candidate must allocate the expenditure among the candidates and local candidates on a reasonable cost basis and report the allocation for each candidate or local candidate. The report must list on separate schedules any independent expenditures made on behalf of local candidates and any expenditures made for ballot questions as defined in section 10A.01, subdivision 7, clause (2), (3), or (4).

~~(j)~~ (j) The report must disclose the sum of all expenditures made by or on behalf of the reporting entity during the reporting period.

~~(k)~~ (k) The report must disclose the amount and nature of an advance of credit incurred by the reporting entity, continuously reported until paid or forgiven. If an advance of credit incurred by the principal campaign committee of a candidate is forgiven by the creditor or paid by an entity other than that principal campaign committee, it must be reported as a donation in kind for the year in which the advance of credit was made.

~~(l)~~ (l) The report must disclose the name, address, and registration number if registered with the board of each political committee, political fund, principal campaign committee, local candidate, or party unit to which contributions have been made that aggregate in excess of \$200 within the year and the amount and date of each contribution. The report must list on separate schedules any contributions made to state candidates' principal campaign committees and any contributions made to local candidates.

~~(m)~~ (m) The report must disclose the sum of all contributions made by the reporting entity during the reporting period and must separately disclose the sum of all contributions made to local candidates by the reporting entity during the reporting period.

~~(n)~~ (n) The report must disclose the name, address, and registration number if registered with the board of each individual or association to whom noncampaign disbursements have been made that aggregate in excess of \$200 within the year by or on behalf of the reporting entity and the amount, date, and purpose of each noncampaign disbursement, including an explanation of how the expenditure was used.

~~(n)~~ (o) The report must disclose the sum of all noncampaign disbursements made within the year by or on behalf of the reporting entity.

~~(o)~~ (p) The report must disclose the name and address of a nonprofit corporation that provides administrative assistance to a political committee or political fund as authorized by section 211B.15, subdivision 17, the type of administrative assistance provided, and the aggregate fair market value of each type of assistance provided to the political committee or political fund during the reporting period.

~~(p)~~ (q) Legislative, statewide, and judicial candidates, party units, and political committees and funds must itemize contributions that in aggregate within the year exceed \$200 for legislative or statewide candidates or more than \$500 for ballot questions on reports submitted to the board. The itemization must include the date on which the contribution was received, the individual or association that provided the contribution, and the address of the contributor. Additionally, the itemization for a donation in kind must provide a description of the item or service received. Contributions that are less than the itemization amount must be reported as an aggregate total.

~~(q)~~ (r) Legislative, statewide, and judicial candidates, party units, political committees and funds, and committees to promote or defeat a ballot question must itemize expenditures and noncampaign disbursements that in aggregate exceed \$200 in a calendar year on reports submitted to the board. The itemization must include the date on which the committee made or became obligated to make the expenditure or disbursement, the name and address of the vendor that provided the service or item purchased, and a description of the service or item purchased, including an explanation of how the expenditure was used. Expenditures and noncampaign disbursements must be listed on the report alphabetically by vendor.

Sec. 5. Minnesota Statutes 2024, section 10A.322, subdivision 4, is amended to read:

Subd. 4. **Refund receipt forms; penalty.** (a) The board must make available to a political party on request and to any candidate for whom an agreement under this section is effective, a supply of official refund receipt forms that state in boldface type that:

(1) a contributor who is given a receipt form is eligible to claim a refund as provided in section 290.06, subdivision 23; and

(2) if the contribution is to a candidate, that the candidate has signed an agreement to limit campaign expenditures as provided in this section.

The forms must provide duplicate copies of the receipt to be attached to the contributor's claim.

(b) The willful issuance of an official refund receipt form or a facsimile of one to any of the candidate's contributors by a candidate or treasurer of a candidate who did not sign an agreement under this section is subject to a civil penalty of up to \$3,000 imposed by the board.

(c) The willful issuance of an official refund receipt form or a facsimile to an individual not eligible to claim a refund under section 290.06, subdivision 23, is subject to a civil penalty of up to \$3,000 imposed by the board.

(d) A violation of paragraph (b) or (c) is a misdemeanor.

(e) A candidate or political party must not issue refund receipt forms after December 31, 2027.

Sec. 6. Minnesota Statutes 2024, section 10A.34, subdivision 4, is amended to read:

Subd. 4. **Penalty for violations of chapter 10B or 211B under board's jurisdiction.** If a civil penalty is not specified in chapter 10B, or a section of chapter 211B brought under the board's jurisdiction by section 10A.022, subdivision 3, the board may impose a civil penalty of up to \$3,000.

Sec. 7. **[10B.01] DEFINITIONS.**

(a) For purposes of this chapter, the terms defined in this section have the meanings given. The definitions in section 10A.01 apply to this chapter unless otherwise provided.

(b) "Donor" means an individual who receives a civic fund credit pursuant to the provisions of this chapter.

(c) "Minnesota Civic Fund program" or "civic fund" or "program" means the program established in this chapter.

(d) "Qualified candidate or political party" means a candidate or political party that is qualified under section 10B.07 to participate in the civic fund program.

Sec. 8. **[10B.02] MINNESOTA CIVIC FUND CREDITS.**

Subdivision 1. **Automatic participation.** No later than February 1 of each year, the secretary of state must provide the board with the voter public information list described in section 201.091. No later than March 1 of each year, the board must provide notice to each person on the list about the civic fund program. The notice must include the information in subdivision 3. Unless the person requests that the notification be delivered by email, the board must mail the notice to the address provided in the list.

7.1 Subd. 2. **Optional participation.** Any individual who does not have an active registration
7.2 in the statewide voter registration system but who resides in Minnesota and is a citizen or
7.3 lawful permanent resident may submit a written request to the board to participate in the
7.4 program. A request under this subdivision may be submitted to the board between January
7.5 1 and July 1 of each year. The board must prescribe a form for this purpose. At a minimum,
7.6 the form must require: the person's name, the person's mailing address in Minnesota, an
7.7 option to provide an email address, and an attestation that the person is eligible to participate
7.8 in the program. Upon receiving a properly completed form, the board must send a notice
7.9 in subdivision 3.

7.10 Subd. 3. **Notice.** (a) The notice must include:

7.11 (1) the person's name;

7.12 (2) a unique civic fund credit identification number;

7.13 (3) an explanation that the person may direct the credit to a qualifying principal campaign
7.14 committee or political party unit in increments of \$25, and instructions on how to do so;

7.15 (4) a statement that the credit has no cash value, is not transferable, and may be donated
7.16 only as provided by the laws and rules governing the program;

7.17 (5) instructions on how to request future communications regarding the civic fund
7.18 program be sent by email; and

7.19 (6) any other information the board finds will assist donors in fully participating in the
7.20 program.

7.21 (b) The notice must be mailed to the address on the voter public information list provided
7.22 to the board, unless:

7.23 (1) the person makes a written request to the board that the notice be delivered by email
7.24 and provides an email address. The email address does not have to match the email address
7.25 on the person's voter registration record;

7.26 (2) the person makes a written request to the board that the notice be delivered to a
7.27 different mailing address, provided that the address is located in Minnesota; or

7.28 (3) the person opts in to the program pursuant to subdivision 2, in which case the notice
7.29 must be sent to the email or mailing address provided by the person.

8.1 Sec. 9. **[10B.04] ASSIGNMENT OF CREDIT.**

8.2 Subdivision 1. **Assignment.** (a) Civic fund credits must be assigned as provided in this
8.3 section. A donor may assign civic fund credits to a qualified candidate or political party
8.4 electronically, by mail, or in person as provided in this section. A donor may only assign a
8.5 civic fund credit to a qualified candidate who represents the address or location where the
8.6 donor maintains residence. A donor must assign civic fund credits in \$25 increments.

8.7 (b) At the time a credit is assigned, the donor must provide: the donor's name, the donor's
8.8 address of residence or physical description of the location of their residence, the donor's
8.9 mailing address or email address to which the notice under section 10B.02 was sent, the
8.10 donor's unique civic fund identification number, and the amount of the donation in \$25
8.11 increments. The donor must sign to acknowledge that they have the right to donate the credit
8.12 and have not exceeded \$100 in civic credit donations.

8.13 (c) A donor may be assisted in assigning a civic fund credit by a person of the donor's
8.14 choosing, except by an agent of the donor's employer or union.

8.15 Subd. 2. **Deadline for assignment.** A civic fund credit must be assigned to a qualified
8.16 candidate or political party unit no later than 30 days following the date of the next state
8.17 general election occurring after the credit was issued.

8.18 Subd. 3. **Assignment is irrevocable.** The valid assignment of a credit is irrevocable. In
8.19 making an assignment, the holder of the credit assumes the risk that the credit may not be
8.20 redeemed by the candidate or political party unit to which it is assigned.

8.21 Subd. 4. **Chapter 325L applies.** Chapter 325L applies to civic fund credits assigned,
8.22 delivered, or submitted for redemption under this chapter in an electronic format.

8.23 Sec. 10. **[10B.05] NO CASH VALUE.**

8.24 Civic fund credits have no cash value and are not assets, income, or the property of the
8.25 holder to which a credit is issued.

8.26 Sec. 11. **[10B.06] PROHIBITIONS.**

8.27 Assignment or transfer of a civic fund credit for cash or other consideration is prohibited.
8.28 A person may not offer to purchase, buy, or sell a credit and may not transfer it as a gift to
8.29 any other person. A credit may not be assigned by proxy, power of attorney, or agent.

9.1 Sec. 12. **[10B.07] QUALIFICATION OF CANDIDATES AND POLITICAL**
9.2 **PARTIES.**

9.3 Subdivision 1. **Candidate qualification.** (a) To be qualified for assignment or redemption
9.4 of a civic fund credit, a candidate must, as of the time the credit is redeemed:

9.5 (1) have designated a principal campaign committee that is currently registered under
9.6 chapter 10A;

9.7 (2) be seeking an office for which voluntary spending limits are specified in section
9.8 10A.25;

9.9 (3) have signed and be currently bound by an agreement governed by section 10A.322;
9.10 and

9.11 (4) have collected the requisite number of small contributions as provided in subdivision
9.12 2.

9.13 (b) A candidate is no longer qualified to receive by assignment or redeem a credit if:

9.14 (1) the candidate does not file for office;

9.15 (2) the candidate fails to advance to a general election following a primary election for
9.16 the office to which the candidate is seeking election; or

9.17 (3) the candidate is determined to be in violation of the terms of the agreement to limit
9.18 campaign expenditures provided in section 10A.322.

9.19 Subd. 2. **Small contributions.** The candidate must have collected contributions from
9.20 individuals eligible to participate in the program who maintain residence in the area
9.21 represented by the candidate in at least the amount indicated for the office sought, counting
9.22 only the first \$50 received from each contributor, excluding in-kind contributions, as follows:

9.23 (1) candidates for governor and lieutenant governor running together, \$35,000;

9.24 (2) candidates for attorney general, \$15,000;

9.25 (3) candidates for secretary of state and state auditor, separately, \$6,000;

9.26 (4) candidates for the senate, \$3,000; and

9.27 (5) candidates for the house of representatives, \$1,500.

9.28 Subd. 3. **Political party unit qualification.** To be qualified for assignment or redemption
9.29 of a civic fund credit, a political party, as of the time the credit is redeemed, must be a unit
9.30 of a major political party unit as defined in section 200.02, subdivision 7, or a minor political

10.1 party unit qualifying for inclusion on the income tax or property tax refund form under
10.2 section 10A.31, subdivision 3a.

10.3 Sec. 13. **[10B.08] REDEMPTION OF CREDITS; DISTRIBUTION OF**
10.4 **CONTRIBUTIONS.**

10.5 Subdivision 1. **Redemption value cap.** (a) As used in this section, the "redemption
10.6 value cap" means the maximum aggregate dollar value of credits that may be redeemed by
10.7 qualified candidates and political parties in a calendar year.

10.8 (b) For calendar years 2025 and 2026, and each two-year period thereafter until an
10.9 increase is required under this paragraph, the redemption value cap for each year is an
10.10 amount equal to eight percent of the total dollar value of all credits issued by the board in
10.11 that year. If, as of December 31 of an even-numbered year, the dollar value of all credits
10.12 redeemed during that year and the immediately preceding odd-numbered year exceeds 75
10.13 percent of the aggregated redemption value cap for those two years, the redemption value
10.14 cap must be increased by an additional two percent of the total value of all credits issued
10.15 by the board each year, beginning in the next odd-numbered year and for every year
10.16 thereafter. The redemption value cap may be subsequently increased in two percent
10.17 increments according to the standards in this paragraph but may not exceed 16 percent of
10.18 the total value of credits issued unless otherwise expressly authorized by law. No later than
10.19 January 30 of each year, the board, in consultation with the commissioner of management
10.20 and budget, must certify the applicable redemption value cap that applies during that year.

10.21 Subd. 2. **Redemption procedures.** A qualified candidate or political party that has been
10.22 assigned a civic fund credit may submit it to the board for redemption as provided in this
10.23 section. A candidate may only redeem credits that, in the aggregate, equal no more than ...
10.24 percent of the spending limits in section 10A.25 for the applicable office. A political party
10.25 may only redeem credits that, in the aggregate, total no more than \$.....

10.26 Subd. 3. **Verification.** (a) The board must verify the following before redeeming a credit:

10.27 (1) the qualification of the receiving candidate or political party unit;

10.28 (2) the name of the person, the person's mailing address or email address, and the civic
10.29 fund credit identification number match the board's records;

10.30 (3) for credits being redeemed by legislative candidates, that the donor's address of
10.31 residence or physical description of the location of the donor's residence is located in the
10.32 area represented by the legislator;

10.33 (4) that the donor has not exceeded \$100 in civic fund donations;

11.1 (5) whether redemption of the credit would result in the candidate receiving a contribution
11.2 in excess of the amounts authorized by law; and

11.3 (6) whether redemption of the credit would cause the total dollar value of redeemed
11.4 credits to exceed the redemption value cap.

11.5 (b) The board may require the assigned candidate or political party unit to submit
11.6 documents or records necessary to complete the verifications required by this subdivision.

11.7 Subd. 4. **Distribution of contribution.** Upon determination that the credit is valid for
11.8 redemption, the board must disburse the value of the credit to the assigned candidate's
11.9 principal campaign committee, to the treasurer of the assigned political party unit. The board
11.10 may adopt procedures for disbursement of the contribution through an electronic funds
11.11 transfer to the committee or party unit. These procedures are exempt from chapter 14, and
11.12 section 14.386 does not apply. A qualified candidate or political party must submit credits
11.13 for redemption on or before December 31 in the year in which the credit was issued.

11.14 Subd. 5. **Effect of credits on contribution reporting and limits.** The value of the credit,
11.15 once redeemed, must be recorded as a contribution made in the name of the person to whom
11.16 the credit is issued. Redeemed credits must be included in the calculation of that person's
11.17 contributions for purposes of reporting under section 10A.20, subdivision 3, and for purposes
11.18 of the contribution limits established in section 10A.27.

11.19 Subd. 6. **Redemption and distribution schedule.** The board must promptly verify all
11.20 assigned credits received by the board, regardless of the method of submission. The board
11.21 must redeem all properly verified credits and distribute contributions:

11.22 (1) no less than one time per week beginning 60 days prior to the date of a state primary
11.23 or state general election;

11.24 (2) to the extent practical, no less than one time per week during the campaign period
11.25 preceding a special primary or special general election as determined by the board; and

11.26 (3) during the rest of the year, no less than two times per month.

11.27 Subd. 7. **Appropriation.** Amounts necessary to redeem credits and administer the
11.28 program required under this chapter are appropriated annually from the general fund to the
11.29 board. The amount appropriated to the board for credit redemption may not exceed the
11.30 redemption value cap in any year.

12.1 Sec. 14. **[10B.09] USE OF CONTRIBUTION.**

12.2 A contribution received by a principal campaign committee or political party under this
12.3 chapter may only be used for purposes authorized under chapter 10A or section 211B.12.

12.4 Sec. 15. **[10B.10] RETURN OF PROCEEDS.**

12.5 A qualified candidate that has unspent proceeds from redeemed civic fund credits must
12.6 return the unspent funds to the board by January 31 in the year after the candidate was on
12.7 the general election ballot. A qualified political party that has unspent proceeds from
12.8 redeemed civic fund credits must return the unspent funds.

12.9 Sec. 16. **[10B.11] VIOLATIONS; ENFORCEMENT.**

12.10 The board may make audits and investigations with respect to the requirements of this
12.11 chapter, consistent with the authority, procedures, and remedies provided in sections 10A.022
12.12 and 10A.34.

12.13 Sec. 17. Minnesota Statutes 2024, section 289A.37, subdivision 2, is amended to read:

12.14 Subd. 2. **Erroneous refunds.** (a) Except as provided in paragraph (b), an erroneous
12.15 refund occurs when the commissioner issues a payment to a person that exceeds the amount
12.16 the person is entitled to receive under law. An erroneous refund is considered an
12.17 underpayment of tax on the date issued.

12.18 (b) To the extent that the amount paid does not exceed the amount claimed by the
12.19 taxpayer, an erroneous refund does not include the following:

12.20 (1) any amount of a refund or credit paid pursuant to a claim for refund filed by a
12.21 taxpayer, including but not limited to refunds of claims made under section ~~290.06~~,
12.22 ~~subdivision 23~~; 290.067; 290.0671; 290.0672; 290.0674; 290.0675; 290.0677; 290.068;
12.23 290.0681; or 290.0692; or chapter 290A; or

12.24 (2) any amount paid pursuant to a claim for refund of an overpayment of tax filed by a
12.25 taxpayer.

12.26 (c) The commissioner may make an assessment to recover an erroneous refund at any
12.27 time within two years from the issuance of the erroneous refund. If all or part of the erroneous
12.28 refund was induced by fraud or misrepresentation of a material fact, the assessment may
12.29 be made at any time.

12.30 (d) Assessments of amounts that are not erroneous refunds under paragraph (b) must be
12.31 conducted under sections 289A.38 to 289A.382.

13.1 **EFFECTIVE DATE.** This section is effective April 16, 2028.

13.2 Sec. 18. Minnesota Statutes 2024, section 289A.50, subdivision 1, is amended to read:

13.3 Subdivision 1. **General right to refund.** (a) Subject to the requirements of this section
13.4 and section 289A.40, a taxpayer who has paid a tax in excess of the taxes lawfully due and
13.5 who files a written claim for refund will be refunded or credited the overpayment of the tax
13.6 determined by the commissioner to be erroneously paid.

13.7 (b) The claim must specify the name of the taxpayer, the date when and the period for
13.8 which the tax was paid, the kind of tax paid, the amount of the tax that the taxpayer claims
13.9 was erroneously paid, the grounds on which a refund is claimed, and other information
13.10 relative to the payment and in the form required by the commissioner. An income tax, estate
13.11 tax, or corporate franchise tax return, or amended return claiming an overpayment constitutes
13.12 a claim for refund.

13.13 (c) When, in the course of an examination, and within the time for requesting a refund,
13.14 the commissioner determines that there has been an overpayment of tax, the commissioner
13.15 shall refund or credit the overpayment to the taxpayer and no demand is necessary. If the
13.16 overpayment exceeds \$1, the amount of the overpayment must be refunded to the taxpayer.
13.17 If the amount of the overpayment is less than \$1, the commissioner is not required to refund.
13.18 In these situations, the commissioner does not have to make written findings or serve notice
13.19 by mail to the taxpayer.

13.20 (d) If the amount allowable as a credit for withholding, estimated taxes, or dependent
13.21 care exceeds the tax against which the credit is allowable, the amount of the excess is
13.22 considered an overpayment. ~~The refund allowed by section 290.06, subdivision 23, is also~~
13.23 ~~considered an overpayment.~~ The requirements of section 270C.33 do not apply to the
13.24 refunding of such an overpayment shown on the original return filed by a taxpayer.

13.25 (e) If the entertainment tax withheld at the source exceeds by \$1 or more the taxes,
13.26 penalties, and interest reported in the return of the entertainment entity or imposed by section
13.27 290.9201, the excess must be refunded to the entertainment entity. If the excess is less than
13.28 \$1, the commissioner need not refund that amount.

13.29 (f) If the surety deposit required for a construction contract exceeds the liability of the
13.30 out-of-state contractor, the commissioner shall refund the difference to the contractor.

13.31 (g) An action of the commissioner in refunding the amount of the overpayment does not
13.32 constitute a determination of the correctness of the return of the taxpayer.

14.1 (h) There is appropriated from the general fund to the commissioner of revenue the
14.2 amount necessary to pay refunds allowed under this section.

14.3 **EFFECTIVE DATE.** This section is effective April 16, 2028.

14.4 Sec. 19. Minnesota Statutes 2024, section 290.01, subdivision 6, is amended to read:

14.5 Subd. 6. **Taxpayer.** The term "taxpayer" means any person or corporation subject to a
14.6 tax imposed by this chapter. ~~For purposes of section 290.06, subdivision 23, the term~~
14.7 ~~"taxpayer" means an individual eligible to vote in Minnesota under section 201.014.~~

14.8 **EFFECTIVE DATE.** This section is effective April 16, 2028.

14.9 Sec. 20. Minnesota Statutes 2024, section 290.06, subdivision 23, is amended to read:

14.10 Subd. 23. **Refund of contributions to political parties and candidates.** (a) Until April
14.11 15, 2028, a taxpayer may claim a refund equal to the amount of the taxpayer's contributions
14.12 made in the calendar year to candidates and to a political party. The maximum refund for
14.13 an individual must not exceed \$75 and for a married couple, filing jointly, must not exceed
14.14 \$150. A refund of a contribution is allowed only if the taxpayer files a form required by the
14.15 commissioner and attaches to the form a copy of an official refund receipt form issued by
14.16 the candidate or party and signed by the candidate, the treasurer of the candidate's principal
14.17 campaign committee, or the chair or treasurer of the party unit, after the contribution was
14.18 received. The receipt forms must be numbered, and the data on the receipt that are not public
14.19 must be made available to the campaign finance and public disclosure board upon its request.
14.20 A claim must be filed with the commissioner no sooner than January 1 of the calendar year
14.21 in which the contribution was made and no later than April 15 of the calendar year following
14.22 the calendar year in which the contribution was made. A taxpayer may file only one claim
14.23 per calendar year. Amounts paid by the commissioner after June 15 of the calendar year
14.24 following the calendar year in which the contribution was made must include interest at the
14.25 rate specified in section 270C.405.

14.26 (b) No refund is allowed under this subdivision for a contribution to a candidate unless
14.27 the candidate:

14.28 (1) has signed an agreement to limit campaign expenditures as provided in section
14.29 10A.322;

14.30 (2) is seeking an office for which voluntary spending limits are specified in section
14.31 10A.25; and

14.32 (3) has designated a principal campaign committee.

This subdivision does not limit the campaign expenditures of a candidate who does not sign an agreement but accepts a contribution for which the contributor improperly claims a refund.

(c) For purposes of this subdivision, "political party" means a major political party as defined in section 200.02, subdivision 7, or a minor political party qualifying for inclusion on the income tax or property tax refund form under section 10A.31, subdivision 3a.

A "major party" or "minor party" includes the aggregate of that party's organization within each house of the legislature, the state party organization, and the party organization within congressional districts, counties, legislative districts, municipalities, and precincts.

"Candidate" means a candidate as defined in section 10A.01, subdivision 10, except a candidate for judicial office.

"Contribution" means a gift of money.

(d) The commissioner shall make copies of the form available to the public and candidates upon request.

(e) The following data collected or maintained by the commissioner under this subdivision are private: the identities of individuals claiming a refund, the identities of candidates to whom those individuals have made contributions, and the amount of each contribution.

(f) The commissioner shall report to the campaign finance and public disclosure board by each August 1 a summary showing the total number and aggregate amount of political contribution refunds made on behalf of each candidate and each political party. These data are public.

(g) The amount necessary to pay claims for the refund provided in this section is appropriated from the general fund to the commissioner of revenue.

(h) For a taxpayer who files a claim for refund via the Internet or other electronic means, the commissioner may accept the number on the official receipt as documentation that a contribution was made rather than the actual receipt as required by paragraph (a).

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 21. RULEMAKING.

The Campaign Finance and Public Disclosure Board may adopt rules using the expedited rulemaking process in section 14.389 to establish rules related to the Minnesota Civic Fund in chapter 10B.

16.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.

16.2 Sec. 22. **PUBLIC EDUCATION CAMPAIGN.**

16.3 (a) The Campaign Finance and Public Disclosure Board must conduct a public education
16.4 campaign to spread awareness of the Minnesota Civic Fund program under Minnesota
16.5 Statutes, chapter 10B, with a focus on lower-income communities. The board may make
16.6 grants to community organizations for community outreach and public education purposes.

16.7 (b) \$..... in fiscal year 2026 is appropriated from to the Campaign Finance and Public
16.8 Disclosure Board for purposes of this section. This is a onetime appropriation.

16.9 Sec. 23. **REPEALER.**

16.10 Minnesota Statutes 2024, sections 10A.322, subdivision 4; 13.4967, subdivision 2; and
16.11 290.06, subdivision 23, are repealed.

16.12 **EFFECTIVE DATE.** This section is effective January 1, 2028.

16.13 Sec. 24. **EFFECTIVE DATE; RULEMAKING.**

16.14 Unless otherwise specified, this act is effective January 1, 2026.

10A.322 SPENDING LIMIT AGREEMENTS.

Subd. 4. **Refund receipt forms; penalty.** (a) The board must make available to a political party on request and to any candidate for whom an agreement under this section is effective, a supply of official refund receipt forms that state in boldface type that:

(1) a contributor who is given a receipt form is eligible to claim a refund as provided in section 290.06, subdivision 23; and

(2) if the contribution is to a candidate, that the candidate has signed an agreement to limit campaign expenditures as provided in this section.

The forms must provide duplicate copies of the receipt to be attached to the contributor's claim.

(b) The willful issuance of an official refund receipt form or a facsimile of one to any of the candidate's contributors by a candidate or treasurer of a candidate who did not sign an agreement under this section is subject to a civil penalty of up to \$3,000 imposed by the board.

(c) The willful issuance of an official refund receipt form or a facsimile to an individual not eligible to claim a refund under section 290.06, subdivision 23, is subject to a civil penalty of up to \$3,000 imposed by the board.

(d) A violation of paragraph (b) or (c) is a misdemeanor.

13.4967 OTHER TAX DATA CODED ELSEWHERE.

Subd. 2. **Political contribution refund.** Certain political contribution refund data in the Revenue Department are classified under section 290.06, subdivision 23.

290.06 RATES OF TAX; CREDITS.

Subd. 23. **Refund of contributions to political parties and candidates.** (a) A taxpayer may claim a refund equal to the amount of the taxpayer's contributions made in the calendar year to candidates and to a political party. The maximum refund for an individual must not exceed \$75 and for a married couple, filing jointly, must not exceed \$150. A refund of a contribution is allowed only if the taxpayer files a form required by the commissioner and attaches to the form a copy of an official refund receipt form issued by the candidate or party and signed by the candidate, the treasurer of the candidate's principal campaign committee, or the chair or treasurer of the party unit, after the contribution was received. The receipt forms must be numbered, and the data on the receipt that are not public must be made available to the campaign finance and public disclosure board upon its request. A claim must be filed with the commissioner no sooner than January 1 of the calendar year in which the contribution was made and no later than April 15 of the calendar year following the calendar year in which the contribution was made. A taxpayer may file only one claim per calendar year. Amounts paid by the commissioner after June 15 of the calendar year following the calendar year in which the contribution was made must include interest at the rate specified in section 270C.405.

(b) No refund is allowed under this subdivision for a contribution to a candidate unless the candidate:

(1) has signed an agreement to limit campaign expenditures as provided in section 10A.322;

(2) is seeking an office for which voluntary spending limits are specified in section 10A.25; and

(3) has designated a principal campaign committee.

This subdivision does not limit the campaign expenditures of a candidate who does not sign an agreement but accepts a contribution for which the contributor improperly claims a refund.

(c) For purposes of this subdivision, "political party" means a major political party as defined in section 200.02, subdivision 7, or a minor political party qualifying for inclusion on the income tax or property tax refund form under section 10A.31, subdivision 3a.

A "major party" or "minor party" includes the aggregate of that party's organization within each house of the legislature, the state party organization, and the party organization within congressional districts, counties, legislative districts, municipalities, and precincts.

"Candidate" means a candidate as defined in section 10A.01, subdivision 10, except a candidate for judicial office.

APPENDIX
Repealed Minnesota Statutes: 25-03239

"Contribution" means a gift of money.

(d) The commissioner shall make copies of the form available to the public and candidates upon request.

(e) The following data collected or maintained by the commissioner under this subdivision are private: the identities of individuals claiming a refund, the identities of candidates to whom those individuals have made contributions, and the amount of each contribution.

(f) The commissioner shall report to the campaign finance and public disclosure board by each August 1 a summary showing the total number and aggregate amount of political contribution refunds made on behalf of each candidate and each political party. These data are public.

(g) The amount necessary to pay claims for the refund provided in this section is appropriated from the general fund to the commissioner of revenue.

(h) For a taxpayer who files a claim for refund via the Internet or other electronic means, the commissioner may accept the number on the official receipt as documentation that a contribution was made rather than the actual receipt as required by paragraph (a).