



February 5, 2025

Dear Members of the Senate Taxes Committee:

The Minnesota Chamber of Commerce represents over 6,300 businesses of all sizes and industries employing over 500,000 employees in Minnesota. We advocate for public policies to strengthen Minnesota's business climate and to help grow Minnesota's economy.

Ease of administration, certainty, and stability in a tax system are key principals for a sound revenue system. The administrative cost of complying with Minnesota's complex tax system can be a significant additional cost of doing business in this state. That's why we support Senate File 783 and thank Senator Nelson for her authorship of this taxpayer friendly bill.

The new private letter ruling (PLR) process established by SF 783 will help taxpayers voluntarily comply with Minnesota's tax laws. Minnesota is one of a very small number of states without a private letter ruling program.

Minnesota's complex and often confusing administration of taxes remains a significant challenge for businesses of all sizes. A PLR process would provide taxpayers and practitioners upfront clarity on how the Department of Revenue may interpret various tax laws and rules. Providing this additional clarification and guidance upfront will help

We urge your support of this bill adding an important new process for taxpayers which will improve voluntary compliance, reduce uncertainty, and reduce taxpayer costs.

Sincerely,

Brian Cook
Director of Taxes, Fiscal Policy, and Elections