



## **S.F. No. 2765 – Exemption for small rural ambulance services from the provider tax**

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**Section 1. Small rural ambulance services.** Exempts small rural ambulance services from the provider tax. A “small rural ambulance service” is an ambulance service that has a base of operations outside the seven-county metropolitan area and outside the cities of Duluth, Mankato, Moorhead, Rochester, and St. Cloud, and has annual gross revenues not exceeding \$10 million. Effective the later of January 1, 2026, or upon federal approval as provided in section 2.

**Section 2. Federal approval; waivers.** Authorizes the commissioner of human services to seek federal approval for a waiver from the federal requirement that a provider tax must be applied across all providers within a class (here, the “emergency ambulance services” class) to prevent a loss in federal financial participation in medical assistance. Effective the day following final enactment.

