

SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 2765

(SENATE AUTHORS: HAUSCHILD and Rest)		
DATE	D-PG	OFFICIAL STATUS
03/20/2025	922	Introduction and first reading Referred to Taxes
04/02/2025	1270	Comm report: No recommendation, re-referred to Health and Human Services
	1279	Author added Rest

1.1

A bill for an act

1.2

relating to taxation; exempting small rural ambulance services from health care

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gross receipts taxes; amending Minnesota Statutes 2024, section 295.52, by adding

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a subdivision.

1.5

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

1.6

Section 1. Minnesota Statutes 2024, section 295.52, is amended by adding a subdivision

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to read:

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Subd. 5a. Small rural ambulance services. (a) Small rural ambulance services are not

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subject to the tax under this section.

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(b) For purposes of this subdivision, "small rural ambulance service" means an ambulance

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service that:

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(1) has a base of operations, as defined in section 144E.001, located outside the

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metropolitan counties listed in section 473.121, subdivision 4, and outside the cities of

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Duluth, Mankato, Moorhead, Rochester, and St. Cloud; and

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(2) has annual gross revenues equal to or less than \$10,000,000.

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EFFECTIVE DATE. This section is effective January 1, 2026, or upon federal approval

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as provided in section 2, whichever is later. The commissioner of human services must

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notify the revisor of statutes when federal approval is obtained as provided in section 2.

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Sec. 2. FEDERAL APPROVAL; WAIVERS.

1.20

(a) The commissioner of human services must request, as the commissioner determines

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necessary, federal approval of the exemption from the health care-related tax under Minnesota

2.1 Statutes, section 295.52, subdivision 2, for small rural ambulance services, as provided in
2.2 section 1. The request must include a stipulation that the approval be given without loss of
2.3 eligibility for federal financial participation.

2.4 (b) To obtain the federal approval, the commissioner may apply for a waiver of the
2.5 federal broad-based requirement for health care-related taxes, the uniform requirement for
2.6 health care-related taxes, and any other provision of federal law necessary to be waived to
2.7 implement the exemption from the health care-related tax under Minnesota Statutes, section
2.8 295.52, subdivision 2, of small rural ambulance services.

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