



April 8th, 2025

Senator Ann Rest  
75 Rev. Dr. Martin Luther King Jr. Blvd.  
Capitol, Room 328  
St. Paul, MN 55155

Chair Rest and Senate Taxes Committee Members:

We Make Minnesota is a coalition of labor and community groups united in support of a fair tax code and a budget sufficient to meet the state's public investment needs. We are writing to state our support for SF 3197, which would establish a new excise tax on the data collection activities of social media platforms.

SF 3197 represents an important expansion of the Minnesota tax base to include extractive data collection practices that are common in many growing industries, but currently untaxed and largely unregulated. By expanding the tax base to include profitable data collection, SF 3197 will help meet growing public investment needs while also relieving upward pressure on tax rates in other areas. This will improve not just the sufficiency but the stability of our tax code, while ensuring that the largest and most profitable corporations pay their fair share.

The proposed per capita excise tax on data collection will raise revenue from companies that are often able to avoid taxation due to the intangible nature of their business. It will also ensure a public return on business models that are associated with a wide range of negative impacts, including invasive targeted marketing and declining mental health, especially among children.

Absent additional revenue, Minnesota will face untenable cuts to core programs that will hurt families, workers, and seniors in every community across the state. SF 3197 alone will not be sufficient to avoid the destructive cuts to basic services, but it represents an important step towards protecting Minnesotans and ensuring the state's long-term socioeconomic stability.

We thank you for this innovative proposal and hope you will include it in your omnibus tax bill.

Sincerely,

*Eric H Bernstein*

Eric Harris Bernstein, Coalition Director

