



November 26, 2018

Gov. Mark Dayton
Governor of Minnesota

Ryan Inman
Revisor of Statutes

Greg Hubinger, Director
Legislative Coordinating Commission

Select Minnesota House and Senate Committees
and Divisions

Full list of recipients at bottom

Re: Annual Report on Obsolete, Unnecessary, or Duplicative Rules, as Required by Minnesota Statutes, Section 14.05, Subdivision 5.

Dear Governor Dayton, Mr. Hubinger, Mr. Inman, and Committee Members:

Minnesota Statutes, section 14.05, subdivision 5, directs the Department of Revenue to report to you by December 1 of each year whether any of its rules are obsolete, unnecessary, or duplicative of other state or federal statutes or rules.

The rules of the Minnesota Department of Revenue fall within Chapters 8001 through 8175 of the Minnesota Rules. In addition, the Department of Revenue is responsible for Chapter 1950, the Minnesota State Board of Assessors' rules. The Department continues with an ongoing process to review all of its rules, to repeal obsolete and duplicative provisions, clarify current language and to recommend clean-up language.

Corporate Franchise Taxes:

The Department of Revenue reviewed Chapter 8034 and found no rules in this chapter that are obsolete, unnecessary, or duplicative of statutory provisions, such that they should be repealed.

Income Taxes:

In the previous report, the Department of Revenue reviewed Chapter 8002 and found that Part 8002.0200, subpart 4, is duplicative of statutory provisions and should be repealed. The Department will accomplish this through rulemaking, and has started that process. The Department has reviewed the remainder of the Chapters 8002, 8020, 8038, 8050, and 8093 and found no other rules in these chapters that are obsolete, unnecessary, or duplicative of statutory provisions, such that they should be repealed.

Withholding Taxes:

The Department of Revenue reviewed Chapter 8092 and found no rules in this chapter that are obsolete, unnecessary, or duplicative of statutory provisions, such that they should be repealed.

Sales & Use Taxes:

In the previous report, the Department of Revenue reviewed Chapter 8130 and found that Part 8130.9910 relating to the taxation of computer software is obsolete and should be repealed. The Department has now concluded that the better course is to amend the rule, and has started that process. The Department of Revenue reviewed the remainder of Chapter 8130 and found no other rules in this chapter that are obsolete, unnecessary, or duplicative of statutory provisions, such that they should be repealed.

Property Equalization, Ad Valorem Taxes, Utilities:

The Department of Revenue reviewed Chapter 8100 and found no rules in this chapter that are obsolete, unnecessary, or duplicative of statutory provisions, such that they should be repealed.

Ad Valorem Tax, Valuation and Assessment of Railroads:

In the previous report, the Department of Revenue reviewed Chapter 8106 and found that Part 8106.0800 is obsolete and should be revised or repealed. The Department continues to consider how best to accomplish this. The Department of Revenue reviewed the remainder of Chapter 8106 and found no other rules in this chapter that are obsolete, unnecessary, or duplicative of statutory provisions, such that they should be repealed.

Certificate of Real Estate Value:

The Department of Revenue reviewed Chapter 8110 and found no rules in this chapter that are obsolete, unnecessary, or duplicative of statutory provisions, such that they should be repealed.

Cigarette and Tobacco Product Taxes:

The Department of Revenue reviewed Chapter 8120 and found no rules in this chapter that were obsolete, unnecessary, or duplicative of statutory provisions, such that they should be repealed.

Metropolitan Solid Waste Landfill Fee:

In the previous report, the Department of Revenue reviewed Chapter 8121 previously found that 8121.0300, subpart 1 contained obsolete rates and should be repealed. The Department now concludes that the better course is to amend the rule to apply the correct rates, and has started that process. The Department of Revenue reviewed the remainder of Chapter 8121 and found no other rules in this chapter that are obsolete, unnecessary, or duplicative of statutory provisions, such that they should be repealed.

Lawful Gambling Tax:

The Department of Revenue reviewed Chapter 8122 and found no rules in this chapter that were obsolete, unnecessary, or duplicative of statutory provisions, such that they should be repealed.

Petroleum Tax:

The Department of Revenue reviewed Chapter 8125 and found no rules in this chapter that were obsolete, unnecessary, or duplicative of statutory provisions, such that they should be repealed.

Minnesota State Board of Assessors:

The Department of Revenue reviewed Chapter 1950 and found no rules in this chapter that were obsolete, unnecessary, or duplicative of statutory provisions, such that they should be repealed.

Tax Administration and Miscellaneous Provisions:

The Department of Revenue reviewed Chapters 8160, 8165, 8170, and 8175, and found they are not obsolete, unnecessary, or duplicative of statutory provisions, such that they should be repealed.

Continuing Process:

The Department of Revenue reviewed its rules and found no others became obsolete, unnecessary, or duplicative over the course of the last year.

Cost of Report:

In compliance with *Minnesota Statutes*, §3.197, the cost of preparing this report is \$660.00, which consists of staff time for the review of rules, legal research, and the time to complete this report.

Please contact me if you have any questions regarding this report or if I can provide further assistance.

Sincerely,



Celeste Marin
Rules Coordinator
Appeals and Legal Services Division
(651) 556-4077
celeste.marin@state.mn.us

c: Terese Mitchell, Director
Terese.Mitchell@state.mn.us
Cynthia Bauerly, Commissioner
Cynthia.Bauerly@state.mn.us
Lee Ho, Deputy Commissioner
Lee.Ho@state.mn.us
Paul Cumings, Manager for Tax Policy
Paul.Cumings@state.mn.us

This is the complete email address list for the Department of Revenue Annual Obsolete Rules Report:

Governor Mark Dayton

Erin.Campbell@state.mn.us

Shannon.Patrick@state.mn.us

Joanna.Dornfeld@state.mn.us

Ryan Inman

Revisor of Statutes

Ryan.Inman@revisor.mn.gov

Greg Hubinger, Director

Legislative Coordinating Commission

Greg.Hubinger@lcc.leg.mn

Kasey Gerkovich, Administrative Assistant

Kasey.Gerkovich@lcc.leg.mn

lcc@lcc.leg.mn

Legislative Reference Library

reports@lrl.leg.mn

Senate Taxes Committee

Senator Roger C. Chamberlain, Chair

Sen.Roger.Chamberlain@senate.mn

Brian Steinhoff, Committee Administrator

Brian.Steinhoff@senate.mn

Senate Taxes Committee

Senator Ann H. Rest, Ranking Minority Member

Sen.Ann.Rest@senate.mn

Senate Finance Committee

Senator Julie A. Rosen, Chair

Sen.Julie.Rosen@senate.mn

Brian Paro, Leadership Assistant

Brian.Paro@senate.mn

Senate Finance Committee

Senator Richard Cohen

Sen.Richard.Cohen@senate.mn

Senate State Government Finance and Policy and Elections Committee

Senator Mary Kiffmeyer, Chair

Sen.Mary.Kiffmeyer@senate.mn

Paul Carlson, Committee Administrator

Paul.Carlson@senate.mn

Senate State Government Finance and Policy and Elections Committee

Senator Jim Carlson, Ranking Minority Member

Sen.Jim.Carlson@senate.mn

Senate Local Government Committee

Senator Dan D. Hall, Chair

Sen.Dan.Hall@senate.mn

David Raisanen, Committee Administrator

David.Raisanen@senate.mn

Senate Local Government Committee

Patricia Torres Ray, Ranking Minority Member

Sen.Patricia.Torres.Ray@senate.mn

House Ways and Means Committee

Representative Jim Knoblach, Chair

Rep.Jim.Knoblach@house.mn

Harry Kennedy, Committee Administrator

Harry.Kennedy@house.mn

House Ways and Means Committee

Representative Lyndon Carlson, Sr., DFL Lead

Rep.Lyndon.Carlson@house.mn

House State Government Finance Committee

Representative Sarah Anderson, Chair

Rep.Sarah.Anderson@house.mn

John Hultquist, Committee Administrator

John.Hultquist@house.mn

House State Government Finance Committee

Representative Sheldon Johnson, DFL Lead

Rep.Sheldon.Johnson@house.mn

House Taxes Committee

Representative Greg Davids, Chair

Rep.Greg.Davids@house.mn

Stephen Rubis, Committee Administrator

Stephen.Rubis@house.mn

House Taxes Committee

Representative Paul Marquart, DFL Lead

Rep.Paul.Marquart@house.mn

House Property and Local Government Finance Division

Representative Steve Drazkowski, Chair

Rep.Steve.Drazkowski@house.mn

Stephen Rubis, Committee Administrator

Stephen.Rubis@house.mn

House Property and Local Government Finance Division

Representative Diane Loeffler

Rep.Diane.Loeffler@house.mn