



February 15, 2019

The Honorable Roger Chamberlain
Chair Senate Tax Committee

The Honorable Ann Rest
Ranking Member Senate Tax Committee

The Honorable Paul Marquart
Chair House Tax Committee

The Honorable Greg Davids
Ranking Member House Tax Committee

Dear Committee Chairs and Members:

Minnesota Statute 297G.03.6 requires the Minnesota Department of Revenue to provide an annual report on the Small Winery Credit that includes:

- Total credit amount claimed during the fiscal year
- Number of Minnesota and out-of-state wineries claiming the credit

Small wineries that produce 75,000 gallons or less of wine and cider in a calendar year qualify for this credit. They claim the credit against excise tax due on their wine and cider sales in the following fiscal year (July 1-June 30).

The following table shows Small Winery Credit amounts for fiscal year 2018. This first report covers six months because the credit started in the middle of the fiscal year (January 2018).

Reporting Period	Minnesota Wineries that Claimed Credit	Out-of-state Wineries that Claimed Credit	Total Tax Expenditure For the Credit
January 1 – June 30, 2018	55	0	\$36,250

Please contact my office if you have any questions or we can provide more information about this report.

Sincerely,

A handwritten signature in blue ink that reads 'Lee Ho'.

Lee Ho
Deputy Commissioner