



Annual Submission of Rulemaking Docket and Official Rulemaking Record

January 2019 – December 2019

1/15/2020

Minnesota Department of Revenue

600 Robert St. N,

St. Paul, MN 55101

651-556-6003

julia.bartusek@state.mn.us

<https://www.revenue.state.mn.us/minnesota-department-revenue>

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January 15, 2020

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House Tax Committee, Chair

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Senator Jim Carlson Senate Government Finance
and Policy and Elections, Ranking Minority

Representative Tony Albright, House State
Government Finance Division, GOP Lead

**Subject: Annual Submission of Rulemaking Docket and Official Rulemaking Record, as
Required by Minnesota Statutes, Section 14.116(a)**

Dear Legislators:

In 2012 the Legislature amended Minnesota Statutes, section 14.116 to include the following requirement:

“(a) By January 15 each year, each agency must submit its rulemaking docket maintained under section 14.366 and the official rulemaking record required under section 14.365 for any rule adopted during the preceding calendar year, to the chairs and ranking minority members of the legislative policy and budget committees with jurisdiction over the subject matter of the proposed rule.

Accordingly, the Department submits the following:

Adopted Rules

The Department of Revenue adopted three rule amendments in 2019, including a Minnesota State Board of Assessors rule amendment, for which the Department of Revenue is responsible.

- **Board of Assessors [R-04375](#)**, an amendment to Chapter 1950 related to Licensure, Education, Trainee Registration, Record Retention, and Reinstatement. The Board issued a Request for Comment in the Minnesota State Register on January 17, 2017. On November 19, 2018, the Board of Assessors published in the Minnesota State Register a Dual Notice of Intent to Adopt their proposed rules. The public comment period closed on December 20, 2018, and no hearings were requested. The Board signed the order adopting the rule on March 5, 2019, and published their adopted rules in the Minnesota State Register on Monday, April 1, 2019. The amendments to the rules became effective April 8, 2019.
- **Corporate Franchise [R-4460](#)**: an amendment to Minnesota Rule 8019.0405 to update the language of subparts 2(B) and 2(C), as well as repeal subpart 9, in order to conform with statutory changes made to Minn. Stat. 289A.08 in 2009 and Minn. Stat. 290.17 in 2013. The Department moved to amend these rules using the good cause exemption permitted by Minn. Stat. 14.388. On December 20, 2018, the Office of Administrative Hearings (“OAH”) approved the amendment. The Order to Adopt was signed by the Commissioner of Revenue on December 21, 2018, and filed with the Secretary of State on January 3, 2019. The final rule and Notice of Adoption was published in the State Register on January 22, 2019, and the rule change became effective January 22, 2019.
- **Metropolitan Solid Waste Landfill Fee [R-4539](#)**, an amendment to Minnesota Rules 8121.0300, 8121.0400, and 8121.0500 to update the rules due to statutory changes and advances in industry recordkeeping practices. The Department moved to amend these rules using the good cause exemption permitted by Minn. Stat. 14.388. On November 21, 2019, the Office of Administrative Hearings approved the amendments. The Order to Adopt was signed by the Commissioner of Revenue on December 13, 2019, and filed with the Secretary of State on December 23, 2019. The final rule and Notice of Adoption was published in the State Register on December 30, 2019 and rule change became effective December 30, 2019.

Rulemaking in Progress

The Department of Revenue has two active rulemaking projects at the end of 2019. These rule projects are on the website at http://www.revenue.state.mn.us/law_policy/Pages/Rules.aspx.

- **Board of Assessors [R-04631](#)**, a potential amendment to Chapter 1950 related to Licensure and Education. The Board published a Request for Comments in the Minnesota State Register on November 4, 2019.
- **Sales and Use [R-04459](#)**, a potential amendment to Minnesota Rules 8130.9910 to “update the scope of the computer software rule to better align with statutory changes made by the Legislature to conform with the Streamlined Sales Tax Agreement, recent court interpretation of the statutory changes, and new technological advances for computer software.” The Department published a Request for Comment in the Minnesota State Register on December 26, 2017. The Request for Comment closed on February 26, 2018. The Department then appointed an advisory committee of software and sales tax industry experts. The advisory committee met five times in

2018. The Department of Revenue is now drafting the proposed rule amendment and statement of need and reasonableness. The Department does not have a set timeframe for when it will submit its Notice of Intent to Adopt the rule amendment.

Please note that you also have access to the key documents for any agency rulemaking at the Revisor's website, <https://www.revisor.mn.gov/rules/status/>. You can search the State rulemaking documents by agency, keyword, rule type, dates, or statutory authority. You can open documents related to an adopted rule, or the documents already made public for a rule that is still being adopted.

Cost of Report

In compliance with Minnesota Statutes §3.197, the cost of preparing this report is \$325.00, which consists of staff time to prepare and review the report.

If you have any questions about this report, please contact me at (651) 556-4077.

Sincerely,

Celeste Marin

Celeste Marin
Rules Coordinator
Appeals and Legal Services Division
Celeste.Marin@state.mn.us