

Support Vendor Collection Allowance

This legislation invests in main street Minnesota. Brick and mortar businesses continue to be impacted by higher costs, burdensome mandates, and increased regulation that create competitive disadvantages with border communities and online retailers. A sales tax vendor collection allowance will help offset some of the cost incurred by Minnesota retailers for collecting and remitting sales tax on behalf of the state.

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STATES currently allow retailers a vendor allowance for collecting and remitting sales and use tax. Most of the states bordering Minnesota reimburse retailers for collecting and remitting sales and use tax.

According to a 2006 report by PriceWaterhouseCoopers, it **costs the average retailer 3.09%** of the tax they collect to administer sales and local taxes. Businesses in Minnesota currently pay a 100% of the costs associated with collecting and remitting state sales taxes, which includes employee training, point of sale system programming, accounting, remitting, and auditing.

In 2013, the Minnesota Legislature passed a reimbursement for collecting and remitting fees and taxes, **acknowledging continued and ongoing costs on businesses for collection.**

This legislation allows retailers to deduct and retain an allowance of the retailer's sales tax liability for their remittance period. All retailers would see a benefit from this legislation.

Legislators interested in supporting Minnesota businesses, providing fair compensation, and investing in main street Minnesota growth should support a vendor collection allowance !

MSSA
Minnesota Service Station
and Convenience Store Association

miba
MINNESOTA LICENSED BEVERAGE ASSOCIATION

**Cooperative
Network™**

RxMPhA
Minnesota Pharmacists Association


**Hospitality
MINNESOTA**

the
RETAILERSedge
Minnesota Retailers Association


MINNESOTA BEVERAGE
ASSOCIATION
Representing the bottlers & distributors of non-alcoholic beverages

NFIB
The Voice of Small Business.

**MIDWEST HARDWARE
ASSOCIATION**

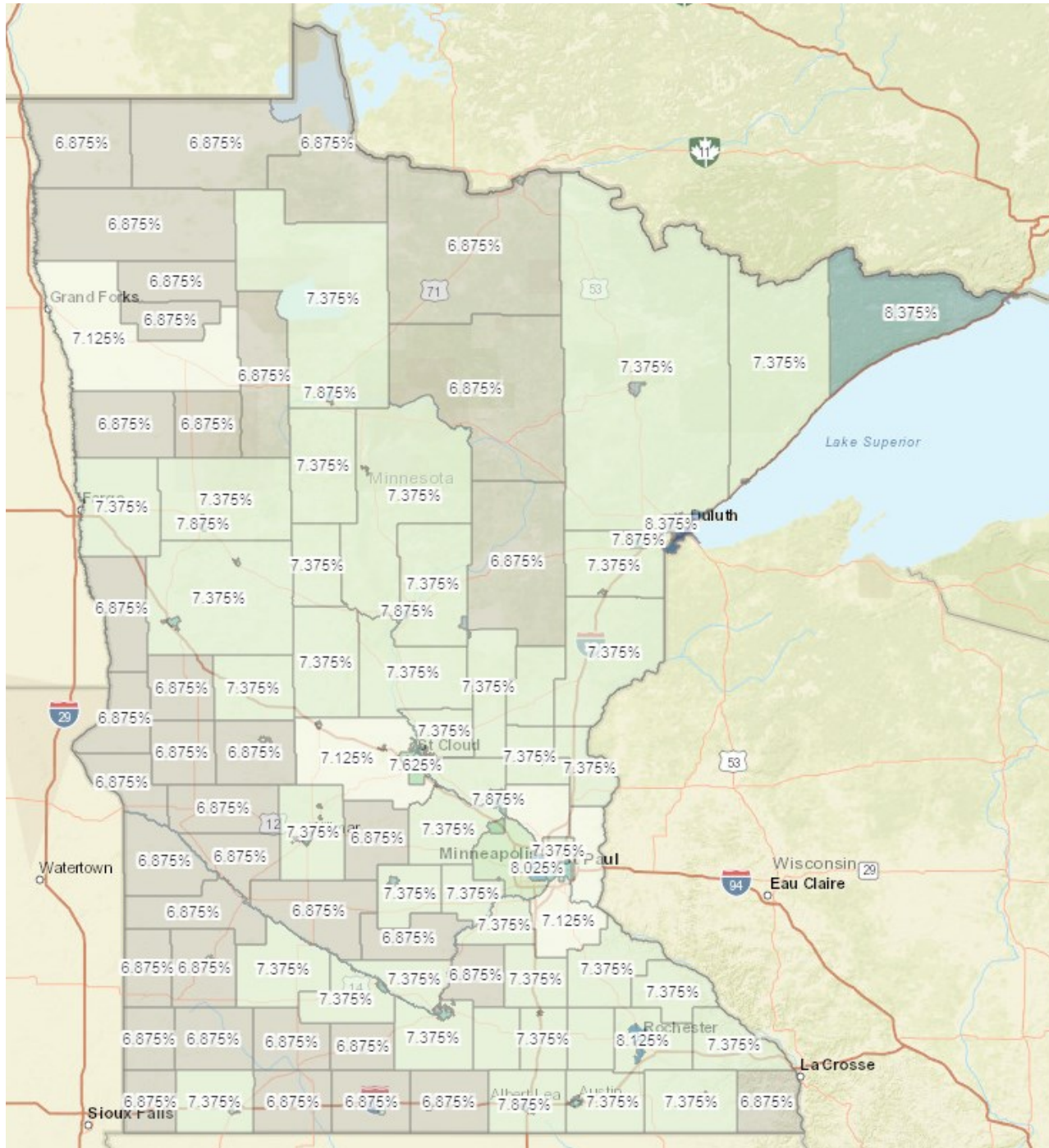
MINNESOTA GROCERS ASSOCIATION
MGA
CONSUMERS • CAREERS • COMMUNITY

MNLA
Minnesota Nursery &
Landscape Association

**MINNESOTA
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COMMERCE**
GROWING MINNESOTA

For more information, please contact Mike Karbo at 651-228-0973 or mkarbo@mngrocers.com.

Minnesota Department of Revenue Sales Tax Rate Map



Please note: This map does not include local sales and use taxes. Minnesota has local sales and use taxes in 45 cities and one sewer and water district. Retailers must collect and remit the local, county and state tax if applicable.