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## **S.F. No. 1432 – State General Tax Exemption for Certain Businesses (as proposed to be amended by A-1 Amendment)**

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**Date:** April 6, 2021

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**SF 1432** provides an exemption from the state general tax for property taxes payable in 2022 and 2023, for businesses that:

1. operate from a physical location in Minnesota and provide hospitality services to the public;  
and
2. was owned and leased by the business on January 2, 2020, and continues to be owned or leased by the business in the taxes payable year for which the exemption is sought.

For purposes of this proposal, eligible business include, but are not limited to, breweries, wineries, distilleries, bowling centers, hotels and motels, bars, and restaurants.

An exemption application must be filed with the Commissioner of Revenue by July 1<sup>st</sup> of the year prior to the taxes payable year for which an exemption is sought. Once an application for exemption is approved, the commissioner shall provide notice to each applicant and each county where the property is located. For taxes payable in 2022 and 2023, the commercial-industrial share of the state general tax shall be proportionately reduced.

**Effective** beginning with taxes payable in 2022.