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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE No. **1310**

February 22, 2007

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The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to taxation; providing a temporary reduction in lawful gambling tax rates;
1.3 amending Minnesota Statutes 2006, section 297E.02, by adding a subdivision.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. Minnesota Statutes 2006, section 297E.02, is amended by adding a
1.6 subdivision to read:

1.7 Subd. 12. Tax rates for fiscal years 2008 to 2010. (a) Notwithstanding the
1.8 provisions of subdivisions 1, 4, and 6, the tax rates under this subdivision apply in lieu of
1.9 the rates in those subdivisions for the periods specified.

1.10 (b) For purposes of subdivision 1, a rate of 6.4 percent must be used for gross
1.11 receipts received after June 30, 2007, and before July 1, 2010.

1.12 (c) For purposes of subdivision 4, paragraph (a), a tax rate of 1.3 percent applies
1.13 from July 1, 2007, through June 30, 2010, and a refund or credit rate of 1.5 percent applies
1.14 for the February 2008 and February 2011 monthly returns and a refund or credit rate of 1.3
1.15 percent applies for the February 2009 and February 2010 monthly returns.

1.16 (d) For purposes of subdivision 6, the following combined receipts tax rates apply
1.17 for fiscal years 2008, 2009, and 2010:

1.18	<u>If combined receipts for the fiscal</u>	<u>The tax is:</u>
1.19	<u>year are:</u>	
1.20	<u>Not over \$500,000</u>	<u>zero</u>
1.21	<u>Over \$500,000, but not over</u>	<u>1.3 percent of the amount over</u>
1.22	<u>\$700,000</u>	<u>\$500,000, but not over \$700,000</u>

2.1	<u>Over \$700,000, but not over</u>	<u>\$2,600 plus 2.6 percent of the</u>
2.2	<u>\$900,000</u>	<u>amount over \$700,000, but not</u>
2.3		<u>over \$900,000</u>
2.4	<u>Over \$900,000</u>	<u>\$7,800 plus 3.8 percent of the</u>
2.5		<u>amount over \$900,000</u>

2.6 **EFFECTIVE DATE.** This section is effective on July 1, 2007.