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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 622

1.1 A bill for an act
1.2 relating to taxation; individual income; allowing gasoline dealers a refundable
1.3 credit for sales of gasoline blended with ethanol; proposing coding for new law
1.4 in Minnesota Statutes, chapter 290.

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

1.6 Section 1. 290.0693] CREDIT FOR ETHANOL RETAILERS.

1.7 Subdivision 1. Definitions. For the purposes of this section, the following terms have
1.8 the meanings given:

1.9 (1) "dealer" has the meaning given in section 296A.01, subdivision 13; and

1.10 (2) "higher ethanol blend" means gasoline blended with ethanol as defined in section
1.11 239.761, subdivision 4, that contains at least 15 percent ethanol but no more than 85 percent
1.12 ethanol.

1.13 Subd. 2. Credit allowed. A dealer that is subject to the tax imposed under section 290.03
1.14 is allowed a credit against the tax imposed under this chapter equal to five cents per gallon
1.15 of higher ethanol blend the dealer sells and dispenses through metered pumps at the dealer's
1.16 retail service station in a taxable year.

1.17 Subd. 3. Pass-through entities. Credits granted to a partnership, a limited liability
1.18 company taxed as a partnership, or S corporation are passed through to the partners, members,
1.19 shareholders, or owners, respectively, pro rata to each partner, member, shareholder, or
1.20 owner based on their share of the entity's assets or as specially allocated in their
1.21 organizational documents or any other executed agreement as of the last day of the taxable
1.22 year.

2.1 Subd. 4. **Credit refundable.** If the amount of credit that a claimant is eligible to receive
2.2 under this section exceeds the claimant's tax liability under this chapter, the commissioner
2.3 shall refund the excess to the claimant.

2.4 Subd. 5. **Appropriation.** An amount sufficient to pay the refunds required under this
2.5 section is appropriated from the general fund to the commissioner of revenue.

2.6 Subd. 6. **Sunset.** This section expires for taxable years beginning after December 31,
2.7 2024.

2.8 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
2.9 31, 2020.