

**SENATE
STATE OF MINNESOTA
NINETIETH SESSION**

S.F. No. 3730

(SENATE AUTHORS: LITTLE)

DATE
03/21/2018

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Introduction and first reading
Referred to Taxes

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to taxation; sales and use; exempting prepared food used in certain nonprofit
1.3 food programs; amending Minnesota Statutes 2016, section 297A.70, by adding
1.4 a subdivision.

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

1.6 Section 1. Minnesota Statutes 2016, section 297A.70, is amended by adding a subdivision
1.7 to read:

1.8 Subd. 21. Prepared food used by certain nonprofits. Sales of prepared food to a
1.9 nonprofit organization that, as part of its charitable mission, is sponsoring and managing
1.10 the provision of meals and other food through the federal Child and Adult Care Food Program
1.11 to unaffiliated centers and sites are exempt from sales tax. Only prepared food purchased
1.12 from a caterer or other business under a contract with the nonprofit and used directly in the
1.13 Child and Adult Care Food Program qualifies for this exemption. Prepared food purchased
1.14 by the nonprofit for other purposes remains taxable.

1.15 EFFECTIVE DATE. This section is effective for sales and purchases made after June
1.16 30, 2018.