

SF878 - 0 - Retail Delivery Fee Modified

Chief Author: **Nick Frentz**
 Committee: **Transportation**
 Date Completed: **2/11/2025 4:11:21 PM**
 Agency: **Revenue Dept**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue	X	
Information Technology		X
Local Fiscal Impact		
		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
		FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Joel Enders **Date:** 2/11/2025 4:11:21 PM
Phone: 651-284-6542 **Email:** joel.enders@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029	
Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

This bill exempts the delivery of liquid fuels from the Retail Delivery Fee.

Section 1 amends Minnesota Statutes 168E.01 by adding a definition for fuel products.

Section 2 amends Minnesota Statutes 168E.05 by adding retail delivery of fuel products to exempt transactions.

There is no effective date specified in the bill.

Assumptions

The Department of Revenue (Revenue) assumes a decrease in state tax revenue from the exemption of liquid fuels from the Retail Delivery Fee. Revenue assumes an effective date of August 1, 2025, as the bill does not provide one.

The Sales and Use Tax Division (SUT) assumes it will update the published guidance on our website and update our procedures to reflect the changes to the Retail Delivery Fee. This work will be completed by existing SUT staff in FY26.

Expenditure and/or Revenue Formula

This bill may have an impact on state tax revenues. An estimate of revenue impact is not included in this fiscal note. The Department of Revenue prioritizes revenue estimate requests for bills before Tax Committee and will provide one for this bill when it is before Tax Committee.

Long-Term Fiscal Considerations

N/A

Local Fiscal Impact

N/A

References/Sources

Agency staff provided information for this fiscal note.

Agency Contact:

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