

MINNESOTA • REVENUE

October 18, 2013

Craig Johnson, Executive Director
Streamlined Sales Tax Governing Board
100 Majestic Drive, Suite 400
Westby, WI 54667

Dear Mr. Johnson:

The letter is to address the concerns raised in the "Preliminary Report on 2013 Annual Recertification" concerning Minnesota's compliance with the Streamlined Sales and Use Tax Agreement.

Issues were raised concerning Minnesota's compliance in the following areas:

- 1. Repair and replacement parts for durable medical equipment for single patient use - marked taxable but H.F. 677 appears to exempt them.**

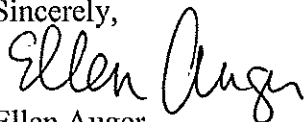
State response: The House File that is referenced above does exempt durable medical equipment for home use; however, non-home use remains taxable. "Home use" means that the equipment is sold to an individual for use at home, regardless of where the individual resides. This includes sales to individuals who are residents of facilities such as nursing homes, assisted care centers, or school dormitories. "Non-home use" means the equipment is sold to a facility such as a hospital, nursing home, medical clinic, dental office, chiropractor or optician office. We will need to add a column to the taxability matrix to include "Home use" as these items are now exempt per H.F. 677.

- 2. The citations given for payments due on days the Federal Reserve Bank is closed only address Saturdays, Sundays and legal holidays.**

State response: Although our statute does not specially address any additional days beyond Saturdays, Sundays, and legal holidays, administratively we honor any and all days that the Federal Reserve Bank is closed.

If you have questions or require additional information, please contact me directly.

Sincerely,



Ellen Auger
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Sales and Use Tax
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