July 31, 2013

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

Dear Mr. Johnson:

This letter is to certify that Minnesota is in compliance with all of the provisions of the Streamlined Sales and Use Tax Agreement (SSUTA).

Compliance related changes to statutes, regulations or written policies since August 1, 2012:

- **Section 317, Administration of Exemptions.** Legislation was passed, retroactively effective January 1, 2013, adopting the “good faith” definition. The definition had previously been adopted through administrative policy and operational procedure.

- **Section 328, Taxability Matrix; Section 332, Specified Digital Products; and Section 327, Library of Definitions.** Legislation defining and taxing “digital audio visual works,” “digital audio works,” “digital books,” “digital code,” “other digital products” and “specified digital products” was passed, effective for sales and purchases after June 30, 2013. “Other digital products” means the following items when transferred electronically: greeting cards; and online video and electronic games. Minnesota’s Taxability Matrix was updated accordingly.

Possible Issue:

- Last year the Compliance and Review and Interpretations Committee found Minnesota to be out-of-compliance with the definition of “prepared food” because Minnesota exempts ready-to-eat meat and seafood in an unheated state sold by weight. The difference in the prepared food definition has been noted in Minnesota’s Certificate of Compliance and/or Minnesota’s Taxability Matrix every year. However, during the December 12, 2012 Streamlined Sales Tax Governing Board meeting, Minnesota was not found to be out-of-compliance on this issue.

Enclosed are Minnesota’s updated Certificate of Compliance and Taxability Matrix for 2013. If you have questions or require additional information, please contact me directly.

Sincerely,

Keith Getschel, Assistant Commissioner
Minnesota Department of Revenue
Email: keith.getschel@state.mn.us
Phone: 651-556-6757

Enclosures: Certificate of Compliance
Taxability Matrix