

Minnesota Department of Revenue

HEARING CANCELLATION

In the Matter of the Proposed Rules of the Department of Revenue Governing Sales and Use Tax Consolidated Returns and Recordkeeping; Repealing Minnesota Rules, part 8130.7500, Subparts 3, 6, and 8 and Replacing with Minnesota Rules, Part 8130.7501; Cancellation of Hearing; OAH Docket No. 60-9032-37244; Revisor's ID Number R-04537.

Hearing Cancellation. In the September 27, 2021, State Register, on pages 317 to 323, the Department published a Notice of Intent to Adopt Rules relating to sales and use tax consolidated returns and recordkeeping. The Notice states a hearing would be held on the proposed rules if 25 or more persons submitted written requests for a hearing unless a sufficient number withdrew their requests in writing. In response to the Notice, the Department received 33 hearing requests. However, 23 of the 33 hearing requests were subsequently withdrawn. Consequently, there will be no hearing because there are now fewer than 25 hearing requests. The Department will adopt the rules without a hearing and then submit the rules and other required documents to the Chief Administrative Law Judge for review by the Office of Administrative Hearings. The Department considers all written comments when adopting rules.

Withdrawal of hearing requests. The hearing requesters who withdrew their hearing requests submitted identical comments. The withdrawal of the requests occurred after the Department agreed to amend the proposed rule. The amendment will make clear that a taxpayer required to produce a hardcopy record under the proposed rule can satisfy the requirement by producing a digital version of the hardcopy record, such as a portable document format or PDF. As a result of other public comments, the Department also agreed to amend the proposed rule to state that the Department "may" consider a taxpayer's failure to maintain accurate and complete records as evidence of taxpayer's negligence or intent to evade tax. Previously, the proposed rule would have required the Department to consider such a failure as evidence of negligence or intent to evade tax.

Contact Person. If you have comments or questions relating to the proposed rules, please contact the following agency contact person:

Jim Jordan
Minnesota Department of Revenue
600 N. Robert St.
Mail Station 220
St. Paul, MN 55146
jim.jordan@state.mn.us
(651) 556-4080

Rulemaking Record. This Notice and written comments the Department has received become part of the rulemaking record, which an Administrative Law Judge will review.

Date: January 25, 2022

Robert Doty, Commissioner
Minnesota Department of Revenue
