

# Minnesota Application for Business Registration

## Instruction Booklet

(Revised January 2002)

### Inside this booklet

- Instructions for registering your business for:
  - Minnesota sales and use tax, including local taxes
  - Withholding tax
  - Special taxes
  - Income or franchise tax
  - MinnesotaCare tax

### Need help registering your business?

We're ready to answer your questions.

**651-282-5225 or 1-800-657-3605**

TTY users: Call Minnesota Relay at 7-1-1

**Hours: 7:30—4:30, Monday through Friday**

*Information in this booklet is available in other formats upon request for persons with disabilities.*

You can find tax forms and information, pay your taxes on-line, and—for some tax types—file your return electronically, at  
**[www.taxes.state.mn.us](http://www.taxes.state.mn.us)**.



MINNESOTA • REVENUE

**To apply for a Minnesota ID number  
or notify our office of any changes**

**Call:** **651-282-5225** or  
**1-800-657-3605** (toll-free)

TTY users: 7-1-1 Minnesota Relay  
Service (ask for 1-800-657-3605)

**FAX:** your completed pages to  
**651-297-2265**

**Mail:** your completed pages to  
Minnesota Department of Revenue  
Mail Station 4410  
St. Paul, MN 55146-4410

## Other important phone numbers and websites

City of Duluth . . . . . 218-723-3271

Internal Revenue Service . . . [www.irs.gov](http://www.irs.gov)  
Request federal ID . . . 1-866-816-2065

To request a Minnesota UC number:  
651-296-6141 . . . . [www.mnwfc.org](http://www.mnwfc.org)

MN Secretary of State . 651-296-2803  
website . . . . . [www.sos.state.mn.us](http://www.sos.state.mn.us)

**MN Department of Revenue**  
website . . . . . [www.taxes.state.mn.us](http://www.taxes.state.mn.us)

Business Education  
651-297-4213 or 1-800-888-6231

Corporate franchise  
651-297-7000 or 1-800-366-2913

MinnesotaCare tax  
651-282-5533 or 1-800-657-3886

Order forms (automated)  
651-296-4444 or 1-800-657-3676

S corporation, fiduciary, partnership,  
estate  
651-296-3475 or 1-800-657-3871

Sales and use tax, including local taxes  
651-296-6181 or 1-800-657-3777

Special taxes  
651-297-1882 or 1-800-657-3618

Successor liability . . . . 651-296-7045

Withholding tax  
651-282-9999 or 1-800-657-3594

## Where to get forms

Website: You can find Minnesota tax  
forms, fact sheets, and tax-  
related information at—  
**[www.taxes.state.mn.us](http://www.taxes.state.mn.us)**

Call: 651-296-4444 or toll-free  
1-800-657-3676

# General information

## Minnesota ID number

You need a Minnesota tax ID number if you:

- make taxable sales or leases, or perform taxable services in Minnesota,
- are required to withhold or voluntarily withhold Minnesota income taxes from employees' wages,
- make estimated tax payments (other than individual),
- file a Minnesota corporate franchise, S corporation or partnership tax return,
- file fiduciary income tax returns as an estate, trust or personal representative,
- file or pay MinnesotaCare taxes or special taxes, such as alcohol, tobacco or insurance premium taxes,
- are a vendor of goods or services to a state government agency or a business receiving payments from a state agency, or
- have use tax to report (for information about use tax, download Sales Tax Fact Sheet 146, *Use Tax for Businesses*, or Sales Tax Fact Sheet 156, *Use Tax for Individuals*).

If you already have a Minnesota tax ID number, you may be required to apply for a new one if:

- your business changes its legal organization, or
- you are required to apply for a new federal tax ID number.

## Report business changes

If you change the name, address or ownership of your business; change officers; close your business; no longer have employees; or make any other change (even if it does not affect the status of your tax ID number); notify our office by calling 651-282-5225 or 1-800-657-3605. Be sure to have your current Minnesota ID number ready when you call, and include it on all correspondence.

Employers who cancel their Minnesota ID number for withholding are required to file a year-end return (if you're a quarterly filer) or an annual return (if you're an annual filer) within 30 days after the end of the period in which you cancel the number.

## Penalties

Minnesota law provides for a \$100 penalty if you do not apply for a tax ID number before the date you first withhold Minnesota taxes from an employee's wages. State law also provides for criminal penalties for making taxable retail sales in Minnesota before a Minnesota tax ID number is issued.

## Use of information

Under state law, most information on your application is nonpublic. The information that is nonpublic may not be given to others without your consent except to the Internal Revenue Service (IRS), other state agencies or other states that guarantee the same privacy. Information on this application may be used in connection with an audit of any tax return that you may be required to file with the Minnesota Department of Revenue. The information referring to business owners or corporate officers, including Social Security numbers, may be used to collect any sales, withholding and/or MinnesotaCare taxes that become delinquent. The Social Security numbers are required according to Minnesota Statutes (M.S.) 270.066; 290.92, subd. 24; and Rule 8130.2500, subp. 6.

## Successor liability

If you are buying or acquiring a business or its assets, it is your responsibility to check for sales or withholding tax liens filed against it by the Minnesota Department of Revenue. If you don't, you may be liable for the delinquent taxes of the business. This is true even if the acquisition is a gift.

If there is a lien, notify our office of the transfer at least 20 days **before** you buy or take possession of the assets. Be sure to include the Minnesota tax ID number of the transferring business. If you do not notify our office of the transfer, you may be liable for any unpaid sales and withholding taxes.

Do not attach your transfer notification to your *Application for Business Registration*, Form ABR. Instead, mail it separately to:

Minnesota Department of Revenue  
MCE—Successor Liability  
Mail Station 6550  
St. Paul, MN 55146-6550

For information or a fact sheet on successor liability, call 651-296-7045.

*continued next page*

---

## Power of Attorney

If you want to appoint an individual—such as an attorney, accountant, agent, tax return preparer, tax provider or any other person—to represent you as an attorney-in-fact or to perform certain acts on your behalf, you must complete, sign and return Form REV-184, *Power of Attorney*. You can download the form from our website at [www.taxes.state.mn.us](http://www.taxes.state.mn.us) or request a copy by calling 651-296-4444 or 1-800-657-3676.

Without a Form REV-184—or a similar notice that grants power of attorney—on file, the department may not discuss your state taxes with anyone else, unless permitted by law.

## Electronic filing and paying

Minnesota's new electronic file and pay system, **e-FILE Minnesota**, allows you—either over the Internet or by phone—to electronically pay all of your Minnesota taxes and to electronically file selected tax returns.

Both options are free and available 24 hours a day.



To electronically file or pay your tax, go to [www.taxes.state.mn.us](http://www.taxes.state.mn.us) and click on the **e-FILE Minnesota** logo. If you don't have Internet access, you can file or pay by calling **1-800-570-3329** from a touch-tone phone.

The **e-FILE Minnesota** system is secure and provides you with instant confirmation.

Complete details on your electronic filing and payment requirements will be provided when you receive your Minnesota ID number.

---

# All applicants

*If you currently have a Minnesota tax ID number and wish to report changes, register for an additional tax type or cancel your current number, please call the number listed at the top of page 2.*

To apply for a new Minnesota tax ID number, you must fill out pages 1 and 2 of Form ABR and the registration sections that apply to you. For example, if your corporation will employ Minnesota residents and make taxable sales, fill out pages 1 and 2 of Form ABR and the registration sections for withholding tax, sales and use tax, and income/franchise tax. Do not register for the tax types you are not required to collect or pay. If you are faxing or mailing in your application, return only the sections you fill out.

You must register for at least one tax type, unless you are applying for a tax ID number only to receive payment from a state agency.

The Department of Revenue will not issue a tax ID number more than one year in advance of beginning operations.

### Line 1

#### Federal tax ID number

Fill in your federal tax ID number. If you applied for a federal ID number but haven't received it, write in "applied for." Call our office when you receive your number. If you are not required to have a federal ID number, write in "NA" for not applicable.

If you need to request a federal tax ID number, call the IRS at 1-866-816-2065 (toll-free) or visit the IRS website at [www.irs.gov](http://www.irs.gov).

### Line 2

#### Current or prior Minnesota ID number(s)

A business organization needs only one Minnesota ID number to report and pay all tax types.

If your current or prior number is no longer being used (e.g., dissolution of a partnership, sale, closing or bankruptcy), fill in the effective date of the cancellation.

### Line 3

#### Reason you are applying

Check the appropriate box to show why you are completing this application.

If you purchased an existing business, you may be liable for any unpaid sales or withholding taxes the existing business may owe. Be sure to read "Successor Liability" on page 2.

If you receive grants or payments from a state agency for any reason, you are required to have a Minnesota ID number for informational purposes only.

### Line 9

#### Owners, partners, or officers

The identities of the owners, partners and officers—including Social Security numbers—are required under state law (M.S. 270.066; 290.92, subd. 24; and Rule 8130.2500, subp. 6).

Fill in the requested information for each owner, general partner or officer. If you need more space, attach a separate sheet.

Under certain circumstances, officers, partners or any other person who is responsible for filing returns and paying taxes may be personally liable for the business's unpaid taxes.

*continued next page*

# All applicants

## Line 10

### Legal organization

Read the descriptions below, and check the box to indicate your legal organization. If you are changing the type of legal organization, check the box to indicate your *new* legal organization type.

## Line 11

### Register for specific tax types

Check all the boxes for the tax types your business is required to collect or pay. For each box you check, fill out the registration section for that tax type.

For information on who must register for a specific business tax, see the instructions for that tax type on pages 5, 6 and 8. To determine the income or franchise tax you may be required to pay, see page 7.

**Example:** If you are a corporation that will make taxable sales and employ Minnesota residents, check the boxes for sales and use tax, withholding tax and corporate franchise. Also fill out the corresponding registration sections on pages 3, 4 and 5 of Form ABR.

## Line 13

### Goods and services provided

Tax rates for some items are different from the general Minnesota sales tax. If any of the following goods or services apply to your business, check the appropriate box on line 13:

- **Car rentals**—rentals of passenger cars, vans or pickup trucks (3/4 ton or less) leased or rented for periods of less than 29 days
- **Interstate trucking**—motor carriers engaged in interstate transportation of goods or passengers
- **Mobile homes**—manufacture, distribution, wholesale or retail sales of mobile homes or manufactured homes (not recreational vehicles)
- **On-sale/off-sale liquor**—sales of beer, wine and other alcoholic beverages sold at an on-sale or off-sale municipal liquor store or other establishment licensed to sell any type of intoxicating liquor. However, if you have *only* a 3.2 percent malt liquor license, do not check this box; the general sales tax rate applies.
- **Waste collection services**—collection and/or disposal of mixed municipal solid waste (garbage) and/or construction and demolition waste.

By checking any one of the above boxes, you will be instructed to separately report these goods and services when you file your sales tax return.

## Line 15a

### Free classes

The department offers free introductory seminars on sales and/or employment taxes at regional locations around the state and in

the metro area. These seminars—ranging from 1/2 day to one full day—provide:

- information you need to understand your role in collecting and filing sales or employment taxes,
- instructions on preparing your sales or employment tax returns,
- documentation requirements and record-keeping suggestions, and
- a seminar guidebook that serves as a reference for preparing your returns.

For more information or to register for a class, call the department at 651-297-4213 or toll-free 1-800-888-6231.

## Line 15b

### Information visits

Information visits are on-site training sessions with one of our Revenue Tax Specialists. The goal of these visits is to educate new businesses and provide a local contact to help with future sales and use tax issues.

Our visits—usually one to two hours in length—are customized to each individual business and cover such topics as taxable and nontaxable sales and purchases, electronic filing, and how to calculate and remit sales and use tax.

By spending a few hours educating new business owners, we hope to prevent expensive surprises if a sales tax audit is conducted in the future.

## Line 10—Types of legal organizations

Also see page 7 to determine if you are required to file an annual Minnesota income or franchise tax return.

- A **sole proprietor** is an individual who owns an unincorporated business not in partnership with others.
- You are an **S corporation** if you elected to be taxed under Subchapter S of the Internal Revenue Code (IRC).
- You are an **estate or trust (fiduciary)** for Minnesota tax purposes if you are required to file federal Form 1041, *U.S. Income Tax Return for Estates and Trusts*.
- A **partnership** is two or more persons or entities (e.g. two corporations).
- You are a **C corporation** if you are incorporated.
- A **cooperative** may be a corporation or an unincorporated association.
- A **limited liability partnership** is a general partnership that is registered as a limited liability partnership with the Minnesota Secretary of State.
- A **limited liability company (LLC)** is an authorized organization registered with the Minnesota Secretary of State.
  - An LLC with **one member only** may be taxed as a corporation or sole proprietorship. If the LLC chooses to be taxed as a sole proprietorship, there is no need to register the LLC unless a Minnesota ID number is required for another purpose.
  - An LLC with **two or more members** (e.g., partnerships and limited partnerships) may choose to be taxed as a partnership or corporation. Both federal and state ID numbers are required, even if the LLC has no employees.
- A **financial institution** is any national or state bank, bank holding company, savings and loan, or any other corporation doing business that a bank or other financial institution would be authorized to do, as defined in M.S. 290.01, subd. 4a.
- **Insurance companies** should check the box for insurance. This box is not for insurance agents or agencies.
- You are a **nonprofit organization** if you are exempt as defined in M.S. 290.05.
- **Nonprofit corporation** is the same as a corporation except that it cannot pay out dividends of its profits.

# Sales and use tax

## Who must register

You must register to collect sales tax if you make taxable retail sales in Minnesota. This includes sellers outside Minnesota who:

- have an office; distribution, sales, or sample room location; warehouse or other place of business in Minnesota, either directly or by a subsidiary;
- have a representative, agent, salesperson, canvasser, or solicitor in Minnesota, on either a permanent or temporary basis, who operates under the authority of the retailer or its subsidiary for any purpose, such as repairing, selling, delivering, installing, soliciting orders for the retailer's goods or services, or leasing tangible items in Minnesota;
- deliver items into Minnesota in their own vehicles; or
- provide taxable services in Minnesota.

See Revenue Notice #00-10, *Sales and Use Tax – Nexus Standards* for criteria on determining when an out-of-state retailer is required to register, collect and remit Minnesota sales or use tax on sales made into Minnesota.

If you make retail sales in any city or county with a local sales tax, you must also register to collect that local tax (see line 5).

If you sell only nontaxable items, you do not need to register.

If you do not make taxable sales, but make purchases subject to use tax, you must register to remit use tax.

It is against the law to make taxable retail sales or provide taxable services in Minnesota without being registered.

## After you register

A confirmation letter providing your tax ID number and a list of tax types activated for your business will be sent to you. Keep this letter for your records; it is used in place of a sales tax permit.

You will also receive sales and use tax instructions, rate charts and, in some cases, fact sheets that apply to your business.

## Line 2

### Months of operation

Skip line 2 if you do business year round.

If your business is seasonal, check the boxes for the months you normally operate. You will be required to electronically file returns for those months only. You must file returns even if there is no tax to report.

## Line 4

### Filing frequency

Your filing frequency is based on the average amount of sales tax you collect and the use tax you owe in one month. Check a box to indicate your filing cycle as monthly, quarterly or annually.

**One-time filing.** If you will make taxable sales in Minnesota at only one event or during one month and do not intend to make future taxable sales, check the box for one-time filing. Before you resume making

taxable sales, contact our office to reactivate your Minnesota tax ID number.

## Line 5

### Local taxes

If you are doing business—selling taxable items or performing taxable services—in any of the following cities or county that imposes a local tax, check the applicable boxes on line 5 to register for local authorization.

All local taxes are separate from, and in addition to, the Minnesota state general sales tax. Local taxes are subject to the same penalties, interest, and enforcement provisions as the state sales tax.

Local Taxes	Rate
Cook County—sales and use	1.0%
Duluth—sales and use	
call 218-723-3271 for information	
Hermantown—sales and use	0.5%
Mankato—sales and use	0.5%
Minneapolis	
sales and use	0.5%
lodging tax*	3.0%
entertainment tax	3.0%
downtown liquor tax	3.0%
downtown restaurant tax	3.0%
New Ulm—sales and use	0.5%
Proctor—sales and use	0.5%
Rochester	
sales and use	0.5%
lodging tax	3.0%
St. Cloud	
liquor tax	1.0%
food tax	1.0%
St. Paul—sales and use	0.5%
Two Harbors—sales and use	0.5%
Winona—sales and use	0.5%

\* The Minneapolis lodging tax rate increases from 2% to 3% effective April 1, 2002.

## Line 6

### Multiple locations

If you operate your business from more than one **permanent** location, you may choose to apply for:

- separate ID numbers and file separate tax returns for each location, or
- a single ID number and file one consolidated tax return for all locations.

Vending-machine operators who have more than one vending-machine location; persons doing business from a car, stand or truck that moves from place to place; and persons who sell at craft shows are considered to have only one permanent location.

## Line 5—Additional city taxes

**Minneapolis 3% lodging tax** applies to sales of lodging for less than 30 days at a Minneapolis hotel or motel that has more than 50 rooms available for lodging.

**Minneapolis 3% entertainment tax** applies to admission fees, use of amusement devices and games (e.g. video games and pool tables), sales made during the performance of live entertainment, and all transient lodging accommodations within Minneapolis city limits.

**Minneapolis 3% downtown liquor tax (downtown area only\*)** applies to retail on-sales of alcoholic beverages when sold at a licensed on-sale liquor establishment located within the downtown taxing area.

**Minneapolis 3% downtown restaurant tax (downtown area only\*)** applies to

food and beverages sold by restaurants and places of refreshment (including sidewalk carts and takeout) within the downtown taxing area. This tax does not apply to vending machines.

**Rochester 3% lodging tax** applies to sales of lodging for less than 30 days at a Rochester hotel, motel, rooming house or similar establishment.

**St. Cloud 1% liquor tax** applies to retail on-sales of alcoholic beverages (including wine and 3.2 beer) when sold at licensed on-sale liquor establishments located in St. Cloud.

**St. Cloud 1% food tax** applies to food and beverages sold by a restaurant or place of refreshment (including sidewalk carts) in St. Cloud.

\* For information on the Minneapolis downtown taxing area, call 651-296-6181 or 1-800-657-3777.



# Withholding Tax

## Who must register

You must register to file withholding tax if you:

- have employees and anticipate withholding tax from their wages in the next thirty days,
- agree to withhold Minnesota taxes when you are *not required* to withhold,
- pay nonresidents to do work for you in Minnesota and the amount earned in Minnesota is expected to exceed the federal standard deduction for a single filer and one personal exemption,
- make mining and exploration royalty payments on which you are required to withhold Minnesota taxes, or
- are a corporation with corporate officers performing services in Minnesota who will have withholding from their wages.

## Use tax filing

The department will automatically register you for annual use tax filing if you register for withholding tax.

## After you register

Once you are registered for withholding tax, the department will send you a letter with your tax ID number and enough MW5 deposit forms for immediate use. You can also make your deposits electronically, either over the Internet or by phone.

Within four weeks, you'll receive a customized book of deposit forms with your company name and ID number on each form. If you make your deposits by check, use the customized forms as soon as you get them.

## Using payroll services

Payroll service companies are required by law to register with the department and give us a list of clients for which they provide tax services. If they collect any tax from clients, they are required to remit the amount to us electronically. Also, if the payroll service company files tax returns for their clients, they're required to electronically file the returns.

If our records show you use a payroll service, you will not get a customized deposit book. If you discontinue your payroll service, call 651-282-5225 or 1-800-657-3605 so we can send you the customized forms you'll need to make deposits on your own.

# Special Taxes

## Who must register

You must register to file and pay special taxes if you're required to collect and pay one or more of the special tax types listed below. If you need additional information on who must pay a given tax type, call 651-297-1882 or 1-800-657-3618. Once you're registered for a special tax type, the department will send you a letter with your tax ID number and the information you need to file and pay the tax.

## Types of Special Tax

**Auto theft surcharge**—Property and casualty insurance companies pay a surcharge on writing automobile insurance policies.

**Cigarette tax**—Distributors or wholesalers of cigarettes pay tax on the cigarettes sold or used in Minnesota.

**Combined receipts tax**—Licensed organizations pay tax on their gross receipts from pulltabs and tipboards.

**Distilled spirits tax**—Wholesalers, distributors or manufacturers of distilled spirits pay tax on the distilled spirits manufactured or received for sale in Minnesota.

**Dry cleaner registration fee**—Owners or operators of dry cleaning facilities pay a registration fee based on the business's full-time equivalence rating.

**Dry cleaning solvents fee**—Sellers of dry cleaning solvents collect and pay a fee on the solvents sold to dry cleaning facilities.

**Firemen's relief surcharge**—Property and casualty insurance companies pay a surcharge on writing fire insurance policies.

**Fur clothing tax**—Minnesota retailers pay a gross revenues tax on sales of clothing made from fur.

**Hazardous waste generator tax**—Any person or business generating hazardous waste and required to disclose such generation under the hazardous waste rules of the Minnesota Pollution Control Agency pays tax on the volume and destination of hazardous waste generated.

**Insurance premium tax**—Insurance companies pay tax on their gross premiums less return premiums received on all business in Minnesota.

**Lawful gambling tax**—Licensed organizations pay tax on their gross receipts from lawful gambling (bingo, raffles and paddlewheels) less prizes actually paid out. Licensed organizations must be a fraternal, religious, veterans or other nonprofit organization.

**Malt beverage tax**—Beer wholesalers, distributors or manufacturers pay tax on the

beer manufactured or received for sale in Minnesota.

**Motor fuels excise taxes**—Distributors of gasoline and sellers of special fuels collect and pay tax on the fuels used in highway vehicles, aircraft, boats, snowmobiles and all terrain vehicles. Bulk purchasers of special fuels may elect to pay the tax on fuel they purchase. Owners of vehicles using compressed natural gas, propane or other alternate fuel pay an annual fee.

**Pulltab and tipboard tax**—Licensed distributors pay tax on the ideal gross of each pulltab or tipboard deal sold.

**Tobacco products tax (other than cigarettes)**—Distributors or wholesalers of tobacco products received for sale in Minnesota pay tax on the products sold or used in Minnesota, including cigars, smoking tobacco and chewing tobacco.

**Wine tax**—Wholesalers, distributors or manufacturers of wine or premixed alcoholic beverages pay tax on the wine or premixed alcoholic beverages manufactured or received for sale in Minnesota.

# Income or Franchise Tax

## Who must register for income tax

*If you are a sole-proprietor, there is no need to preregister to file an annual Minnesota Individual Income Tax Return. However, returns must be filed when required using your Social Security number.*

### S corporation

If you have elected to be taxed under Subchapter S of the Internal Revenue Code (IRC) section 1362 and you're doing business or own property in Minnesota, you must register to file Form M8, *S Corporation Return*.

The entire share of your income is passed through to the shareholder, regardless if the income is actually distributed. The shareholder must then include their share of income on their tax return.

The S corporation taxes and minimum fee are paid by the S corporation. The minimum fee is determined on Form M8.

### Partnership

If you are a partnership required to file federal Form 1065 or 1065-B and you have Minnesota gross income, you must register to file Form M3, *Partnership Return*.

The entire share of your income is passed through to the partner, regardless if the income is actually distributed. The partner must then include their share of income on their tax return.

A minimum fee is paid by the partnership and is determined on Form M3.

### Estate or trust (fiduciary)

If you are a trustee of a trust or personal representative of an estate that has \$600 or more of Minnesota gross income and you're required to file federal Form 1041, you must register to file Form M2, *Income Tax Return for Estates and Trusts (Fiduciary)*. A fiduciary can also be a guardian, receiver, conservator or any other person acting in a fiduciary capacity for a person.

## Who must register for franchise tax

### Corporate franchise

If you are taxed as a corporation by the IRS and you transact business or own property in Minnesota, you're required to register to file M4, *Corporation Franchise Tax*.

The franchise tax on corporations includes a minimum fee, the regular tax and the alternative minimum tax.

### Franchise tax for nonprofit organizations

If you are an organization with activities in Minnesota and you're required to file federal Form 990-T, 990-C, 1120-H or 1120-POL, you must register to file Form M4NP, *Franchise Tax for Nonprofit Organizations*.

Tax is based on your federal taxable income assignable to Minnesota.

## After you register

Once you are registered for the applicable income or franchise tax, the department will send you a confirmation letter indicating your Minnesota tax ID number.

## Due dates to file annual Minnesota tax returns

**Form M1, Individual Income Tax**—Due April 15, or the 15th day of the fourth month after the end of tax year.

■ Sole proprietors report income on their individual income tax return.

**Form M8, S Corporation Return**—Due the 15th day of the third month after the end of the tax year.

**Form M3, Partnership Return**—Due the 15th day of the fourth month after the end of the tax year.

**Form M2, Income Tax Return for Estates and Trusts (Fiduciary)**—Due the 15th day of the fourth month after the end of tax year.

**Form M4, Franchise Tax**—Due dates vary.

■ Corporations, other than S corporations, that do business or own/lease property in Minnesota. Due the 15th day of the third month after the end of the tax year.

■ Cooperative associations other than IRC section 521 organizations. Due the 15th day of the ninth month after the end of the tax year.

■ Limited liability companies that are taxed as corporations for federal purposes. Due the 15th day of the third month after the end of the tax year.

**Form M4NP, Franchise Tax for Nonprofit Organizations**—Due dates vary.

■ Exempt organizations with unrelated business income filing federal Form 990-T. Due the 15th day of the fifth month after the end of the tax year.

■ Farmers' cooperatives, as defined in IRC section 521, filing federal Form 990-C. Due the 15th day of the ninth month after the end of the tax year.

■ Homeowners' associations filing federal Form 1120-H. Due the 15th day of the third month after the end of the tax year.

■ Political organizations filing federal Form 1120-POL. Due the 15th day of the third month after the end of the tax year.

# MinnesotaCare Taxes

## Who must register

### Hospitals, health-care providers, and surgery centers

You must register to file MinnesotaCare taxes if you are:

- a self-employed licensed or registered health-care provider,
- an employer of a licensed or registered health-care provider,
- eligible to receive reimbursement from medical assistance for the health-care services you provide,
- a seller of prescription eyewear or hearing aids and related equipment, or
- a hospital or surgery center.

### Wholesalers of legend drugs and pharmacies

Wholesalers of legend drugs and pharmacies that purchase legend drugs from a wholesaler not subject to MinnesotaCare tax must register to remit MinnesotaCare tax on the legend drugs. This includes all sellers in Minnesota, and sellers located outside Minnesota who:

- have an office, a distribution, sales, sample room or warehouse location or other place of business in Minnesota, either directly or by a subsidiary,
- have a representative, agent, salesperson, canvasser or solicitor in Minnesota, either on a permanent or temporary basis, who operates under the authority of the retailer or its subsidiary for any purpose, such as repairing, selling, delivering, installing, soliciting orders for the retailer's goods or services, or leasing tangible items in Minnesota, or
- deliver items into Minnesota in their own vehicles.

## After you register

The department will send you a confirmation letter indicating your Minnesota tax ID number, fact sheets and a MinnesotaCare tax instruction booklet.

Once you are registered to file and pay MinnesotaCare taxes, you must electronically file an annual return even if there is no tax to report.

### Line 3

#### Type of taxpayer

Check all appropriate boxes to indicate the type of taxpayer you are.

Check the box for **provider of health-care services** (other than a hospital or surgery center) if you are a:

- self-employed health-care provider, such as a physician, dentist, chiropractor or psychologist,
- business—such as a professional association, staff model health plan company or a licensed ambulance service—that employs health-care providers, or
- self-employed person or an employer and you are eligible to receive reimbursement from the state of Minnesota Medical Assistance (MA) program for the services you provide.

Also be sure to indicate the services that best describe your business.

Check the box for **wholesaler of legend drugs** if you are:

- licensed to sell legend drugs at wholesale in Minnesota, such as a legend drug manufacturer, distributor, jobber or broker,
- a pharmacy located in another state required to be registered in Minnesota to sell legend drugs to consumers in Minnesota at retail, including by mail order, or
- located outside Minnesota and you transport legend drugs directly—or through a distributor—to a retail store in Minnesota that is a member of the same corporation.

Check the box for **prescription-drug use tax** if you are a:

- pharmacy that purchases legend drugs—for the purpose of resale in Minnesota—from a wholesaler not subject to the MinnesotaCare tax, or
- person who purchases legend drugs—for use in Minnesota—from a pharmacy not subject to the MinnesotaCare tax.