

**SENATE  
STATE OF MINNESOTA  
NINETY-THIRD SESSION**

**S.F. No. 2395**

(SENATE AUTHORS: GRUENHAGEN)

DATE  
03/02/2023

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Introduction and first reading  
Referred to Taxes

OFFICIAL STATUS

1.1 A bill for an act  
1.2 relating to taxes; motor vehicle sales tax; expanding the in lieu tax imposed on  
1.3 older passenger automobiles and collector vehicles to motorcycles; amending  
1.4 Minnesota Statutes 2022, sections 297B.02, subdivisions 2, 3; 297B.025.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2022, section 297B.02, subdivision 2, is amended to read:

1.7 Subd. 2. **In lieu tax for older passenger automobile or motorcycle.** In lieu of the tax  
1.8 imposed in subdivision 1, there is imposed a tax of \$10 on the purchase price of any passenger  
1.9 automobile or motorcycle described in section 297B.025, subdivision 1.

1.10 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June  
1.11 30, 2023.

1.12 Sec. 2. Minnesota Statutes 2022, section 297B.02, subdivision 3, is amended to read:

1.13 Subd. 3. **In lieu tax for collector vehicle.** In lieu of the tax imposed in subdivision 1,  
1.14 there is imposed a tax of \$150 on the purchase price of a passenger automobile, motorcycle,  
1.15 or a fire truck described in section 297B.025, subdivision 2.

1.16 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June  
1.17 30, 2023.

2.1 Sec. 3. Minnesota Statutes 2022, section 297B.025, is amended to read:

2.2 **297B.025 OLDER PASSENGER AUTOMOBILE; MOTORCYCLE.**

2.3 Subdivision 1. **Noncollector vehicle.** Purchase or use of a passenger automobile as  
2.4 defined in section 168.002, subdivision 24, or a motorcycle as defined in section 168.002,  
2.5 subdivision 19, shall be taxed pursuant to section 297B.02, subdivision 2, if the passenger  
2.6 automobile or motorcycle (1) is in the tenth or subsequent year of vehicle life, and (2) does  
2.7 not have a resale value of \$3,000 or more, as determined using nationally recognized sources  
2.8 of information on automobile resale values, as designated by the registrar of motor vehicles.

2.9 Subd. 2. **Collector vehicle.** A passenger automobile that is registered under section  
2.10 168.10, subdivision 1a, 1b, 1c, 1d, or 1h, a motorcycle registered under section 168.105, or  
2.11 a fire truck registered under section 168.10, subdivision 1c, shall be taxed under section  
2.12 297B.02, subdivision 3. If the vehicle is subsequently registered in another class not under  
2.13 section 168.10, subdivision 1a, 1b, 1c, 1d, or 1h, within one year of the date of registration  
2.14 under those subdivisions, it shall be subject to the full excise tax imposed under subdivision  
2.15 1.

2.16 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June  
2.17 30, 2023.