

March 24, 2025

	<b>Yes</b>	<b>No</b>
DOR Administrative Costs/Savings		X

Department of Revenue  
Analysis of H.F. 1479 (Virnig) / S.F. 2815 (Weber)

	<b>Fund Impact</b>			
	<b><u>F.Y. 2026</u></b>	<b><u>F.Y. 2027</u></b>	<b><u>F.Y. 2028</u></b>	<b><u>F.Y. 2029</u></b>
		(000's)		
Health Care Access Fund	\$0	\$0	\$0	\$0

Effective for legend drugs delivered outside of Minnesota after December 31, 2025.

**EXPLANATION OF THE BILL**

**Current Law:** Pharmacies in Minnesota are eligible for a refund of MinnesotaCare taxes paid to wholesale drug distributors for legend drugs brought into the state but are later shipped out of Minnesota to an end user. Currently, pharmacies are only able file a return to claim a refund once a year, by March 15.

**Proposed Law:** The bill would allow pharmacies to claim a quarterly refund for any tax a pharmacy paid on a legend drug that was later shipped out of state to an end user. Refund claims must be filed on or after the first day of July, October, and January for any legend drugs delivered outside of Minnesota in the preceding quarter.

**REVENUE ANALYSIS DETAIL**

- The February 2025 Health Care Access Fund forecast was used.
- There is no shift of refunds between fiscal years. The refunds from the first quarter of a calendar year can only be claimed on or after July 1, along with the refunds from the calendar year's second quarter.
- The growth of refunds is assumed to be flat.

Minnesota Department of Revenue  
Tax Research Division  
<https://www.revenue.state.mn.us/revenue-analyses>