

## Minimum state building permit surcharge changes for a year

The Minnesota Statutes §326B.148 “SURCHARGE” has been changed for one year effective July 1, 2010, until June 30, 2011.

The change only applies to the “Permits based on Fixed Fees, Part 1” and “Permits based on Fixed Fees, Part 2” portions of the Minnesota Department of Labor and Industry’s (DLI) surcharge reporting form.

The minimum surcharge for a “fixed fee” permit is \$5, beginning July 1, 2010:

- Municipalities must begin collecting the \$5 minimum surcharge fee July 1, 2010, and continue to collect the new minimum through June 30, 2011.
- If the fee collected for the “fixed fee” permit is less than \$10,010, the surcharge is \$5. Fixed fee permits with a fee of less than \$10,010 are reported in “Permits based on Fixed Fees, Part 1” of the surcharge form.
- If the fee collected for the “fixed fee” permit exceeds \$10,010, the fee is multiplied by .0005 because \$10,010 is the point where the surcharge would increase to \$5.01. Fixed fee permits with a fee of \$10,010 or more are reported in “Permits based on Fixed Fees, Part 2” of the surcharge form.
- The remainder of the surcharge law did not change (<https://www.revisor.mn.gov/statutes/?id=326B.148>).

The change to the surcharge law is underlined below:

Minnesota Statutes 2008, section 326B.148, subdivision 1, is amended to read:

Subdivision 1. **Computation.** To defray the costs of administering sections 326B.101 to 326B.194, a surcharge is imposed on all permits issued by municipalities in connection with the construction of or addition or alteration to buildings and equipment or appurtenances after June 30, 1971. The commissioner may use any surplus in surcharge receipts to award grants for code research and development and education.

If the fee for the permit issued is fixed in amount the surcharge is equivalent to one-half mill (.0005) of the fee or 50 cents, except that effective July 1, 2010, until June 30, 2011, the permit surcharge is equivalent to one-half mill (.0005) of the fee or \$5, whichever amount is greater.

### **New surcharge forms online Aug. 2**

New surcharge forms with the change will be available for reporting on the DLI Web site Aug. 2, 2010. Go to <http://www.dli.mn.gov/CCLD/Surcharge.asp> to access the report forms. The current reporting forms will be available until Aug. 2, 2010.

To complete or change a surcharge report after Aug. 2, 2010, for a month or quarter before July 2010, contact Cindy Chapel or Eileen McNiff at (651) 284-5411, or via e-mail at [Cynthia.Chapel@state.mn.us](mailto:Cynthia.Chapel@state.mn.us) or [Eileen.McNiff@state.mn.us](mailto:Eileen.McNiff@state.mn.us)