



July 8, 2013

Via Hand Delivery

The Honorable Mark Dayton
Governor, State of Minnesota
130 State Capitol
75 Rev. Dr. Martin Luther King Jr. Blvd.
Saint Paul, Minnesota 55155

Dear Governor Dayton:

In the eleventh hour of the 2013 legislative session, without adequate public hearings, a new sales tax on warehousing and storage services was introduced into the budget. Since you've signed this last-minute provision into law, we have heard an outpouring of opposition to this new tax from hardworking taxpayers across the state.

We respectfully urge you to call a special legislative session in order to eliminate this unnecessary and burdensome warehousing tax.

Just this last month Red Wing Shoes, a more than century-old Minnesota company, announced it is delaying investment in a \$20 million-plus distribution center in Red Wing, MN.

This delay will cost Minnesota jobs we need in our recovering economy.

While the effective date of the warehousing tax is April 1, 2014, we can't wait until next session. We need to act immediately to provide assurance to large and small businesses who are considering delaying expansion or worse, expanding in other states. For those companies that stay, the increased costs will be passed onto consumers.

Minnesotans can't afford taxation by trial-and-error and frankly, they deserve better. Governor Dayton, call a special legislative session to repeal the warehousing tax as soon as possible.

Sincerely,

Handwritten signatures of Kurt Daudt and David M. Hann.

Kurt Daudt
Minority Leader
House Republican Caucus

David Hann
Minority Leader
Senate Republican Caucus

