

H. F. No. 183

2.1 shall be determined on or before September 30 of the year following the close of the previous  
2.2 calendar year.

2.3 (d)(1) Interest is payable on all amounts calculated under paragraph (c) relating to taxable  
2.4 years beginning after December 31, 2000. Interest accrues from July 1 of the taxable year.

2.5 (2) The commissioner of revenue ~~is authorized to~~ shall enter into agreements with the  
2.6 state of Wisconsin specifying the reciprocity payment due dates, conditions constituting  
2.7 delinquency, interest rates, and a method for computing interest due, if the taxing official  
2.8 of the state of Wisconsin agrees to terms consistent with clause (3).

2.9 (3) ~~For agreements entered into before October 1, 2014, the annual compensation required~~  
2.10 ~~under paragraph (e) must equal at least the net revenue loss minus \$1,000,000 per fiscal~~  
2.11 ~~year.~~

2.12 (4) ~~For agreements entered into after September 30, 2014, The annual compensation~~  
2.13 ~~required under paragraph (c) must equal the net revenue loss per fiscal year.~~

2.14 (5) ~~For the purposes of clauses (3) and (4) this clause,~~ "net revenue loss" means the  
2.15 difference between:

2.16 (i) the amount of Minnesota income taxes Minnesota forgoes by not taxing Wisconsin  
2.17 residents on income subject to reciprocity less the cost of providing refundable credits in  
2.18 excess of liability under this chapter to Wisconsin residents; and

2.19 (ii) ~~the credit Minnesota would have been required to give under section 290.06,~~  
2.20 ~~subdivision 22, to Minnesota residents working in Wisconsin had there not been reciprocity~~  
2.21 amount of Wisconsin income taxes Wisconsin forgoes by not taxing Minnesota residents  
2.22 on income subject to reciprocity.

2.23 (e) If an agreement cannot be reached as to the amount of the loss, the commissioner of  
2.24 revenue and the taxing official of the state of Wisconsin shall each appoint a member of a  
2.25 board of arbitration and these members shall appoint the third member of the board. The  
2.26 board shall select one of its members as chair. Such board may administer oaths, take  
2.27 testimony, subpoena witnesses, and require their attendance, require the production of books,  
2.28 papers and documents, and hold hearings at such places as are deemed necessary. The board  
2.29 shall then make a determination as to the amount to be paid the other state which  
2.30 determination shall be final and conclusive.

2.31 (f) The commissioner may furnish copies of returns, reports, or other information to the  
2.32 taxing official of the state of Wisconsin, a member of the board of arbitration, or a consultant  
2.33 under joint contract with the states of Minnesota and Wisconsin for the purpose of making

3.1 a determination as to the amount to be paid the other state under the provisions of this  
3.2 section. Prior to the release of any information under the provisions of this section, the  
3.3 person to whom the information is to be released shall sign an agreement which provides  
3.4 that the person will protect the confidentiality of the returns and information revealed thereby  
3.5 to the extent that it is protected under the laws of the state of Minnesota.

3.6 **EFFECTIVE DATE.** This section is effective the day following final enactment for  
3.7 taxable years beginning after December 31, 2016.