

**SENATE
STATE OF MINNESOTA
EIGHTY-EIGHTH SESSION**

S.F. No. 2488

(SENATE AUTHORS: BONOFF, Franzen and Senjem)

DATE	D-PG	OFFICIAL STATUS
03/10/2014	6073	Introduction and first reading Referred to Taxes

1.1 A bill for an act
 1.2 relating to taxation; income and franchise; extending the research credit to sole
 1.3 proprietors; amending Minnesota Statutes 2012, section 290.068, subdivision 1.

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

1.5 Section 1. Minnesota Statutes 2012, section 290.068, subdivision 1, is amended to read:

1.6 Subdivision 1. **Credit allowed.** A corporation, ~~partners in a partnership, or~~
 1.7 ~~shareholders in a corporation treated as an "S" corporation under section 290.9725~~ are
 1.8 individual, trust, or estate is allowed a credit against the tax computed under this chapter
 1.9 for the taxable year equal to:

- 1.10 (a) ten percent of the first \$2,000,000 of the excess (if any) of
- 1.11 (1) the qualified research expenses for the taxable year, over
- 1.12 (2) the base amount; and
- 1.13 (b) 2.5 percent on all of such excess expenses over \$2,000,000.

1.14 **EFFECTIVE DATE.** This section is effective for taxable years beginning after
 1.15 December 31, 2013.