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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 1963

02/25/2014 Authored by Anderson, S.,
The bill was read for the first time and referred to the Committee on 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.