

2.1 Sec. 2. Minnesota Statutes 2018, section 290.0133, subdivision 12, is amended to read:

2.2 Subd. 12. **Section 179 expensing.** (a) Except for qualifying depreciable property, 80
2.3 percent of the amount by which the deduction allowed under the dollar limits of section
2.4 179 of the Internal Revenue Code exceeds the deduction allowable by section 179 of the
2.5 Internal Revenue Code, as amended through December 31, 2003, is an addition.

2.6 (b) For purposes of this subdivision, "qualifying depreciable property" means:

2.7 (1) property for which a depreciation deduction is allowed under section 167 of the
2.8 Internal Revenue Code; and

2.9 (2) except for property on which a gain is not required to be recognized under section
2.10 1031 of the Internal Revenue Code, property on which a gain is not required to be recognized
2.11 under section 1031 of the Internal Revenue Code of 1986, as amended through December
2.12 16, 2016.

2.13 **EFFECTIVE DATE.** This section is effective retroactively for property placed in
2.14 service in taxable years beginning after December 31, 2017.