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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 5407

04/24/2024 Authored by Joy, Murphy, Perryman, Bakeberg, Wiener and others
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; individual income; providing a subtraction of income from
1.3 certain retirement plans; amending Minnesota Statutes 2022, section 290.0132,
1.4 by adding a subdivision.

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

1.6 Section 1. Minnesota Statutes 2022, section 290.0132, is amended by adding a subdivision
1.7 to read:

1.8 Subd. 36. Certain retirement benefits. The amount of qualified distributions received
1.9 in a taxable year is a subtraction, subject to the limits in clauses (1) and (2). For purposes
1.10 of this subdivision, "qualified distributions" means payments or distributions received in a
1.11 taxable year by a Minnesota resident from a qualified retirement plan, as defined in section
1.12 401 of the Internal Revenue Code, or from an individual retirement account established
1.13 under section 408 of the Internal Revenue Code:

1.14 (1) for a married taxpayer filing a joint return, if both spouses are at least 65 years of
1.15 age before the end of the taxable year, the subtraction equals the lesser of qualified
1.16 distributions received, or \$150,000; and

1.17 (2) for all other taxpayers who are at least 65 years of age before the end of the taxable
1.18 year, the subtraction equals the lesser of qualified distributions received, or \$75,000.

1.19 EFFECTIVE DATE. This section is effective for taxable years beginning after December
1.20 31, 2023.