

**SENATE  
STATE OF MINNESOTA  
NINETY-FIRST SESSION**

**S.F. No. 1233**

(SENATE AUTHORS: ANDERSON, P. and Nelson)

DATE  
02/14/2019

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386 Introduction and first reading  
Referred to Taxes

OFFICIAL STATUS

1.1 A bill for an act  
1.2 relating to taxation; income and corporate franchise; extending the research credit  
1.3 to sole proprietors; amending Minnesota Statutes 2018, section 290.068, subdivision  
1.4 1.

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

1.6 Section 1. Minnesota Statutes 2018, section 290.068, subdivision 1, is amended to read:

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

1.11 (a) ten percent of the first \$2,000,000 of the excess (if any) of

1.12 (1) the qualified research expenses for the taxable year, over

1.13 (2) the base amount; and

1.14 (b) four percent on all of such excess expenses over \$2,000,000.

1.15 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
1.16 31, 2018.