

SENATE
STATE OF MINNESOTA
NINETY-FIRST SESSION

S.F. No. 3982

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DATE
03/04/2020

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5237 Introduction and first reading
Referred to Taxes

OFFICIAL STATUS

1.1 A bill for an act
 1.2 relating to taxation; individual income; excluding from gross income student loans
 1.3 discharged in tax year 2018; amending Minnesota Statutes 2019 Supplement,
 1.4 section 290.993.

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

1.6 Section 1. Minnesota Statutes 2019 Supplement, section 290.993, is amended to read:

1.7 **290.993 SPECIAL LIMITED ADJUSTMENT.**

1.8 (a) For an individual income taxpayer subject to tax under section 290.06, subdivision
 1.9 2c, or a partnership that elects to file a composite return under section 289A.08, subdivision
 1.10 7, for taxable years beginning after December 31, 2017, and before January 1, 2019, the
 1.11 following special rules apply:

1.12 (1) an individual income taxpayer may: (i) take the standard deduction; or (ii) make an
 1.13 election under section 63(e) of the Internal Revenue Code to itemize, for Minnesota individual
 1.14 income tax purposes, regardless of the choice made on their federal return; and

1.15 (2) there is an adjustment to tax equal to the difference between the tax calculated under
 1.16 this chapter using the Internal Revenue Code as amended through December 16, 2016, and
 1.17 the tax calculated under this chapter using the Internal Revenue Code amended through
 1.18 December 31, 2018, before the application of credits. The end result must be zero additional
 1.19 tax due or refund.

1.20 (b) The adjustment in paragraph (a), clause (2), does not apply to any changes due to
 1.21 sections 11012, 11031, 13101, 13201, 13202, 13203, 13204, 13205, 13207, 13301, 13302,

2.1 13303, 13313, 13502, 13503, 13801, 14101, 14102, 14211 through 14215, and 14501 of
2.2 Public Law 115-97; and section 40411 of Public Law 115-123.

2.3 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
2.4 after December 31, 2017, and before January 1, 2019.