

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

**S.F. No. 1894**

(SENATE AUTHORS: NELSON)

DATE  
02/20/2023

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911

Introduction and first reading  
Referred to Taxes

OFFICIAL STATUS

1.1 A bill for an act  
 1.2 relating to taxation; individual income and corporate franchise; allowing a credit  
 1.3 for certain wages paid to emergency responder employees; amending Minnesota  
 1.4 Statutes 2022, section 290.06, 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 290.06, is amended by adding a subdivision  
 1.7 to read:

1.8 Subd. 41. **Emergency responder wage credit.** (a) An employer subject to tax under  
 1.9 section 290.02 or 290.03 may claim a credit against the tax imposed under this chapter equal  
 1.10 to 50 percent of the amount of the employer's emergency responder wages.

1.11 (b) The credit is limited to the liability for tax, as computed under this chapter, for the  
 1.12 taxable year.

1.13 (c) Credits allowed to a partnership, a limited liability company taxed as a partnership,  
 1.14 or an S corporation are passed through to the partners, members, shareholders, or owners,  
 1.15 respectively, pro rata to each based on the partner's, member's, shareholder's, or owner's  
 1.16 share of the entity's assets, or as specially allocated in the organizational documents or any  
 1.17 other executed agreement, as of the last day of the taxable year.

1.18 (d) For a nonresident or part-year resident, the credit under this section must be allocated  
 1.19 using the percentage calculated in section 290.06, subdivision 2c, paragraph (e).

1.20 (e) For purposes of this subdivision, the following terms have the meanings given:

1.21 (1) "emergency responder wages" means the sum of the amount of wages paid by an  
 1.22 employer to any employee who is a qualified emergency responder for any time period

2.1 during which the employee is providing emergency services and who would otherwise  
2.2 during that time period be required to perform services for the employer;

2.3 (2) "emergency services" means the provision of:

2.4 (i) emergency medical services under chapter 144E; or

2.5 (ii) fire protection services for a "fire department" as defined in section 299F.092,  
2.6 subdivision 6;

2.7 (3) "employee" has the meaning provided in section 290.92, subdivision 1, clause (3);

2.8 (4) "employer" has the meaning provided in section 290.92, subdivision 1, clause (4);

2.9 (5) "qualified emergency responder" means an individual who meets the definition of:

2.10 (i) "ambulance service personnel" as defined in section 144E.001, subdivision 3a;

2.11 (ii) "emergency medical responder" as defined in section 144E.001, subdivision 6; or

2.12 (iii) "firefighter" as defined in section 299N.01, subdivision 3; and

2.13 (6) "wages" has the meaning provided in section 290.92, subdivision 1, clause (1).

2.14 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
2.15 31, 2022.