

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

S.F. No. 2007

(SENATE AUTHORS: HOUSLEY, Pappas, Koran and Kunesh)

DATE	D-PG	OFFICIAL STATUS
02/21/2023	985	Introduction and first reading
		Referred to Housing and Homelessness Prevention
03/16/2023	1805a	Comm report: To pass as amended and re-refer to Taxes See HF1938

1.1 A bill for an act

1.2 relating to taxation; income and corporate franchise; providing a credit to certain

1.3 sellers of manufactured home parks; proposing coding for new law in Minnesota

1.4 Statutes, chapter 290.

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

1.6 Section 1. **[290.0693] CREDIT FOR SALES OF MANUFACTURED HOME PARKS**

1.7 **TO COOPERATIVES.**

1.8 Subdivision 1. **Definitions.** (a) For purposes of this section, the following definitions

1.9 have the meanings given.

1.10 (b) "Qualified seller" means a taxpayer who sells qualified property to a manufactured

1.11 home park cooperative, a nonprofit organization organized under chapter 317A, or a

1.12 representative acting on behalf of residents as defined under section 327C.015, subdivision

1.13 13.

1.14 (c) "Qualified property" means a manufactured home park classified as 4c(5)(i) or

1.15 4c(5)(iii) under section 273.13, subdivision 25, that qualifies as section 1250 property, as

1.16 calculated under section 1250(a) of the Internal Revenue Code.

1.17 (d) "Manufactured home park cooperative" has the meaning given in section 273.124,

1.18 subdivision 3a.

1.19 Subd. 2. **Credit allowed; carryforward.** (a) A qualified seller is allowed a credit against

1.20 the tax imposed under this chapter. The credit equals five percent of the amount of the sale

1.21 price of the qualified property.

2.1 (b) If the amount of the credit under this section exceeds the taxpayer's liability for tax
2.2 under this chapter, the excess is a credit carryover to each of the five succeeding taxable
2.3 years. The entire amount of the excess unused credit for the taxable year must be carried
2.4 first to the earliest of the taxable years to which the credit may be carried and then to each
2.5 successive year to which the credit may be carried. The amount of the unused credit that
2.6 may be added under this paragraph may not exceed the taxpayer's liability for tax, less any
2.7 credit for the current taxable year.

2.8 (c) For nonresidents and part-year residents, the credit must be allocated based on the
2.9 percentage calculated under section 290.06, subdivision 2c, paragraph (e).

2.10 Subd. 3. **Partnerships; multiple owners.** Credits granted to a partnership, a limited
2.11 liability company taxed as a partnership, an S corporation, or multiple owners of property
2.12 are passed through to the partners, members, shareholders, or owners, respectively, pro rata
2.13 to each partner, member, shareholder, or owner based on their share of the entity's assets
2.14 or as specially allocated in their organizational documents or any other executed document,
2.15 as of the last day of the taxable year.

2.16 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
2.17 31, 2022.