

SENATE
STATE OF MINNESOTA
NINETY-FIRST SESSION

S.F. No. 922

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DATE
02/07/2019

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289 Introduction and first reading
Referred to Taxes

OFFICIAL STATUS

1.1 A bill for an act
 1.2 relating to taxation; individual income; establishing a credit for installing a well
 1.3 water mitigation system; proposing coding for new law in Minnesota Statutes,
 1.4 chapter 290.

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

1.6 Section 1. [290.0687] CREDIT FOR INSTALLING A WELL WATER MITIGATION
 1.7 SYSTEM.

1.8 Subdivision 1. Definitions. (a) For purposes of this section, the following terms have
 1.9 the meanings given.

1.10 (b) "Assessment" means the results of an analysis for nitrate or arsenic conducted by a
 1.11 laboratory certified under section 144.98.

1.12 (c) "Primary maximum contaminant level" means the level specified in Code of Federal
 1.13 Regulations, title 40, parts 141.62 and 141.66.

1.14 (d) "Qualified mitigation system" means a system installed on the taxpayer's property
 1.15 to reduce the arsenic or nitrate concentration of water delivered by a qualified well to below
 1.16 the primary maximum contaminant level.

1.17 (e) "Qualified well" means a well on the taxpayer's residential property used for drinking
 1.18 water that delivers water receiving an assessment for nitrate or arsenic above the primary
 1.19 maximum contaminant level.

1.20 Subd. 2. Credit allowed. (a) A taxpayer who installs a qualified mitigation system is
 1.21 allowed a credit against the tax imposed under this chapter. The credit equals the lesser of:

1.22 (1) the cost, including installation, of the qualified mitigation system; or

2.1 (2) \$500.

2.2 (b) A taxpayer may claim the credit only after the commissioner of health provides the
2.3 taxpayer a certificate of approval.

2.4 (c) A taxpayer may claim the credit only one time for each qualified mitigation system
2.5 installed.

2.6 (d) For a nonresident or a part-year resident, the credit under this subdivision must be
2.7 allocated based on the percentage calculated under section 290.06, subdivision 2c, paragraph

2.8 (e).

2.9 Subd. 3. Commissioner of health duties. (a) The commissioner of health shall:

2.10 (1) develop and publish a list of entities approved to provide assessments of qualified
2.11 wells;

2.12 (2) provide reasonable and necessary assistance and support to taxpayers seeking to
2.13 qualify for the credit;

2.14 (3) provide certificates of approval to taxpayers who are eligible to receive the credit;
2.15 and

2.16 (4) share information with the commissioner of revenue to the extent necessary to
2.17 administer provisions under this section.

2.18 (b) The commissioner of health must annually notify the commissioner of revenue of
2.19 certification of taxpayers eligible for the credit under this section. The notification must
2.20 include the amount of credit approved and stated on the credit certificate.

2.21 (c) The commissioner of health shall not issue more than one credit certificate per
2.22 taxpayer per property in a taxable year.

2.23 (d) The certification required under this subdivision is valid only for the taxable year in
2.24 which the certificate is issued.

2.25 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
2.26 31, 2018.