

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-NINTH SESSION**

**S.F. No. 554**

(SENATE AUTHORS: SKOE, Wiger, Sparks, Koenen and Metzen)

DATE	D-PG	OFFICIAL STATUS
02/05/2015	210	Introduction and first reading Referred to Taxes
02/09/2015	246	Author added Metzen

1.1 A bill for an act  
 1.2 relating to taxation; estate; providing an increase in the subtraction for qualified  
 1.3 small business and qualified farm property; amending Minnesota Statutes 2014,  
 1.4 section 291.016, subdivision 3.

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

1.6 Section 1. Minnesota Statutes 2014, section 291.016, subdivision 3, is amended to read:

1.7 Subd. 3. **Subtraction.** (a) For estates of decedents dying in 2014, the value of  
 1.8 qualified small business property under section 291.03, subdivision 9, and the value of  
 1.9 qualified farm property under section 291.03, subdivision 10, or the result of \$5,000,000  
 1.10 minus the amount for the year of death listed in clauses (1) to (5) \$1,200,000, whichever is  
 1.11 less, may be subtracted in computing the Minnesota taxable estate but must not reduce the  
 1.12 Minnesota taxable estate to less than zero.

1.13 (b) For estates of decedents dying in 2015 and thereafter, the value of qualified  
 1.14 small business property under section 291.03, subdivision 9, and the value of qualified  
 1.15 farm property under section 291.03, subdivision 10, or the result of \$5,430,000 minus  
 1.16 the amount for the year of death listed in clauses (1) to (4), whichever is less, may be  
 1.17 subtracted in computing the Minnesota taxable estate but must not reduce the Minnesota  
 1.18 taxable estate to less than zero:

1.19 (1) ~~\$1,200,000 for estates of decedents dying in 2014;~~  
 1.20 (2) \$1,400,000 for estates of decedents dying in 2015;  
 1.21 (3) ~~(2)~~ \$1,600,000 for estates of decedents dying in 2016;  
 1.22 (4) ~~(3)~~ \$1,800,000 for estates of decedents dying in 2017; and  
 1.23 (5) ~~(4)~~ \$2,000,000 for estates of decedents dying in 2018 and thereafter.

1.24 **EFFECTIVE DATE.** This section is effective the day following final enactment.