

SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION

S.F. No. 4171

(SENATE AUTHORS: DZIEDZIC and Dibble)

DATE
03/21/2022

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5477 Introduction and first reading
Referred to Taxes

OFFICIAL STATUS

- 1.1 A bill for an act
- 1.2 relating to taxation; establishing bicycle commuting expense reimbursement credit;
- 1.3 amending Minnesota Statutes 2020, section 290.06, subdivision 28.
- 1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.5 Section 1. Minnesota Statutes 2020, section 290.06, subdivision 28, is amended to read:
- 1.6 Subd. 28. **Credit for transit passes and bicycle commuting expense**
- 1.7 **reimbursements.** (a) A taxpayer may take a credit against the tax due under this chapter
- 1.8 equal to 30 percent of the expense incurred by the taxpayer to provide transit passes, for
- 1.9 use in Minnesota, to employees of the taxpayer. As used in this subdivision, "transit pass"
- 1.10 has the meaning given in section 132(f)(5)(A) of the Internal Revenue Code. If the taxpayer
- 1.11 purchases the transit passes from the transit system operator, and resells them to the
- 1.12 employees, the credit is based on the amount of the difference between the price paid for
- 1.13 the passes by the employer and the amount charged to employees.
- 1.14 (b) A taxpayer may take a credit against the tax due under this chapter equal to 30 percent
- 1.15 of qualified bicycle commuting reimbursements paid to employees during the taxable year,
- 1.16 for use in Minnesota, within the meaning of section 132(f)(5)(F) of the Internal Revenue
- 1.17 Code and subject to the applicable monthly and annual limitations therein. This paragraph
- 1.18 applies only in years when the federal qualified transportation fringe benefit for qualified
- 1.19 bicycle commuting reimbursements is suspended under section 132(f)(8) of the Internal
- 1.20 Revenue Code.
- 1.21 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
- 1.22 31, 2021.