

2016 INDIVIDUAL INCOME TAX LEGISLATIVE BULLETIN

(2016 Regular Session)



Appeals and Legal Services Division
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Statements of economic interest. Minn. Stat. § 10A.09, subd. 5(a)(4), was amended to clarify an internal cross-reference regarding what must be contained in a statement of economic interest submitted to the Campaign Finance and Public Disclosure Board. Effective August 1, 2016. 2016 Minn. Laws, ch. 158, art. 1, § 4.

Individual and corporate franchise tax additions and subtractions to federal taxable income. The organization of certain Minnesota's income tax laws was simplified by consolidating, recodifying, and renumbering the individual and corporate additions and subtractions to federal taxable income currently contained in Minn. Stat., § 290.01, subds. 19a to 19d, 19f, and 19h.

To the extent reasonable, the commissioner of revenue, in all communications with taxpayers regarding taxable years beginning before January 1, 2017, may refer to the recodified and renumbered provisions by referencing the statutory section, clause, item, and subitem numbers as codified prior to the effective date of the recodification, rather than the statutory section, clause, item, and subitem numbers effective for taxable years beginning after December 31, 2016.

Effective for taxable years beginning after December 31, 2016. However, due to the complexity of the recodification, prior provisions are repealed on the effective date of the new provisions. The repealed provisions, however, remain in effect until superseded by the analogous provision in the new law. 2016 Minn. Laws, ch. 158, art. 3.

Subtraction for military service pension. Minn. Stat. § 290.01, subd. 19b, was amended to allow a subtraction from income for compensation received from a pension or other retirement pay from the federal government for service in the military. Effective for tax years beginning after December 31, 2015. 2016 Minn. Laws, ch. 189, art. 13, § 57.

Taxable net income. Minn. Stat. § 290.01, subd. 22, was amended to remove the definition of "taxable net income" for tax years beginning before January 1, 1987. Effective August 1, 2016. 2016 Minn. Laws, ch. 158, art. 1, § 159.

Credit for parents of stillborn children. Minn. Stat. § 290.0685 was added to create a new refundable credit of \$2,000 for each birth that was certified by the Minnesota Department of Health as a birth resulting in stillbirth. The credit is allowed only in the tax year in which the stillbirth occurred and only if the child would have been a dependent of the taxpayer, as defined under section 152 of the Internal Revenue Code. Effective for tax years beginning after December 31, 2015. 2016 Minn. Laws, ch. 189, art. 14, § 1.

Exemption amount for alternative minimum tax. Minn. Stat. § 290.091, subd. 3(c), was amended, to correct a cross-reference to the exemption amount for the alternative minimum tax in subdivision 3, paragraph (a). Effective August 1, 2016. 2016 Minn. Laws, ch. 158, art. 1, § 160.