

**Technical corrections were made to this notice on December 2, 2002 by Revenue Notice # 02-20. Please see Revenue Notice # 02-20 for the corrected language.**

## **Revenue Notice # 00-09:**

### **Individual Income Tax – Taxation of Qualified State Tuition Programs**

Minnesota's income tax treatment of contributions and distributions from a qualified state tuition program under Internal Revenue Code § 529 follows the federal income tax treatment as to who, when, and how much money is includable in taxable income regardless of whether the program is the Minnesota Edvest Program established under Minnesota Statutes, section 136A.241 or another state's qualified tuition program. (See Minnesota Statutes, section 290.01, subdivision 19).

Further, income is taxable by Minnesota only if the taxpayer reporting the income is a Minnesota resident at the time the income is recognized (Minnesota Statutes, section 290.17, subdivisions 1 and 2(e)) regardless of where the state program was established.

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