

**This notice was revoked on April 16, 2007 by Revenue Notice # 07-04.**

## **Department of Revenue**

### **Revenue Notice # 04-02: Individual Income Tax – Employer Payments to National Guard and Reservists on Active Duty**

In the case where a National Guard member or Reservist who is domiciled in Minnesota is called to active duty in the United States Armed Forces and for income tax purposes becomes a non-resident of Minnesota at the time they are stationed outside of Minnesota pursuant to Minnesota Statutes, section 290.01, subdivision 7, the Department of Revenue will consider the wages paid by the service member's civilian employer for payroll periods starting after the member is stationed outside of Minnesota as compensation for services performed outside of Minnesota. These wages would therefore not be considered Minnesota assignable income under Minnesota Statutes, section 290.17, subdivision 2(a)(1) and would not be subject to Minnesota tax.

The above position does not apply to the payment of bonus, vacation or sick leave pay received after the taxpayer is stationed outside of Minnesota to the extent the bonus, vacation or sick leave pay was accrued for work performed in Minnesota.

Raymond R. Krause  
Assistant Commissioner

Publication Date: February 9, 2004