

MINNESOTA • REVENUE

Individual Income Tax Resolution to Congress to Make Permanent the 2001 Federal Pension Changes

April 14, 2003

	Yes	No
Separate Official Fiscal Note Requested		X
Fiscal Impact		
DOR Administrative Costs/Savings		X

Department of Revenue
Analysis of S.F. 540 (Bachmann)/ H.F. 763 (Vandever)

	<u>Revenue Gain or (Loss)</u>			
	<u>F.Y. 2004</u>	<u>F.Y. 2005</u>	<u>F.Y. 2006</u>	<u>F.Y. 2007</u>
		(000's)		
General Fund	\$0	\$0	\$0	\$0

EXPLANATION OF THE BILL

Current Law: Minnesota currently conforms to federal law regarding pensions and individual retirement accounts. In 2001, federal changes were made to provisions relating to pensions and individual retirement accounts which sunset after 2010. These provisions were adopted by Minnesota in 2001.

Proposed Law: The resolution urges Congress to make permanent the 2001 liberalization of provisions regarding pensions and individual retirement accounts. The resolution also directs the Secretary of State of the State of Minnesota to prepare copies of the resolution and send them to the President of the United States and other federal government officials.

REVENUE ANALYSIS DETAIL

- If Congress makes permanent the provisions set to sunset on December 31, 2010, and if Minnesota adopts the changes, there will be a revenue loss to Minnesota after that date.

Source: Minnesota Department of Revenue
Tax Research Division
<http://www.taxes.state.mn.us/polic.html#analyses>

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