MINNESOTA · REVENUE

INDIVIDUAL INCOME TAX
Minnesota-Wisconsin Study

February 18, 2011

	Yes	No
DOR Administrative Costs/Savings	X	

Department of Revenue
Analysis of S.F. 122 (Reinert)

	Fund Impact			
	F.Y. 2012	**F.Y. 2013**	**F.Y. 2014**	**F.Y. 2015**
	(000's)			
General Fund	$0	$0	$0	$0

Effective August 1, 2011.

EXPLANATION OF THE BILL

The bill would require the Minnesota Department of Revenue, in conjunction with the Wisconsin Department of Revenue, to conduct a study. The study must determine: the number of residents of each state who earn income from personal services in the other state; the total amount of income earned by residents of each state who earn income from personal services in the other state; and the impact on the tax revenue of each state if there were an income tax reciprocity agreement between the two states.

The study would be conducted using information from tax year 2010 individual income tax returns. A report containing the results of the study must be submitted by March 1, 2012.

Note: Because the study would be based on tax year 2010 returns which are already being filed, there would be no opportunity to require additional information on the return that could be used for the study.

REVENUE ANALYSIS DETAIL

- The bill would have no impact on any state fund. It does not affect tax revenue, and it does not include an appropriation to fund the study.

Source: Minnesota Department of Revenue
Tax Research Division
http://www.taxes.state.mn.us/taxes/legal_policy

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