

March 7, 2023

	<b>Yes</b>	<b>No</b>
DOR Administrative Costs/Savings		X

Department of Revenue  
Analysis of H.F. 73 (Robbins) / S.F. 1505 (Rasmusson)

	<b>Fund Impact</b>			
	<b><u>F.Y. 2024</u></b>	<b><u>F.Y. 2025</u></b>	<b><u>F.Y. 2026</u></b>	<b><u>F.Y. 2027</u></b>
	(000's)			
General Fund	Negl.	Negl.	Negl.	Negl.

Effective retroactively beginning with tax year 2016.

**EXPLANATION OF THE BILL**

**Current Law:** A refundable individual income tax credit of \$2,000 is allowed for an individual who is a parent of a stillborn child if the Minnesota Department of Health issued a Certificate of Birth Resulting in Stillbirth for that child. To qualify for the credit, the individual must have been eligible to claim the child as a dependent.

For nonresident or part-year residents, the credit must be allocated based on the percentage of their income that is attributable to Minnesota.

**Proposed Law:** Under the bill, a qualifying individual must meet the following criteria:

- Must be either a resident or a nonresident spouse of a resident who is a member of armed forces of the United States or the United Nations.
- Must be the one who gave birth resulting in stillbirth (except as described below).
- Must be listed as a parent on the certificate of birth.

For a stillbirth occurring in Minnesota, if the person who gave birth is not listed as a parent on the certificate of birth, then the first parent listed on the certificate of birth is eligible for the credit.

For stillbirths occurring in a state other than Minnesota for which no certificate of birth was issued, the individual who gave birth resulting in stillbirth is eligible for the credit.

For part-year residents, the credit is allocated based on the percentage of income attributable to Minnesota.

Stillbirth means a birth for which a fetal death report would be required if the birth occurred in Minnesota.

Certificate of birth means a Certificate of Birth Resulting in Stillbirth issued by the Minnesota Department of Health, or for a birth occurring in another state or country, a similar certificate under that state's or country's law.

## REVENUE ANALYSIS DETAIL

- The bill changes eligibility for the credit in several ways. The number affected by the bill is unknown but is assumed to be negligible.
- Retroactive impacts are allocated to fiscal year 2024. All other tax year impacts are allocated to the following fiscal year.
- The estimate is based on information from 2020 income tax returns.

**Number of Taxpayers:** About 200 credits were claimed for tax year 2020.

Minnesota Department of Revenue  
Tax Research Division  
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