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State of Minnesota
HOUSE OF REPRESENTATIVES

**EIGHTY-FIFTH
SESSION**

HOUSE FILE No. 187

January 17, 2007

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The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to estate taxation; conforming to the federal exemption amount;
1.3 amending Minnesota Statutes 2006, section 291.03, subdivision 1.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. Minnesota Statutes 2006, section 291.03, subdivision 1, is amended to read:

1.6 Subdivision 1. **Tax amount.** The tax imposed shall be an amount equal to the
1.7 proportion of the maximum credit for state death taxes computed under section 2011 of
1.8 the Internal Revenue Code, ~~as amended through December 31, 2000~~, but without regard
1.9 to the reduction in or repeal of the credit and using Minnesota adjusted taxable estate
1.10 instead of federal adjusted taxable estate, as the Minnesota gross estate bears to the value
1.11 of the federal gross estate. The tax determined under this paragraph shall not be greater
1.12 than the amount computed by applying the rates and brackets under section 2001(c) of
1.13 the Internal Revenue Code to the Minnesota adjusted gross estate and subtracting the
1.14 federal credit allowed under section 2010 of the Internal Revenue Code of 1986, as
1.15 amended through December 31, 2000. For the purposes of this section, expenses which
1.16 are deducted for federal income tax purposes under section 642(g) of the Internal Revenue
1.17 Code as amended through December 31, 2002, are not allowable in computing the tax
1.18 under this chapter.

1.19 **EFFECTIVE DATE.** This section is effective for estates of decedents dying after
1.20 December 31, 2006.