State of Minnesota

HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH SESSION

HOUSE FILE NO. 716

February 12, 2009
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The bill was read for the first time and referred to the Committee on Taxes

A bill for an act

relating to taxation; providing a tax on interest rates over 15 percent; proposing coding for new law in Minnesota Statutes, chapter 290.

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

Section 1. **[290.094] INTEREST RATE TAX.**

Any person conducting a trade or business in this state and subject to tax under this chapter who engages in the business of making loans of money, credit, or goods and who charges interest on the loans shall be subject to a tax of 30 percent of the interest earned in excess of 15 percent of the principal balance, in addition to the tax liability imposed by this chapter.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2008.