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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 170

02/10/2025 Authored by Davids
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 taxation; estate; providing for a ten-year phaseout of the estate tax;
1.3 amending Minnesota Statutes 2024, section 291.03, subdivision 1.

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

1.5 Section 1. Minnesota Statutes 2024, section 291.03, subdivision 1, is amended to read:

1.6 Subdivision 1. Tax amount. (a) The tax imposed must be computed by applying to the
1.7 Minnesota taxable estate the following schedule of rates and then the resulting amount
1.8 multiplied by a fraction, not greater than one, the numerator of which is the value of the
1.9 Minnesota gross estate plus the value of gifts under section 291.016, subdivision 2, clause
1.10 (3), with a Minnesota situs, and the denominator of which is the federal gross estate plus
1.11 the value of gifts under section 291.016, subdivision 2, clause (3):

1.12 (a) For estates of decedents dying in 2017:

Table with 2 columns: Amount of Minnesota Taxable Estate, Rate of Tax. Rows include tax brackets from 'Not over \$5,100,000' to 'Over \$10,100,000' with corresponding rates and excess calculations.

1.25 (b) For estates of decedents dying in 2018 and thereafter:

2.1	Amount of Minnesota Taxable Estate	Rate of Tax
2.2	Not over \$7,100,000	13 percent
2.3	Over \$7,100,000 but not over \$8,100,000	\$923,000 plus 13.6 percent of the excess over \$7,100,000
2.4		\$1,059,000 plus 14.4 percent of the excess over \$8,100,000
2.5	Over \$8,100,000 but not over \$9,100,000	\$1,203,000 plus 15.2 percent of the excess over \$9,100,000
2.6		\$1,355,000 plus 16 percent of the excess over \$10,100,000
2.7	Over \$10,100,000	
2.8		
2.9		
2.10		

2.11 (b) Beginning July 1, 2025, and each July 1 thereafter through June 30, 2034, the  
 2.12 commissioner shall:

2.13 (1) reduce the rates in paragraph (a) by 1.6 percentage points until each rate equals zero.

2.14 If a reduction reduces the rate to less than zero, the rate for that bracket is deemed to be  
 2.15 zero; and

2.16 (2) reduce the amounts added to the rate brackets according to the adjustment under  
 2.17 clause (1) until each amount is reduced to zero.

2.18 **EFFECTIVE DATE.** This section is effective for estates of decedents dying after June  
 2.19 30, 2025.