



April 6, 2021

Representative Paul Marquart  
Chair, House Taxes Committee  
409 State Office Building  
St. Paul, MN 55155

Chair Marquart and members of the House Taxes Committee:

We are writing in support of proposals in the DE amendment to HF991 to raise revenue from the wealthiest Minnesotans and profitable corporations to meet Minnesotans’ needs while providing tax benefits and crisis relief to low- and moderate-income Minnesotans.

Essential workers and communities of color have borne the brunt of the health and economic impacts of COVID-19, which exacerbated racial and economic disparities that existed before the pandemic. Meanwhile, Minnesota’s state budget has been underfunded for over 20 years. Understaffed classrooms, crumbling infrastructure, and inaccessible healthcare can’t be addressed with one-time money. To help resolve the structural imbalance between Minnesotans’ needs and ongoing revenue, and to provide crisis relief to those hardest hit by the events of the past year, we want to highlight the provisions in the DE that reflect our priorities:

- The 5<sup>th</sup> tier individual income tax of 11.15% on income over \$1 million for married joint filers, \$500,000 for single taxpayers, and \$750,000 for heads of household.
- The provisions providing for taxation of repatriated foreign corporate income.
- The increase and expansion of the Working Family Credit.
- The subtraction for up to \$10,200 in unemployment compensation for taxpayers with a gross income of less than \$150,000.
- The refundable sales tax exemption for construction materials and replacement of capital equipment to rebuild or repair small businesses, nonprofits, and low-income housing developments damaged or destroyed in the civil unrest, retroactive to May 25, 2020.

We also support the film production credit to create new jobs in the movie and television industry in Minnesota.

Those who have prospered during these difficult times should do their part to help us not just recover but rebuild and pay their fair share in taxes to fund Minnesotans’ needs.

Sincerely,

Melissa Hysing  
Legislative Director



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