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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. **4616**

03/25/2026 Authored by Gomez; Lee, K.; Kozlowski; Greenman; Finke and others
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; establishing a Minnesota wealth tax; proposing coding for
1.3 new law in Minnesota Statutes, chapter 290.

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

1.5 Section 1. **[290.055] WEALTH TAX.**

1.6 Subdivision 1. Definitions. (a) For purposes of this section, the following terms have
1.7 the meanings given.

1.8 (b) "Pass-through entity" has the meaning given in section 291.005, subdivision 1.

1.9 (c) "Situs of property" means, with respect to:

1.10 (1) real property, the state or country in which it is located;

1.11 (2) tangible personal property, the state or country in which it is normally kept or located;

1.12 and

1.13 (3) intangible personal property, the state or country in which an individual taxpayer is
1.14 domiciled or the state of which a trust is a resident.

1.15 (d) "Taxable wealth" means:

1.16 (1) the value of all of a taxpayer's property, real or personal, tangible or intangible, but
1.17 excluding property with a situs outside of Minnesota; minus

1.18 (2) the sum of all debts and financial obligations owed by the taxpayer.

1.19 Subd. 2. Tax imposed. A tax is annually imposed equal to one percent of the taxable
1.20 wealth of an individual or trust in excess of \$10,000,000.

2.1 Subd. 3. Taxes imposed are in addition to other taxes. The tax imposed under this
2.2 section is in addition to the tax imposed under chapter 291; section 289A.08, subdivision
2.3 7; and any other tax imposed under this chapter.

2.4 Subd. 4. Property situs; nonresident ownership interests in pass-through
2.5 businesses. For a nonresident taxpayer with an ownership interest in a pass-through entity
2.6 with assets that include real or tangible personal property, situs of the real or tangible personal
2.7 property is determined as if the pass-through entity does not exist and the real or tangible
2.8 personal property is personally owned by the taxpayer. If the pass-through entity is owned
2.9 by a person or persons in addition to the taxpayer, ownership of the property is attributed
2.10 to the taxpayer in proportion to the taxpayer's capital ownership share of the pass-through
2.11 entity.

2.12 Subd. 5. Determination of property values. The value of a taxpayer's property must
2.13 be calculated in the same manner as the value of a gross estate under section 2031 of the
2.14 Internal Revenue Code.

2.15 EFFECTIVE DATE. This section is effective for taxable years beginning after December
2.16 31, 2025.