

February 17, 2021

Chair Marquart and Members of the House Taxes Committee:

Thank you for the opportunity to submit written testimony regarding HF 991, the Governor's tax bill.

Minnesota Realtors® was founded in 1919 and is a statewide business trade association with a membership of over 21,000 real estate professionals working with buyers and sellers of all types of property in every corner of the state.

Minnesota Realtors® opposes the Governor's proposal to increase taxes on long term capital gains and qualified dividends of individuals, trusts, and estates.

We are concerned that raising capital gains taxes would significantly and adversely affect the commercial real estate market in Minnesota, including investments in the development of multi-family housing.

Investors in commercial real estate assess risk and evaluate return when considering projects and properties and we are concerned that the proposal to increase capital gains taxes would put Minnesota's commercial real estate market at a competitive disadvantage by discouraging private investment. Instead, as the commercial real estate sector continues to recover from the impact of the COVID-19 pandemic, we believe it is important to encourage continued investment in Minnesota that will bring innovative, market-driven approaches to growing our economy.

Thank you again for the opportunity to provide this written testimony. Minnesota Realtors® looks forward to working with you during the 2021 Session.

Sincerely,



Paul Eger
Vice President, Governmental Affairs,
Minnesota Realtors®