

**Federal Update
All Provisions through December 27, 2020**

	FY 2022	FY 2023	FY 2024	FY 2025
		(\$000s)		
Further Consol. Appropriations Act, 2020				
Individual Income Tax	(\$20,380)	\$550	\$450	\$140
Corporate Franchise Tax	<u>(\$4,740)</u>	<u>\$660</u>	<u>\$550</u>	<u>\$550</u>
Total	(\$25,120)	\$1,210	\$1,000	\$690
Families First Coronavirus Response Act				
Individual Income Tax	\$15,200	\$0	\$0	\$0
Corporate Franchise Tax	<u>\$41,400</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total	\$56,600	\$0	\$0	\$0
CARES Act				
Individual Income Tax	(\$285,500)	\$5,500	\$800	\$400
Corporate Franchise Tax	<u>(\$700)</u>	<u>(\$1,500)</u>	<u>(\$1,500)</u>	<u>(\$800)</u>
Total	(\$286,200)	\$4,000	(\$700)	(\$400)
Paycheck Protection Program (from the CARES Act and CAA 2021)				
Individual Income Tax	(\$191,500)	(\$18,200)	(\$14,400)	(\$9,900)
Interaction: NOL modifications	(\$36,100)	\$7,400	\$3,200	\$3,200
Corporate Franchise Tax	<u>(\$183,500)</u>	<u>(\$15,900)</u>	<u>(\$12,200)</u>	<u>(\$9,200)</u>
Total	(\$411,100)	(\$26,700)	(\$23,400)	(\$15,900)
Consolidated Appropriations Act, 2021				
Individual Income Tax	(\$52,055)	(\$11,455)	(\$8,695)	(\$10,115)
Corporate Franchise Tax	<u>(\$14,430)</u>	<u>(\$9,420)</u>	<u>(\$1,950)</u>	<u>(\$1,860)</u>
Total	(\$66,485)	(\$20,875)	(\$10,645)	(\$11,975)
General Fund Total	(\$732,305)	(\$42,365)	(\$33,745)	(\$27,585)

Current Minnesota law references the Internal Revenue Code as amended through December 31, 2018. Since that date, the following federal legislation has been enacted that would affect the definition of income for Minnesota tax purposes:

- The Further Consolidated Appropriations Act, 2020 (Public Law 116-94) was enacted on December 20, 2019.
- The Families First Coronavirus Response Act (Public Law 116-127) was enacted on March 18, 2020.
- The Coronavirus Aid, Relief, and Economic Security (CARES) Act (Public Law 116-136) was enacted on March 27, 2020.
- The Consolidated Appropriations Act, 2021 (Public Law 116-260) was enacted on December 27, 2020.

See the attached revenue estimates for detailed estimates of each Act.

Minnesota Department of Revenue
Tax Research Division
January 25, 2021