

1.1 moves to amend H.F. No. 1049, the first engrossment, as follows:

1.2 Page 16, after line 15, insert:

1.3 "The commissioner of employment and
1.4 economic development shall allocate
1.5 reductions of \$10,800,000 among the general
1.6 fund appropriations to the department of
1.7 employment and economic development in
1.8 this article for fiscal years 2012 and 2013."

1.9 Page 25, after line 8, insert:

1.10 "Sec. 15. Minnesota Statutes 2010, section 290.068, subdivision 1, is amended to read:

1.11 Subdivision 1. **Credit allowed.** A corporation, partners in a partnership, or
1.12 shareholders in a corporation treated as an "S" corporation under section 290.9725 are
1.13 allowed a credit against the tax computed under this chapter for the taxable year equal to:

- 1.14 (a) ~~ten~~ 15 percent of the first \$2,000,000 of the excess (if any) of
- 1.15 (1) the qualified research expenses for the taxable year, over
- 1.16 (2) the base amount; and
- 1.17 (b) 2.5 percent on all of such excess expenses over \$2,000,000.

1.18 **EFFECTIVE DATE.** This section is effective for taxable years beginning after
1.19 December 31, 2010."

1.20 Renumber the sections in sequence and correct the internal references

1.21 Amend the title accordingly