

1.1 moves to amend H.F. No. as follows:

1.2 Page 11, line 18, after the comma, insert "clause (2),"

1.3 Page 13, line 30, after the comma, insert "clause (2),"

1.4 Page 16, line 28, delete "and 22" and insert "22, and 23"

1.5 Page 17, line 6, delete "and 22" and insert "22, and 23"

1.6 Page 27, line 5, delete "\$24,300,000" and insert "\$36,900,000"

1.7 Page 27, line 12, strike everything after "until"

1.8 Page 27, line 13, strike "allocated" and delete "until"

1.9 Page 32, line 3, delete "21" and insert "23"

1.10 Page 37, line 14, delete "Subd. 5." and insert "Subd. 7."

1.11 Page 37, line 17, delete "Subd. 6." and insert "Subd. 8."

1.12 Page 37, after line 21, insert:

1.13 "Sec. 11. Minnesota Statutes 2024, section 290.0681, subdivision 3, is amended to read:

1.14 Subd. 3. **Applications; allocations.** (a) To qualify for a credit or grant under this section,

1.15 the developer of a project must apply to the office before ~~the~~ any rehabilitation work begins.

1.16 The application must contain the information and be in the form prescribed by the office.

1.17 The office may collect a fee for application of up to 0.5 percent of qualified rehabilitation

1.18 expenditures, up to \$40,000, based on estimated qualified rehabilitation expenditures, to

1.19 offset costs associated with personnel and administrative expenses related to administering

1.20 the credit and preparing the economic impact report in subdivision 9. Application fees are

1.21 deposited in the account. The application must indicate if the application is for a credit or

2.1 a grant in lieu of the credit or a combination of the two and designate the taxpayer qualifying
 2.2 for the credit or the recipient of the grant.

2.3 (b) Upon approving an application for credit, the office shall issue allocation certificates
 2.4 that:

2.5 (1) verify eligibility for the credit or grant;

2.6 (2) state the amount of credit or grant anticipated with the project, with the credit amount
 2.7 equal to 100 percent and the grant amount equal to 90 percent of the federal credit anticipated
 2.8 in the application;

2.9 (3) state that the credit or grant allowed may increase or decrease if the federal credit
 2.10 the project receives at the time it is placed in service is different than the amount anticipated
 2.11 at the time the allocation certificate is issued; and

2.12 (4) state the fiscal year in which the credit or grant is allocated, and that the taxpayer or
 2.13 grant recipient is entitled to receive one-fifth of the total amount of either the credit or the
 2.14 grant at the time the project is placed in service, ~~provided that date is within three calendar~~
 2.15 ~~years following the issuance of the allocation certificate.~~

2.16 (c) The office, in consultation with the commissioner, shall determine if the project is
 2.17 eligible for a credit or a grant under this section and must notify the developer in writing
 2.18 of its determination. Eligibility for the credit is subject to review and audit by the
 2.19 commissioner.

2.20 (d) The federal credit recapture and repayment requirements under section 50 of the
 2.21 Internal Revenue Code do not apply to the credit allowed under this section.

2.22 (e) Any decision of the office under paragraph (c) may be challenged as a contested case
 2.23 under chapter 14. The contested case proceeding must be initiated within 45 days of the
 2.24 date of written notification by the office.

2.25 **EFFECTIVE DATE.** This section is effective for applications for allocation certificates
 2.26 submitted after June 30, 2026."

2.27 Page 46, line 14, delete "general fund" and insert "artificial intelligence readiness account
 2.28 in the special revenue fund"

2.29 Page 50, line 19, strike "(r)" and insert "(s)"

2.30 Page 57, line 4, delete "\$91,000" and insert "\$1,003,000"

2.31 Page 57, line 5, delete everything after "administer"

- 3.1 Page 57, line 6, delete "Minnesota Statutes, section 295.85" and insert "this act" and
- 3.2 delete "\$170,000" and insert "\$1,106,000"
- 3.3 Page 57, line 7, delete "thereafter" and insert "\$1,045,000 in fiscal year 2029"
- 3.4 Page 57, line 9, delete "for purposes of auditing pass-through entities" and insert "to
- 3.5 establish a pass-through entity audit unit"
- 3.6 Page 57, line 10, delete everything after "and" and insert "\$1,833,000 in fiscal year
- 3.7 2029."
- 3.8 Page 57, delete lines 11 to 15
- 3.9 Renumber the sections in sequence and correct the internal references
- 3.10 Amend the title accordingly