

HOUSE RESEARCH

Bill Summary

FILE NUMBER: HF 375

DATE: February 12, 1999

Version: As Introduced

Authors: Wenzel and others

Subject: Income tax subtraction for military pay

Analyst: Nina Manzi

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Overview

Allows taxpayers to subtract up to \$8,000 of military pay from taxable income in calculating state income tax.

- 1 Subtraction for military pay.** Allows taxpayers to subtract military pay from Minnesota taxable income. The subtraction is limited to the first \$5,000 of compensation for service in the national guard or U.S. or United Nations armed services, and the next \$3,000 for service performed outside Minnesota. Current law does not allow for subtraction of any military pay.
- 2 Effective date.** Effective beginning in tax year 1999.