

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 717

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Version: As introduced

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Subject: Single Sales Apportionment

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Overview

This bill accelerates the phase-in of single sales apportionment under the corporate franchise tax. Present law, enacted in 2005, provides for final phase-in by tax year 2014. This bill accelerates that to tax year 2010.

Section

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Tax Year	Present Law	H.F. 717
2007	78%	84%
2008	81%	90%
2009	84%	94%
2010	87%	100%
2011	90%	100%
2012	93%	100%
2013	96%	100%
2014	100%	100%

Apportionment formula. Accelerates the schedule for the state to adopt single sales apportionment. In the 2005 legislative session, Minnesota began phasing in single sales apportionment under its corporation franchise tax; the phase-in will occur over an 8-year period, starting in tax year 2007. The table to the right compares the sales weighting under present law with H.F. 717.