

HOUSE RESEARCH

Bill Summary

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Authors: Rukavina

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Analyst: Nina Manzi, (651) 296-5204
Joel Michael, joel.michael@house.mn

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Overview

Imposes an interest rate tax equal to 30 percent of interest earned in excess of 15 percent of the principal balance of a loan.

Section

- 1 Interest rate tax.** Imposes a new tax on businesses that make loans of money, credit, or goods, and that are subject to the corporate franchise or individual income tax. The tax equals 30 percent of the interest earned on the loan that exceeds 15 percent of the principal balance. The tax is in addition to the corporate franchise and individual income tax.