

HOUSE RESEARCH

Bill Summary

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Authors: Anzelc and others

Subject: Reduced iron ore tax incentive

Analyst: Chris Kleman

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Overview

The section of Minnesota Statutes establishing the production tax on taconite also includes a paragraph providing a tax incentive for new producers of direct reduced ore. This tax incentive is currently applicable only to those producers of direct reduced ore who obtained environmental permits and began plant construction before July 1, 2008. This bill removes that restriction and therefore allows all new producers of direct reduced ore to take advantage of the tax incentive.

Section

- 1** **Effective date.** Removes the restriction in paragraph (g), clause (4) preventing new producers of direct reduced ore from taking advantage of the tax incentive in paragraph (g), clause (1).