

**SENATE
STATE OF MINNESOTA
NINETIETH SESSION**

S.F. No. 265

(SENATE AUTHORS: CHAMBERLAIN, Hall and Dziejcie)

DATE	D-PG	OFFICIAL STATUS
01/23/2017	374	Introduction and first reading Referred to Taxes See HF4385, Art. 2, Sec. 5-6

1.1 A bill for an act

1.2 relating to health; allowing a subtraction from state business tax for medical

1.3 cannabis manufacturers; amending Minnesota Statutes 2016, sections 290.0132,

1.4 by adding a subdivision; 290.0134, by adding a subdivision.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2016, section 290.0132, is amended by adding a subdivision

1.7 to read:

1.8 Subd. 23. **Disallowed section 280E expenses; medical cannabis manufacturers.** The

1.9 amount of expenses of a medical cannabis manufacturer, as defined under section 152.22,

1.10 subdivision 7, related to the business of medical cannabis under sections 152.21 to 152.37,

1.11 and not allowed for federal income tax purposes under section 280E of the Internal Revenue

1.12 Code is a subtraction.

1.13 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December

1.14 31, 2016.

1.15 Sec. 2. Minnesota Statutes 2016, section 290.0134, is amended by adding a subdivision

1.16 to read:

1.17 Subd. 17. **Disallowed section 280E expenses; medical cannabis manufacturers.** The

1.18 amount of expenses of a medical cannabis manufacturer, as defined under section 152.22,

1.19 subdivision 7, related to the business of medical cannabis under sections 152.21 to 152.37,

1.20 and not allowed for federal income tax purposes under section 280E of the Internal Revenue

1.21 Code is a subtraction.

2.1 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
2.2 31, 2016.