

**SENATE  
STATE OF MINNESOTA  
NINETY-THIRD SESSION**

**S.F. No. 3047**

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DATE  
03/22/2023

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2202 Introduction and first reading  
Referred to Human Services

OFFICIAL STATUS

1.1 A bill for an act  
1.2 proposing an amendment to the Minnesota Constitution, article XI, by adding a  
1.3 section; creating a dedicated fund for long-term care services; closing a tax loophole  
1.4 by levying a tax on individuals with income not taxed for Social Security purposes  
1.5 to fund long-term care services; dedicating revenues; providing for the  
1.6 commissioner of revenue and the commissioner of human services to propose  
1.7 implementing legislation.

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

1.9 **ARTICLE 1**  
1.10 **CONSTITUTIONAL AMENDMENT**

1.11 Section 1. **LEGISLATIVE FINDINGS AND PURPOSE.**

1.12 This bill creates a dedicated long-term care fund that is funded by closing a large tax  
1.13 loophole. Currently, the highest income people do not pay any Social Security tax on any  
1.14 of their highest income. Only the highest income people receive this special treatment.  
1.15 Closing this loophole, treating the highest income people the same as everyone else, and  
1.16 dedicating the funds to long-term care provides the funds necessary to help our most  
1.17 vulnerable citizens.

1.18 Sec. 2. **CONSTITUTIONAL AMENDMENT PROPOSED.**

1.19 An amendment to the Minnesota Constitution is proposed to the people. If the amendment  
1.20 is adopted, a section shall be added to article XI, to read:

1.21 Sec. 16. A dedicated long-term care fund for the benefit of Minnesotans is created.  
1.22 Receipts from the tax under this section, plus penalties and interest, and less any refunds,  
1.23 are dedicated to that fund. For taxable years beginning after December 31, 2025, and before

2.1 January 1, 2046, a tax is levied on income not taxed for Social Security purposes, as defined  
 2.2 by law, at the rate that the federal government taxes income for Social Security purposes.  
 2.3 If the federal government implements a tiered system for taxing income for Social Security  
 2.4 purposes, the tax under this section is levied at the lowest tiered rate. The money dedicated  
 2.5 under this section shall be appropriated by law to fund the range of long-term care services  
 2.6 provided to Minnesotans. Funds appropriated by law must supplement traditional sources  
 2.7 of funding for long-term care services and may not be used as a substitute.

2.8 **Sec. 3. SUBMISSION TO VOTERS.**

2.9 (a) The title required under Minnesota Statutes, section 204D.15, subdivision 1, for the  
 2.10 question submitted to the people under paragraph (b) shall be "Dedication to Our Most  
 2.11 Vulnerable Citizens."

2.12 (b) The proposed amendment must be submitted to the people at the 2024 general election.  
 2.13 The question submitted must be:

2.14 "Shall the Minnesota Constitution be amended to dedicate funding to long-term care for  
 2.15 seniors and people with disabilities? This care will be funded by closing a large tax loophole.  
 2.16 Currently, the highest income people do not pay any Social Security tax on any of their  
 2.17 highest income. Only the highest income people receive this special treatment. Closing this  
 2.18 loophole, and treating the highest income people the same as everyone else, will provide  
 2.19 the funds necessary to help our most vulnerable citizens.

2.20 Yes .....

2.21 No .....

2.22 **ARTICLE 2**  
 2.23 **IMPLEMENTING LEGISLATION**

2.24 **Section 1. AGENCY PROPOSAL FOR IMPLEMENTING LEGISLATION.**

2.25 If the amendment in article 1, section 2, to the Minnesota Constitution, article XI, is  
 2.26 adopted, the commissioner of revenue and the commissioner of human services shall propose  
 2.27 legislation to implement the long-term care tax and to appropriate the proceeds of the tax.  
 2.28 The legislation must be introduced at the 2025 general session of the Minnesota Legislature.