SENATE
STATE OF MINNESOTA
EIGHTY-SEVENTH LEGISLATURE

S.F. No. 122

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DATE	D-PG	OFFICIAL STATUS
01/27/2011	116	Introduction and first reading Referred to Taxes

A bill for an act

relating to taxation; requiring the Department of Revenue to conduct a study on income tax reciprocity with Wisconsin; requiring a report.

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

Section 1. **INCOME RECIPROCITY BENCHMARK STUDY.**

(a) The Department of Revenue, in conjunction with the Wisconsin Department of Revenue, must conduct a study to determine at least the following:

(1) the number of residents of each state who earn income from personal services in the other state;

(2) the total amount of income earned by residents of each state who earn income from personal services in the other state; and

(3) the amount of tax revenue that would be foregone by each state if an income tax reciprocity arrangement were resumed between the two states under which the taxpayers were required to pay income taxes on the income only in their state of residence.

(b) The study must be conducted as soon as practicable, using information obtained from each state's income tax returns for tax year 2010, and from any other source of information the departments determine is necessary to complete the study.

(c) No later than March 1, 2012, the Department of Revenue must submit a report containing the results of the study to the governor and to the chairs and ranking minority members of the legislative committees having jurisdiction over taxes.