



**S.F. No. 379, as introduced - 87th Legislative Session (2011-2012) [11-1375]**

2.1 (1) the exclusion of net capital gain provided in section 852(b)(2)(A) of the Internal  
2.2 Revenue Code does not apply;

2.3 (2) the deduction for dividends paid under section 852(b)(2)(D) of the Internal  
2.4 Revenue Code must be applied by allowing a deduction for capital gain dividends and  
2.5 exempt-interest dividends as defined in sections 852(b)(3)(C) and 852(b)(5) of the Internal  
2.6 Revenue Code; and

2.7 (3) the deduction for dividends paid must also be applied in the amount of any  
2.8 undistributed capital gains which the regulated investment company elects to have treated  
2.9 as provided in section 852(b)(3)(D) of the Internal Revenue Code.

2.10 The net income of a real estate investment trust as defined and limited by section  
2.11 856(a), (b), and (c) of the Internal Revenue Code means the real estate investment trust  
2.12 taxable income as defined in section 857(b)(2) of the Internal Revenue Code.

2.13 The net income of a designated settlement fund as defined in section 468B(d) of  
2.14 the Internal Revenue Code means the gross income as defined in section 468B(b) of the  
2.15 Internal Revenue Code.

2.16 The Internal Revenue Code of 1986, as amended through March 18, 2010, shall be  
2.17 in effect for taxable years beginning after December 31, 1996. The provisions of the  
2.18 act of January 22, 2010, Public Law 111-126, to accelerate the benefits for charitable  
2.19 cash contributions for the relief of victims of the Haitian earthquake, are effective at the  
2.20 same time it became effective for federal purposes and apply to the subtraction under  
2.21 subdivision 19b, clause (6). The provisions of the act of December 17, 2010, Public Law  
2.22 111-312, are effective at the same time they became effective for federal purposes.

2.23 Except as otherwise provided, references to the Internal Revenue Code in  
2.24 subdivisions 19 to 19f mean the code in effect for purposes of determining net income for  
2.25 the applicable year.

2.26 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.27 Sec. 3. Minnesota Statutes 2010, section 290.01, subdivision 31, is amended to read:

2.28 Subd. 31. **Internal Revenue Code.** Unless specifically defined otherwise, "Internal  
2.29 Revenue Code" means the Internal Revenue Code of 1986, as amended through March 18,  
2.30 2010, and includes the provisions of the act of December 17, 2010, Public Law 111-312.  
2.31 Internal Revenue Code also includes any uncodified provision in federal law that relates to  
2.32 provisions of the Internal Revenue Code that are incorporated into Minnesota law.

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3.1            **EFFECTIVE DATE.** This section is effective the day following final enactment  
3.2 except that the changes incorporated by federal changes are effective at the same time as  
3.3 the changes were effective for federal purposes.

3.4            Sec. 4. Minnesota Statutes 2010, section 290A.03, subdivision 15, is amended to read:

3.5            Subd. 15. **Internal Revenue Code.** "Internal Revenue Code" means the Internal  
3.6 Revenue Code of 1986, as amended through March 18, 2010, and includes the provisions  
3.7 of the act of December 17, 2010, Public Law 111-312.

3.8            **EFFECTIVE DATE.** This section is effective for property tax refunds based on  
3.9 property taxes payable on or after December 31, 2010, and rent paid on or after December  
3.10 31, 2009.