

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

**S.F. No. 59**

(SENATE AUTHORS: DZIEDZIC, Dibble and Marty)

DATE	D-PG	OFFICIAL STATUS
01/10/2019	55	Introduction and first reading Referred to Taxes
01/14/2019	84	Author added Marty

1.1 A bill for an act  
 1.2 relating to taxation; income; establishing bicycle commuting expense  
 1.3 reimbursement credit; amending Minnesota Statutes 2018, section 290.06,  
 1.4 subdivision 28.

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

1.6 Section 1. Minnesota Statutes 2018, section 290.06, subdivision 28, is amended to read:

1.7 Subd. 28. **Credit for transit passes and bicycle commuting expense**  
 1.8 **reimbursements.** (a) A taxpayer may take a credit against the tax due under this chapter  
 1.9 equal to 30 percent of the expense incurred by the taxpayer to provide transit passes, for  
 1.10 use in Minnesota, to employees of the taxpayer. As used in this subdivision, "transit pass"  
 1.11 has the meaning given in section 132(f)(5)(A) of the Internal Revenue Code. If the taxpayer  
 1.12 purchases the transit passes from the transit system operator, and resells them to the  
 1.13 employees, the credit is based on the amount of the difference between the price paid for  
 1.14 the passes by the employer and the amount charged to employees.

1.15 (b) A taxpayer may take a credit against the tax due under this chapter equal to 30 percent  
 1.16 of qualified bicycle commuting reimbursements paid to employees during the taxable year,  
 1.17 for use in Minnesota, within the meaning of section 132(f)(5)(F) of the Internal Revenue  
 1.18 Code and subject to the applicable monthly and annual limitations therein. This paragraph  
 1.19 applies only in years when the federal qualified transportation fringe benefit for qualified  
 1.20 bicycle commuting reimbursements is suspended under section 132(f)(8) of the Internal  
 1.21 Revenue Code.

1.22 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
 1.23 31, 2018.