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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 166

02/10/2025 Authored by Robbins, Davids, Joy, Harder, Johnson, W., and others
The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to taxation; estate; conforming to the federal estate tax exclusion amount;
1.3 amending Minnesota Statutes 2024, sections 289A.10, subdivision 1; 291.016,
1.4 subdivision 3.

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

1.6 Section 1. Minnesota Statutes 2024, section 289A.10, subdivision 1, is amended to read:

1.7 Subdivision 1. Return required. In the case of a decedent who has an interest in property
1.8 with a situs in Minnesota, the personal representative must submit a Minnesota estate tax
1.9 return to the commissioner, on a form prescribed by the commissioner, if:

1.10 (1) a federal estate tax return is required to be filed; or

1.11 (2) the sum of the federal gross estate and federal adjusted taxable gifts, as defined in
1.12 section 2001(b) of the Internal Revenue Code, made within three years of the date of the
1.13 decedent's death exceeds \$1,200,000 for estates of decedents dying in 2014; \$1,400,000 for
1.14 estates of decedents dying in 2015; \$1,600,000 for estates of decedents dying in 2016;
1.15 \$2,100,000 for estates of decedents dying in 2017; \$2,400,000 for estates of decedents dying
1.16 in 2018; \$2,700,000 for estates of decedents dying in 2019; and \$3,000,000 for estates of
1.17 decedents dying in 2020 and thereafter.

1.18 The return must contain a computation of the Minnesota estate tax due. The return must
1.19 be signed by the personal representative.

1.20 EFFECTIVE DATE. This section is effective for estates of decedents dying after
1.21 December 31, 2024.

2.1 Sec. 2. Minnesota Statutes 2024, section 291.016, subdivision 3, is amended to read:

2.2 Subd. 3. **Subtraction.** ~~(a) For estates of decedents dying after December 31, 2016, A~~
2.3 subtraction is allowed in computing the Minnesota taxable estate, equal to the ~~sum of:~~
2.4 decedent's applicable federal exclusion amount under section 2010(c)(3) of the Internal
2.5 Revenue Code.

2.6 ~~(1) the exclusion amount for the year of death under paragraph (b); and~~

2.7 ~~(2) the lesser of:~~

2.8 ~~(i) the value of qualified small business property under section 291.03, subdivision 9,~~
2.9 ~~and the value of qualified farm property under section 291.03, subdivision 10; or~~

2.10 ~~(ii) \$5,000,000 minus the exclusion amount for the year of death under paragraph (b).~~

2.11 ~~(b) The following exclusion amounts apply for the year of death:~~

2.12 ~~(1) \$2,100,000 for decedents dying in 2017;~~

2.13 ~~(2) \$2,400,000 for decedents dying in 2018;~~

2.14 ~~(3) \$2,700,000 for decedents dying in 2019; and~~

2.15 ~~(4) \$3,000,000 for decedents dying in 2020 and thereafter.~~

2.16 ~~(e)~~ (b) The subtraction under this subdivision must not reduce the Minnesota taxable
2.17 estate to less than zero.

2.18 **EFFECTIVE DATE.** This section is effective for estates of decedents dying after
2.19 December 31, 2024.