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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. 1158

02/13/2017 Authored by Bernardy; Hertaus; Carlson, L.; Marquart; Petersburg 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; individual income; allowing a subtraction for Medicare part
1.3 B premiums; amending Minnesota Statutes 2016, section 290.0132, by adding a
1.4 subdivision.

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

1.6 Section 1. Minnesota Statutes 2016, section 290.0132, is amended by adding a subdivision
1.7 to read:

1.8 Subd. 23. Medicare part B premiums. (a) The amount paid in Medicare part B premiums
1.9 is a subtraction.

1.10 (b) For a taxpayer deducting medical expenses under section 213 of the Internal Revenue
1.11 Code, the subtraction under this subdivision is limited to the lesser of:

1.12 (1) ten percent of adjusted gross income, as defined in section 62 of the Internal Revenue
1.13 Code; or

1.14 (2) the amount paid in Medicare part B premiums.

1.15 (c) The subtraction amount determined under paragraph (b) is not considered to have
1.16 been deducted in computing federal taxable income.

1.17 EFFECTIVE DATE. This section is effective for taxable years beginning after December
1.18 31, 2016.

1.19 Sec. 2. PURPOSE STATEMENT; TAX EXPENDITURES.

1.20 Subdivision 1. Authority. This section is intended to fulfill the requirement under
1.21 Minnesota Statutes, section 3.192, that a bill creating, renewing, or continuing a tax

2.1 expenditure provide a purpose for the tax expenditure and a standard or goal against which
2.2 its effectiveness is measured.

2.3 Subd. 2. **Medicare part B subtraction.** The provisions of section 1, providing an income
2.4 tax subtraction for Medicare part B premiums, are intended to reduce health care costs for
2.5 senior citizens.