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Senate

State of Minnesota

S.F. No. 3538 – Subtraction for certain pension income (as proposed to be amended by the A-1 amendment)

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Section 1. Pension income; public safety officers and firefighters. Provides a subtraction for pension income received by an individual from the state fire and police pension plan, local and state correctional service pension plans, or state patrol pension plan, and any similar benefit or annuity from a federal pension plan, if the individual has not reached age 55 before December 31, 2022, and has attained at least 20 years of service as a public official or employee and a member of a plan listed above. The subtraction would also supply to payments received by the surviving spouse of a qualifying individual.

Section 2. Definitions. Adds a reference to the subtraction in section 1 for purposes of the calculation of AMT.

Effective beginning in tax year 2023.