

1.1 Senator moves to amend the SCS1811A35 amendment to S.F. No. 1811
1.2 as follows:

1.3 Page 1, after line 29, insert:

1.4 "Page 32, after line 14, insert:

1.5 "Sec. 25. [290.033] NET INVESTMENT INCOME TAX.

1.6 (a) For purposes of this section, "net investment income" has the meaning given in
1.7 section 1411(c) of the Internal Revenue Code.

1.8 (b) In addition to the tax computed under section 290.06, subdivision 2c, an additional
1.9 tax of three percent is imposed on the net investment income of individuals, estates, and
1.10 trusts in excess of \$250,000 at a rate of 2.1 percent.

1.11 (c) For an individual who is not a Minnesota resident for the entire taxable year, the tax
1.12 under this subdivision must be calculated as if the individual is a Minnesota resident for the
1.13 entire year, and that amount must be multiplied by a fraction in which:

1.14 (1) the numerator is net investment income allocable under section 290.17 to Minnesota;
1.15 and

1.16 (2) the denominator is the total amount of net investment income for the taxable year.

1.17 (d) For an estate or trust, the tax on net investment income must be computed by
1.18 multiplying the net investment income tax liability by a fraction, the numerator of which is
1.19 the amount of the estate or trust's net investment income allocated to the state pursuant to
1.20 the provisions of sections 290.17, 290.191, and 290.20, and the denominator of which is
1.21 the taxpayer's total net investment income.

1.22 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
1.23 31, 2022."

1.24 Renumber the sections in sequence and correct the internal references

1.25 Amend the title accordingly"