



Minnesota Research & Development Tax Credit

The current research and development credit is expanded to partners in partnerships and shareholders of S corporations. The rate of credit is increased from 5% to 10% for the first \$2MM of excess qualified research expenses.

In addition, the credit is also refundable for qualified research expenses incurred in taxable years beginning after December 31, 2009

Minnesota Historic Structure Rehabilitation Tax Credit

Legislation allows for a credit equal to the Federal credit under Sec. 47. The Minnesota Historical Society may provide a grant in lieu of a credit; the grant equals 90% of the credit that would be allowed.

The credit can be applied against the corporate income and franchise tax and the personal income tax. Insurance companies may use the credit against the insurance premiums tax. The credit is also refundable to the extent the taxpayer has insufficient liability to offset.

Credits are subject to an application process with State Historic Preservation Office prior to start of work. Upon being placed in service, the developer of a project will receive a project certification. The certified credit may be transferred to another taxpayer.

The credit is effective for taxable years beginning after December 31, 2009 for which qualified costs are first paid after May 1, 2010 and sunsets after state fiscal year 2015.

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