

Subject Stillbirth credit
Authors Hertaus
Analyst Christopher Kleman
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Overview

H.F. 37 would modify the existing credit for parents of stillborn children to clarify which individuals qualify for the credit. As proposed, only residents and part-year residents would qualify, except for nonresident spouses of resident members of the armed forces. In addition, surrogates would also qualify for the credit under this bill.

Summary

Section	Description
1	<p>Stillbirth credit allowed.</p> <p>Modifies the stillbirth credit to provide that it is allowed to an “eligible individual” (defined in section 2) and to eliminate the test that allows the credit based on who would have qualified to claim the stillborn child as a tax dependent.</p> <p>In addition, apportionment of the credit for nonresidents is eliminated. A nonresident who is an eligible individual (e.g., the nonresident spouse of a Minnesota resident member of the military) would be allowed the full credit. Apportionment would continue for part year residents—that is, individuals who move into or out of the state during the tax year based on the percentage of their income that is derived from Minnesota sources.</p> <p>Effective date: Retroactive to tax year 2016 (original effective date of the credit).</p>
2	<p>Stillbirth credit; definitions.</p> <ul style="list-style-type: none">• “Certificate of birth resulting in stillbirth” means a printed certificate of stillbirth issued by the Minnesota Department of Health for a Minnesota birth or a similar certificate issued by another state or country if the birth occurs outside of Minnesota.• “Eligible individual” (i.e. individuals who will be allowed the credit) must be:<ul style="list-style-type: none">▪ a Minnesota resident or the nonresident spouse of a member of the military who is a Minnesota resident; and▪ the individual who gave birth (i.e., the mother) who was listed on the birth certificate or simply is the mother who gave birth, or the first parent listed on the birth certificate if different than the individual who gave

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birth (i.e. a surrogate) if the birth occurred outside of Minnesota in a state or country where no certificate is issued for qualifying stillbirths (must be at least 20 week gestation).

- **“Stillbirth”** is defined by reference to the statute that requires a fetal death report, but without regard to whether the birth occurs in Minnesota.

Effective date: Retroactive to tax year 2016 (original effective date of the credit).



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