



A Column of Personal Opinion  
By State Senator Sheila Harsdorf

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## Legislators Push for Reinstatement of Income Tax Reciprocity

Earlier this week, I co-hosted a bipartisan summit of legislators from both Wisconsin and Minnesota to discuss the importance of reinstating the income tax reciprocity agreement between our two states. Nearly twenty legislators from both states, representing both political parties, met with Minnesota Department of Revenue Commissioner Myron Frans and Wisconsin Department of Revenue Secretary Rick Chandler at the Minnesota State Capital to urge them to work to resolve the issues that ended the agreement in 2009 and to sign a new agreement. Also attending from Wisconsin were State Senator Bob Jauch and State Representatives Dean Knudson, John Murtha, Erik Severson, Nick Milroy, Warren Petryk and Tom Larson.

The previous 41-year-old income tax reciprocity agreement between Wisconsin and Minnesota allowed residents who live in one state and work in the other to file a single tax return in their home state. The reciprocity agreement benefited tens-of-thousands of taxpayers from both states over the years. The ending of the agreement in 2009 has resulted in the over 80,000 border-crossing citizens as well as affected businesses to face additional tax filing and recordkeeping costs.

The focus of this meeting was to bring the Departments of Revenue from Minnesota and Wisconsin together with legislators to push for a new reciprocity agreement and to build consensus on a framework for what such an agreement would include. While the administrations of the two states are responsible for reaching an agreement, this summit was an opportunity for legislators to urge the Department officials to establish a new reciprocity agreement.

Commissioner Frans and Secretary Chandler have made progress in resolving issues relating to the timing of payments and the need for an updated benchmark study. I remain hopeful that with both Governor Dayton and Governor Walker in support of signing a new agreement, the remaining issues can be resolved and a new agreement finalized.

The summit concluded with legislators requesting that the Departments provide an update as to their discussions by April 15<sup>th</sup>. Now is the time for the Departments to act in order to reinstate the agreement for the benefit of taxpayers.

You can provide your thoughts and comments on the income tax reciprocity agreement by visiting my website [www.harsdorfsenate.com](http://www.harsdorfsenate.com) or calling my office at 1-800-862-1092.