



# TaxNewsFlash

United States



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## KPMG reports: Minnesota (proposed mandatory worldwide combined reporting); New York (business income and capital tax changes); Pennsylvania (treatment of electricity for income apportionment purposes)

KPMG This Week in State Tax—produced weekly by the KPMG State and Local Tax practice—focuses on recent state and local tax developments.

- **Minnesota:** Proposed measures to adopt mandatory worldwide combined reporting effective for tax years beginning after December 31, 2023, were included in omnibus tax bills introduced in both the Minnesota House and Senate. A conference committee has been convened to address differences in the overall bills, although the Senate's support for the proposed measure reportedly has been withdrawn.
- **New York:** Legislation implementing New York's fiscal plan for the coming year, which was signed into law on May 3, 2023, includes a three-year extension of the additional 0.75% tax on entire net income if the taxpayer's business income base, as apportioned, exceeds \$5 million. The legislation also extends the state's business capital tax, which was previously scheduled to be phased out at the end of 2023, as well as numerous other tax changes.
- **Pennsylvania:** The Department of Revenue announced in a bulletin that it will treat electricity as tangible personal property for purposes of apportioning income under the state's corporate net income tax, effective for all open tax periods.

Read a [May 2023 report](#) prepared by KPMG LLP

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