

Client **IN**sight

News that impacts you.

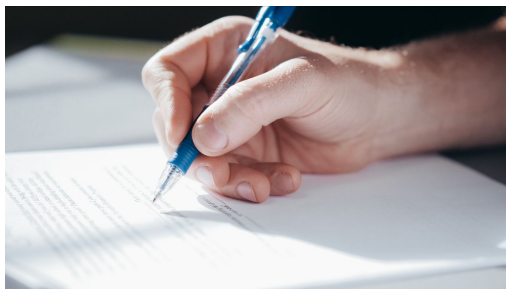
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- New Minnesota Law on Pass-Through Entity Tax
- Midyear Tax Planning Letter
- IRS Struggles

If you have any questions, please reach out to your Boyum Barenscheer advisor.



New Minnesota Tax Law on PTE:

Recently, Governor Tim Walz signed into law Minnesota's FY 2022-2023 State Budget, which includes a new pass-through entity (PTE) tax. We highlight the following issues in our recent blog:

- Highlights of the new Minnesota passthrough entity tax election
- Pass-through entity tax credit
- Credit for tax paid to other states
- Planning opportunities

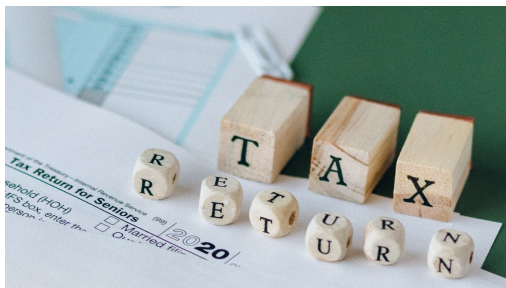
Read more about this important change [here](#).



Midyear Tax Planning Letter:

As the recovery from the COVID-19 crisis takes hold and the economy and life begin to return to normal, now is an ideal time to focus on tax planning for the remainder of 2021. President Biden has released a plan, that if enacted, would result in higher tax rates for both individual and corporate taxpayers. Time will tell if this proposal ultimately becomes law, but there is certainly a possibility that the rates in effect today will increase soon. At this time, it's too soon to say what the new rates will be or when they will be effective, if at all.

There are many tax planning opportunities available to help you reduce your individual federal and state tax burdens, especially as Congress has enacted various provisions designed to help taxpayers recover from the pandemic. Read more [here](#).



IRS Struggles:

It's never been a particularly pleasant experience dealing with the IRS, but the IRS is struggling mightily right now in a way they have never struggled before. Their service is at an all-time low and there is no end in sight. They have millions of unopened pieces of mail dating back months and months. There are significant delays in processing of basic returns. There are significant issues and delays with IRS notices being sent out with payments being applied properly and with their reading and processing of replies to IRS notices. Read more [here](#).