



ST. PAUL, Minn. (AP) Revenue officials from Minnesota and Wisconsin have settled a key issue to reaching a tax reciprocity agreement. Separate studies by the two states find Wisconsin would owe Minnesota about \$69 million to compensate for the tax revenue it would lose if residents who live in one state and work in the other file a single state income tax return.

Revenue officials have been working toward an agreement for several years to restore tax reciprocity. But, another issue remains on the table. Minnesota wants Wisconsin to pay an additional \$6 million annually to cover a difference in tax credits that the states offer interstate commuters.

Wisconsin's top revenue official, Roger Chandler, says it's unreasonable for Wisconsin to send Minnesota \$6 million to reverse a "tax increase" that Minnesota imposed.