



Grover G. Norquist

President

November 30, 2004

The Honorable Tim Pawlenty
130 State Capitol
St. Paul, MN 55155

Dear Governor Pawlenty:

I would like to congratulate you on your recent “Smart Buy” health care initiative for Minnesotans. In particular, making Minnesota’s tax code compliant with new health savings accounts (HSAs) is a very positive step in the right direction.

Contributions to HSAs can be made both by employers and employees, and are fully-deductible on federal tax returns. **Thanks to your leadership, the Minnesota legislature will have the opportunity to extend that same tax-neutral treatment to Minnesota businesses and families.**

On the federal level, the next step in broadening HSA appeal is to allow full deductibility for the insurance premiums associated with HSAs. Minnesota can take the lead by allowing full premium deductibility for its residents—very positive encouragement for Congress.

If you have any questions about this issue, please contact Ryan Ellis on my staff. His email is rellis@atr.org, or he can be reached by phone at 202-785-0266.

Sincerely,

Grover Norquist

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