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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 1735

03/01/2021 Authored by Youakim, Her and Fischer
The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to taxation; property tax refunds; modifying the parameters of the renter's
1.3 credit and homestead credit to increase refunds; amending Minnesota Statutes
1.4 2020, section 290A.04, subdivisions 2, 2a.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2020, section 290A.04, subdivision 2, is amended to read:

1.7 Subd. 2. Homeowners; homestead credit refund. A claimant whose property taxes
1.8 payable are in excess of the percentage of the household income stated below shall pay an
1.9 amount equal to the percent of income shown for the appropriate household income level
1.10 along with the percent to be paid by the claimant of the remaining amount of property taxes
1.11 payable. The state refund equals the amount of property taxes payable that remain, up to
1.12 the state refund amount shown below.

Table with 5 columns: Household Income, Percent of Income, Percent Paid by Claimant, Maximum State Refund. Rows 1.13-1.25 show various income brackets and corresponding percentages.

2.1	<del>19,180 to 24,429</del>	<del>2.0 percent</del>	<del>25 percent</del>	<del>\$ 2,770</del>
2.2	<del>24,430 to 26,169</del>	<del>2.0 percent</del>	<del>30 percent</del>	<del>\$ 2,770</del>
2.3	<del>26,170 to 29,669</del>	<del>2.0 percent</del>	<del>30 percent</del>	<del>\$ 2,770</del>
2.4	<del>29,670 to 41,859</del>	<del>2.0 percent</del>	<del>35 percent</del>	<del>\$ 2,770</del>
2.5	<del>41,860 to 61,049</del>	<del>2.0 percent</del>	<del>35 percent</del>	<del>\$ 2,240</del>
2.6	<del>61,050 to 69,769</del>	<del>2.0 percent</del>	<del>40 percent</del>	<del>\$ 1,960</del>
2.7	<del>69,770 to 78,499</del>	<del>2.1 percent</del>	<del>40 percent</del>	<del>\$ 1,620</del>
2.8	<del>78,500 to 87,219</del>	<del>2.2 percent</del>	<del>40 percent</del>	<del>\$ 1,450</del>
2.9	<del>87,220 to 95,939</del>	<del>2.3 percent</del>	<del>40 percent</del>	<del>\$ 1,270</del>
2.10	<del>95,940 to 101,179</del>	<del>2.4 percent</del>	<del>45 percent</del>	<del>\$ 1,070</del>
2.11	<del>101,180 to 104,689</del>	<del>2.5 percent</del>	<del>45 percent</del>	<del>\$ 890</del>
2.12	<del>104,690 to 108,919</del>	<del>2.5 percent</del>	<del>50 percent</del>	<del>\$ 730</del>
2.13	<del>108,920 to 113,149</del>	<del>2.5 percent</del>	<del>50 percent</del>	<del>\$ 540</del>
2.14				<u>Maximum</u>
2.15			<u>Percent Paid by</u>	<u>State</u>
2.16	<u>Household Income</u>	<u>Percent of Income</u>	<u>Claimant</u>	<u>Refund</u>
2.17	<u>\$0 to 1,820</u>	<u>1.0 percent</u>	<u>10 percent</u>	<u>\$ 3,150</u>
2.18	<u>1,820 to 3,630</u>	<u>1.1 percent</u>	<u>10 percent</u>	<u>\$ 3,150</u>
2.19	<u>3,630 to 5,490</u>	<u>1.2 percent</u>	<u>10 percent</u>	<u>\$ 3,150</u>
2.20	<u>5,490 to 7,330</u>	<u>1.3 percent</u>	<u>15 percent</u>	<u>\$ 3,150</u>
2.21	<u>7,330 to 9,140</u>	<u>1.4 percent</u>	<u>15 percent</u>	<u>\$ 3,150</u>
2.22	<u>9,140 to 12,810</u>	<u>1.5 percent</u>	<u>15 percent</u>	<u>\$ 3,150</u>
2.23	<u>12,810 to 14,620</u>	<u>1.6 percent</u>	<u>15 percent</u>	<u>\$ 3,150</u>
2.24	<u>14,620 to 16,470</u>	<u>1.7 percent</u>	<u>15 percent</u>	<u>\$ 3,150</u>
2.25	<u>16,470 to 18,290</u>	<u>1.8 percent</u>	<u>15 percent</u>	<u>\$ 3,150</u>
2.26	<u>18,290 to 20,110</u>	<u>1.9 percent</u>	<u>20 percent</u>	<u>\$ 3,150</u>
2.27	<u>20,110 to 25,610</u>	<u>2.0 percent</u>	<u>20 percent</u>	<u>\$ 3,150</u>
2.28	<u>25,610 to 27,440</u>	<u>2.0 percent</u>	<u>25 percent</u>	<u>\$ 3,150</u>
2.29	<u>27,440 to 31,110</u>	<u>2.0 percent</u>	<u>25 percent</u>	<u>\$ 3,150</u>
2.30	<u>31,110 to 43,890</u>	<u>2.0 percent</u>	<u>30 percent</u>	<u>\$ 3,150</u>
2.31	<u>43,890 to 64,000</u>	<u>2.0 percent</u>	<u>30 percent</u>	<u>\$ 2,600</u>
2.32	<u>64,000 to 73,150</u>	<u>2.0 percent</u>	<u>35 percent</u>	<u>\$ 2,300</u>
2.33	<u>73,150 to 82,300</u>	<u>2.1 percent</u>	<u>35 percent</u>	<u>\$ 1,950</u>
2.34	<u>82,300 to 91,440</u>	<u>2.2 percent</u>	<u>35 percent</u>	<u>\$ 1,770</u>
2.35	<u>91,440 to 100,580</u>	<u>2.3 percent</u>	<u>35 percent</u>	<u>\$ 1,580</u>
2.36	<u>100,580 to 106,070</u>	<u>2.4 percent</u>	<u>40 percent</u>	<u>\$ 1,320</u>
2.37	<u>106,070 to 109,750</u>	<u>2.5 percent</u>	<u>40 percent</u>	<u>\$ 1,080</u>

3.1	<u>109,750 to 114,190</u>	<u>2.5 percent</u>	<u>45 percent</u>	<u>\$ 870</u>
3.2	<u>114,190 to 118,620</u>	<u>2.5 percent</u>	<u>45 percent</u>	<u>\$ 620</u>

3.3 The payment made to a claimant shall be the amount of the state refund calculated under  
 3.4 this subdivision. No payment is allowed if the claimant's household income is ~~\$113,150~~  
 3.5 \$118,620 or more.

3.6 **EFFECTIVE DATE.** This section is effective for refunds based on property taxes  
 3.7 payable after December 31, 2021.

3.8 Sec. 2. Minnesota Statutes 2020, section 290A.04, subdivision 2a, is amended to read:

3.9 Subd. 2a. **Renters.** A claimant whose rent constituting property taxes exceeds the  
 3.10 percentage of the household income stated below must pay an amount equal to the percent  
 3.11 of income shown for the appropriate household income level along with the percent to be  
 3.12 paid by the claimant of the remaining amount of rent constituting property taxes. The state  
 3.13 refund equals the amount of rent constituting property taxes that remain, up to the maximum  
 3.14 state refund amount shown below.

3.15				Maximum
3.16			Percent Paid by	State
3.17	Household Income	Percent of Income	Claimant	Refund
3.18	<del>\$0 to 5,269</del>	<del>1.0 percent</del>	<del>5 percent</del>	<del>\$ 2,150</del>
3.19	<del>5,270 to 6,999</del>	<del>1.0 percent</del>	<del>10 percent</del>	<del>\$ 2,150</del>
3.20	<del>7,000 to 8,749</del>	<del>1.1 percent</del>	<del>10 percent</del>	<del>\$ 2,090</del>
3.21	<del>8,750 to 12,269</del>	<del>1.2 percent</del>	<del>10 percent</del>	<del>\$ 2,040</del>
3.22	<del>12,270 to 15,779</del>	<del>1.3 percent</del>	<del>15 percent</del>	<del>\$ 1,980</del>
3.23	<del>15,780 to 17,519</del>	<del>1.4 percent</del>	<del>15 percent</del>	<del>\$ 1,930</del>
3.24	<del>17,520 to 19,259</del>	<del>1.4 percent</del>	<del>20 percent</del>	<del>\$ 1,880</del>
3.25	<del>19,260 to 22,779</del>	<del>1.5 percent</del>	<del>20 percent</del>	<del>\$ 1,820</del>
3.26	<del>22,780 to 24,529</del>	<del>1.6 percent</del>	<del>20 percent</del>	<del>\$ 1,770</del>
3.27	<del>24,530 to 26,279</del>	<del>1.7 percent</del>	<del>25 percent</del>	<del>\$ 1,770</del>
3.28	<del>26,280 to 29,789</del>	<del>1.8 percent</del>	<del>25 percent</del>	<del>\$ 1,770</del>
3.29	<del>29,790 to 31,529</del>	<del>1.9 percent</del>	<del>30 percent</del>	<del>\$ 1,770</del>
3.30	<del>31,530 to 36,789</del>	<del>2.0 percent</del>	<del>30 percent</del>	<del>\$ 1,770</del>
3.31	<del>36,790 to 42,039</del>	<del>2.0 percent</del>	<del>35 percent</del>	<del>\$ 1,770</del>
3.32	<del>42,040 to 49,059</del>	<del>2.0 percent</del>	<del>40 percent</del>	<del>\$ 1,770</del>
3.33	<del>49,060 to 50,799</del>	<del>2.0 percent</del>	<del>45 percent</del>	<del>\$ 1,610</del>
3.34	<del>50,800 to 52,559</del>	<del>2.0 percent</del>	<del>45 percent</del>	<del>\$ 1,450</del>
3.35	<del>52,560 to 54,319</del>	<del>2.0 percent</del>	<del>45 percent</del>	<del>\$ 1,230</del>
3.36	<del>54,320 to 56,059</del>	<del>2.0 percent</del>	<del>50 percent</del>	<del>\$ 1,070</del>

4.1	<del>56,060 to 57,819</del>	<del>2.0 percent</del>	<del>50 percent</del>	\$ 970
4.2	<del>57,820 to 59,569</del>	<del>2.0 percent</del>	<del>50 percent</del>	\$ 540
4.3	<del>59,570 to 61,319</del>	<del>2.0 percent</del>	<del>50 percent</del>	\$ 210
4.4				<u>Maximum</u>
4.5			<u>Percent Paid by</u>	<u>State</u>
4.6	<u>Household Income</u>	<u>Percent of Income</u>	<u>Claimant</u>	<u>Refund</u>
4.7	<u>\$0 to 5,520</u>	<u>1.0 percent</u>	<u>5 percent</u>	<u>\$ 2,250</u>
4.8	<u>5,520 to 7,340</u>	<u>1.0 percent</u>	<u>5 percent</u>	<u>\$ 2,250</u>
4.9	<u>7,340 to 9,170</u>	<u>1.1 percent</u>	<u>5 percent</u>	<u>\$ 2,190</u>
4.10	<u>9,170 to 12,860</u>	<u>1.2 percent</u>	<u>5 percent</u>	<u>\$ 2,140</u>
4.11	<u>12,860 to 16,540</u>	<u>1.3 percent</u>	<u>10 percent</u>	<u>\$ 2,080</u>
4.12	<u>16,540 to 18,370</u>	<u>1.4 percent</u>	<u>10 percent</u>	<u>\$ 2,020</u>
4.13	<u>18,370 to 20,190</u>	<u>1.4 percent</u>	<u>15 percent</u>	<u>\$ 1,970</u>
4.14	<u>20,190 to 23,880</u>	<u>1.5 percent</u>	<u>15 percent</u>	<u>\$ 1,910</u>
4.15	<u>23,880 to 25,720</u>	<u>1.6 percent</u>	<u>15 percent</u>	<u>\$ 1,860</u>
4.16	<u>25,720 to 27,550</u>	<u>1.7 percent</u>	<u>20 percent</u>	<u>\$ 1,860</u>
4.17	<u>27,550 to 31,230</u>	<u>1.8 percent</u>	<u>20 percent</u>	<u>\$ 1,860</u>
4.18	<u>31,230 to 33,060</u>	<u>1.9 percent</u>	<u>25 percent</u>	<u>\$ 1,860</u>
4.19	<u>33,060 to 38,570</u>	<u>2.0 percent</u>	<u>25 percent</u>	<u>\$ 1,860</u>
4.20	<u>38,570 to 44,070</u>	<u>2.0 percent</u>	<u>30 percent</u>	<u>\$ 1,860</u>
4.21	<u>44,070 to 51,430</u>	<u>2.0 percent</u>	<u>30 percent</u>	<u>\$ 1,860</u>
4.22	<u>51,430 to 53,260</u>	<u>2.0 percent</u>	<u>30 percent</u>	<u>\$ 1,690</u>
4.23	<u>53,260 to 55,100</u>	<u>2.0 percent</u>	<u>30 percent</u>	<u>\$ 1,520</u>
4.24	<u>55,100 to 56,950</u>	<u>2.0 percent</u>	<u>30 percent</u>	<u>\$ 1,290</u>
4.25	<u>56,950 to 58,770</u>	<u>2.0 percent</u>	<u>35 percent</u>	<u>\$ 1,120</u>
4.26	<u>58,770 to 60,620</u>	<u>2.0 percent</u>	<u>35 percent</u>	<u>\$ 1,020</u>
4.27	<u>60,620 to 62,450</u>	<u>2.0 percent</u>	<u>35 percent</u>	<u>\$ 570</u>
4.28	<u>62,450 to 64,290</u>	<u>2.0 percent</u>	<u>35 percent</u>	<u>\$ 220</u>

4.29 The payment made to a claimant is the amount of the state refund calculated under this  
 4.30 subdivision. No payment is allowed if the claimant's household income is ~~\$61,320~~ \$64,290  
 4.31 or more.

4.32 **EFFECTIVE DATE.** This section is effective for refunds based on rent paid after  
 4.33 December 31, 2020.