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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 245

01/20/2015 Authored by Urdahl; Murphy, E.; Wills; Loon; Kresha and others
The bill was read for the first time and referred to the Committee on Education Innovation Policy
02/23/2015 Adoption of Report: Amended and re-referred to the Committee on Education Finance
03/04/2015 Adoption of Report: Amended and re-referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to taxation; individual income; allowing a tax credit for K-12 teachers
1.3 who complete a master's degree in a content area directly related to their
1.4 licensure field; appropriating money; proposing coding for new law in Minnesota
1.5 Statutes, chapter 290.

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

1.7 Section 1. **[290.0682] CREDIT FOR ATTAINING MASTER'S DEGREE IN**
1.8 **TEACHER'S LICENSURE FIELD.**

1.9 Subdivision 1. **Definitions.** (a) For purposes of this section the following terms
1.10 have the meanings given them.

1.11 (b) "Master's degree program" means a graduate level program at an accredited
1.12 university leading to a master of arts or science degree in a core content area directly
1.13 related to a qualified teacher's licensure field. To be eligible under this credit, a licensed
1.14 elementary school teacher must pursue and complete a master's degree program in a core
1.15 content area in which the teacher provides direct classroom instruction.

1.16 (c) "Qualified teacher" means a K-12 teacher who:
1.17 (1) currently holds a continuing license granted by the Minnesota Board of Teaching;
1.18 (2) began a master's degree program after June 30, 2015; and
1.19 (3) completes the master's degree program during the taxable year.

1.20 (d) "Core content area" means the academic subject of reading, English or language
1.21 arts, mathematics, science, foreign languages, civics and government, economics, arts,
1.22 history, or geography.

1.23 Subd. 2. **Credit allowed.** (a) An individual who is a qualified teacher is allowed a
1.24 credit against the tax imposed under this chapter. The credit equals \$2,500.

(b) For a nonresident or a part-year resident, the credit under this subdivision must be allocated based on the percentage calculated under section 290.06, subdivision 2c, paragraph (e).

(c) A qualified teacher may claim the credit in this section only one time for each master's degree program completed in a core content area.

Subd. 3. Credit refundable. (a) If the amount of the credit for which an individual is eligible exceeds the individual's liability for tax under this chapter, the commissioner shall refund the excess to the individual.

(b) The amount necessary to pay the refunds required by this section is appropriated to the commissioner from the general fund.

Subd. 4. Delayed payment of 2015 and 2016 credits. For master's degree programs completed in taxable years beginning after December 31, 2014, and before January 1, 2017, the individual may claim the corresponding credit in the taxable year beginning after December 31, 2016, and before January 1, 2018, but not earlier. Credits claimed for taxable years beginning after December 31, 2014, and before January 1, 2017, are in addition to any credit allowed for the taxable year beginning after December 31, 2016, and before January 1, 2018.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2014.