

State of Minnesota

H. F. No. **4350**

1.1 A bill for an act

1.2 relating to taxation; individual income; establishing a refundable tax credit for

1.3 direct support professionals; proposing coding for new law in Minnesota Statutes,

1.4 chapter 290.

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

1.6 Section 1. **[290.0687] DIRECT SUPPORT PROFESSIONAL TAX CREDIT.**

1.7 **Subdivision 1. Definitions.** (a) For the purposes of this section, the following terms have

1.8 the meanings given.

1.9 (b) "Direct care" means providing face-to-face care, training, supervision, counseling,

1.10 consultation, or medication assistance to persons served by an eligible provider.

1.11 (c) "Direct support professional" means an individual employed by an eligible provider

1.12 who spends more than 50 percent of the individual's work hours providing direct care.

1.13 (d) "Eligible provider" means:

1.14 (1) a supervised living facility licensed under sections 144.50 to 144.56;

1.15 (2) any setting that provides home and community-based services governed under chapter

1.16 245D and reimbursed under section 256B.4914;

1.17 (3) a provider of services as part of the consumer-directed community supports option

1.18 for an individual receiving medical assistance home and community-based services under

1.19 section 256B.092, 256B.093, or 256B.49; or

1.20 (4) a provider of semi-independent living services under section 252.275.

2.1 (e) "Qualifying wages" means wages paid to a direct support professional for work at
2.2 an eligible provider in Minnesota.

2.3 (f) "Wages" has the meaning given in section 290.92, subdivision 1, clause (1).

2.4 Subd. 2. **Credit allowed.** (a) A taxpayer is allowed a credit against the tax imposed by
2.5 this chapter equal to four percent of the taxpayer's qualifying wages in the taxable year.

2.6 (b) The credit allowed under this section must not exceed \$1,000.

2.7 Subd. 3. **Credit refundable.** If the amount of credit which the claimant is eligible to
2.8 receive under this section exceeds the claimant's tax liability under this chapter, the
2.9 commissioner must refund the excess to the claimant.

2.10 Subd. 4. **Appropriation.** An amount sufficient to pay the refunds required by this section
2.11 is appropriated to the commissioner from the general fund.

2.12 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
2.13 31, 2019.