

This Document can be made available in alternative formats upon request

State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 3460

02/17/2020 Authored by Davids, Haley, Bennett and Robbins
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; individual income; expanding the student loan credit; amending
1.3 Minnesota Statutes 2018, section 290.0682, subdivision 2.

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

1.5 Section 1. Minnesota Statutes 2018, section 290.0682, subdivision 2, is amended to read:

1.6 Subd. 2. Credit allowed. (a) An eligible individual is allowed a credit against the tax
1.7 due under this chapter.

1.8 (b) The credit for an eligible individual equals the least of:

1.9 (1) eligible loan payments minus ten percent of an amount equal to adjusted gross income
1.10 in excess of \$10,000, but in no case less than zero;

1.11 (2) the earned income for the taxable year of the eligible individual, if any;

1.12 (3) the sum of:

1.13 (i) the interest portion of eligible loan payments made during the taxable year; and

1.14 (ii) ten percent of the original loan amount of all qualified education loans of the eligible
1.15 individual; or

1.16 (4) ~~\$500~~ \$1,000.

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

1.19 (d) In the case of a married couple, each spouse is eligible for the credit in this section.

- 2.1 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
- 2.2 31, 2019.