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State of Minnesota

HOUSE OF REPRESENTATIVES

SECOND SPECIAL SESSION

H. F. No. 62

07/13/2020 Authored by Erickson
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 definition of education-related
1.3 expenses for the education expenses subtraction and credit to include certain
1.4 broadband subscription expenses; amending Minnesota Statutes 2019 Supplement,
1.5 section 290.0674, subdivision 1.

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

1.7 Section 1. Minnesota Statutes 2019 Supplement, section 290.0674, subdivision 1, is
1.8 amended to read:

1.9 Subdivision 1. Credit allowed; definitions. (a) An individual is allowed a credit against
1.10 the tax imposed by this chapter in an amount equal to 75 percent of the amount paid for
1.11 education-related expenses for a qualifying child in kindergarten through grade 12.

1.12 (b) For purposes of this section, "education-related expenses" means:

1.13 (1) fees or tuition for instruction by an instructor under section 120A.22, subdivision
1.14 10, clause (1), (2), (3), (4), or (5), or a member of the Minnesota Music Teachers Association,
1.15 and who is not a lineal ancestor or sibling of the dependent for instruction outside the regular
1.16 school day or school year, including tutoring, driver's education offered as part of school
1.17 curriculum, regardless of whether it is taken from a public or private entity or summer
1.18 camps, in grade or age appropriate curricula that supplement curricula and instruction
1.19 available during the regular school year, that assists a dependent to improve knowledge of
1.20 core curriculum areas or to expand knowledge and skills under the required academic
1.21 standards under section 120B.021, subdivision 1, and the world languages standards under
1.22 section 120B.022, subdivision 1, and that do not include the teaching of religious tenets,
1.23 doctrines, or worship, the purpose of which is to instill such tenets, doctrines, or worship;

2.1 (2) expenses for textbooks, including books and other instructional materials and
2.2 equipment purchased or leased for use in elementary and secondary schools in teaching
2.3 only those subjects legally and commonly taught in public elementary and secondary schools
2.4 in this state. "Textbooks" does not include instructional books and materials used in the
2.5 teaching of religious tenets, doctrines, or worship, the purpose of which is to instill such
2.6 tenets, doctrines, or worship, nor does it include books or materials for extracurricular
2.7 activities including sporting events, musical or dramatic events, speech activities, driver's
2.8 education, or similar programs;

2.9 (3) ~~a maximum expense of \$200 per family~~ expenses for:

2.10 (i) personal computer hardware, excluding single purpose processors,~~and;~~

2.11 (ii) related broadband subscription services, not to exceed \$25 per month; and

2.12 (iii) educational software that assists a dependent to improve knowledge of core
2.13 curriculum areas or to expand knowledge and skills under the required academic standards
2.14 under section 120B.021, subdivision 1, and the elective standard under section 120B.022,
2.15 subdivision 1, clause (2); Items under this clause must be purchased for use in the taxpayer's
2.16 home and not used in a trade or business regardless of whether the computer is required by
2.17 the dependent's school; and

2.18 (4) the amount paid to others for transportation of a qualifying child attending an
2.19 elementary or secondary school situated in Minnesota, North Dakota, South Dakota, Iowa,
2.20 or Wisconsin, wherein a resident of this state may legally fulfill the state's compulsory
2.21 attendance laws, which is not operated for profit, and which adheres to the provisions of
2.22 the Civil Rights Act of 1964 and chapter 363A. Amounts under this clause exclude any
2.23 expense the taxpayer incurred in using the taxpayer's or the qualifying child's vehicle.

2.24 (c) For purposes of this section, "qualifying child" has the meaning given in section
2.25 32(c)(3) of the Internal Revenue Code.

2.26 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
2.27 31, 2019.