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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 4621

03/24/2022

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The bill was read for the first time and referred to the Committee on Taxes

1.1

A bill for an act

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relating to taxation; property tax refunds; reducing renter's credit co-pays; amending

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Minnesota Statutes 2020, section 290A.04, subdivisions 2a, 4.

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

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

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Subd. 2a. **Renters.** A claimant whose rent constituting property taxes exceeds the

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percentage of the household income stated below must pay an amount equal to the percent

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of income shown for the appropriate household income level along with the percent to be

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paid by the claimant of the remaining amount of rent constituting property taxes. The state

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refund equals the amount of rent constituting property taxes that remain, up to the maximum

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state refund amount shown below.

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| Household Income | Percent of Income | Percent Paid by Claimant | Maximum State Refund |
|-----------------------------|-------------------|-----------------------------|----------------------------|
| \$0 to 5,269 | | 5 | 2,150 |
| <u>5,880</u> | 1.0 percent | <u>2.5</u> percent | \$ <u>2,400</u> |
| 5,270 to 6,999 | | 10 | 2,150 |
| <u>5,880 to 7,810</u> | 1.0 percent | <u>5</u> percent | \$ <u>2,400</u> |
| 7,000 to 8,749 | | 10 | 2,090 |
| <u>7,810 to 9,770</u> | 1.1 percent | <u>5</u> percent | \$ <u>2,330</u> |
| 8,750 to 12,269 | | 10 | 2,040 |
| <u>9,770 to 13,700</u> | 1.2 percent | <u>5</u> percent | \$ <u>2,280</u> |
| 12,270 to 15,779 | | 15 | 1,980 |
| <u>13,700 to 17,610</u> | 1.3 percent | <u>10</u> percent | \$ <u>2,210</u> |
| 15,780 to 17,519 | | 15 | 1,930 |
| <u>17,610 to 19,560</u> | 1.4 percent | <u>10</u> percent | \$ <u>2,150</u> |

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|------|-----------------------------|-------------|-------------------|------------------|
| 2.1 | 17,520 to 19,259 | | 20 | 1,880 |
| 2.2 | <u>19,560 to 21,500</u> | 1.4 percent | <u>15</u> percent | \$ <u>2,100</u> |
| 2.3 | 19,260 to 22,779 | | 20 | 1,820 |
| 2.4 | <u>21,500 to 25,430</u> | 1.5 percent | <u>15</u> percent | \$ <u>2,030</u> |
| 2.5 | 22,780 to 24,529 | | 20 | 1,770 |
| 2.6 | <u>25,430 to 27,380</u> | 1.6 percent | <u>15</u> percent | \$ <u>1,980</u> |
| 2.7 | 24,530 to 26,279 | | 25 | 1,770 |
| 2.8 | <u>27,380 to 29,330</u> | 1.7 percent | <u>20</u> percent | \$ <u>1,980</u> |
| 2.9 | 26,280 to 29,789 | | 25 | 1,770 |
| 2.10 | <u>29,330 to 33,250</u> | 1.8 percent | <u>20</u> percent | \$ <u>1,980</u> |
| 2.11 | 29,790 to 31,529 | | 30 | 1,770 |
| 2.12 | <u>33,250 to 35,190</u> | 1.9 percent | <u>25</u> percent | \$ <u>1,980</u> |
| 2.13 | 31,530 to 36,789 | | 30 | 1,770 |
| 2.14 | <u>35,190 to 41,060</u> | 2.0 percent | <u>25</u> percent | \$ <u>1,980</u> |
| 2.15 | 36,790 to 42,039 | | 35 | 1,770 |
| 2.16 | <u>41,060 to 46,920</u> | 2.0 percent | <u>30</u> percent | \$ <u>1,980</u> |
| 2.17 | 42,040 to 49,059 | | 40 | 1,770 |
| 2.18 | <u>46,920 to 54,760</u> | 2.0 percent | <u>35</u> percent | \$ <u>1,980</u> |
| 2.19 | 49,060 to 50,799 | | 45 | 1,610 |
| 2.20 | <u>54,760 to 56,700</u> | 2.0 percent | <u>35</u> percent | \$ <u>1,800</u> |
| 2.21 | 50,800 to 52,559 | | 45 | 1,450 |
| 2.22 | <u>56,700 to 58,670</u> | 2.0 percent | <u>35</u> percent | \$ <u>1,620</u> |
| 2.23 | 52,560 to 54,319 | | 45 | 1,230 |
| 2.24 | <u>58,670 to 60,630</u> | 2.0 percent | <u>35</u> percent | \$ <u>1,370</u> |
| 2.25 | 54,320 to 56,059 | | 50 | 1,070 |
| 2.26 | <u>60,630 to 62,570</u> | 2.0 percent | <u>35</u> percent | \$ <u>1,190</u> |
| 2.27 | 56,060 to 57,819 | | 50 | 970 |
| 2.28 | <u>62,570 to 64,540</u> | 2.0 percent | <u>35</u> percent | \$ <u>1,080</u> |
| 2.29 | 57,820 to 59,569 | | 50 | 540 |
| 2.30 | <u>64,540 to 66,490</u> | 2.0 percent | <u>35</u> percent | \$ <u>600</u> |
| 2.31 | 59,570 to 61,319 | | 50 | 210 |
| 2.32 | <u>66,490 to 68,440</u> | 2.0 percent | <u>35</u> percent | \$ <u>230</u> |

2.33 The payment made to a claimant is the amount of the state refund calculated under this
 2.34 subdivision. No payment is allowed if the claimant's household income is ~~\$61,320~~ \$68,440
 2.35 or more.

2.36 **EFFECTIVE DATE.** This section is effective for refunds based on rent paid in 2022
 2.37 and following years.

2.38 Sec. 2. Minnesota Statutes 2020, section 290A.04, subdivision 4, is amended to read:

2.39 Subd. 4. **Inflation adjustment.** The commissioner shall annually adjust the dollar
 2.40 amounts of the income thresholds and the maximum refunds under subdivisions 2 and 2a

- 3.1 as provided in section 270C.22. The statutory year for subdivision 2a is 2022. The statutory
- 3.2 year for subdivision 2 is 2018.
- 3.3 **EFFECTIVE DATE.** This section is effective for claims based on rent paid in 2023
- 3.4 and following years.