

State of Minnesota

HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 3029

03/13/2014 Authored by Franson; Hoppe; Mack; Dean, M., and Pugh
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; allowing an income tax credit for certain
1.3 insurance premium increases occurring in 2014; appropriating money.
- 1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.5 Section 1. **AFFORDABLE CARE ACT INSURANCE PREMIUM INCREASE**
1.6 **CREDIT.**
- 1.7 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms
1.8 have the meanings given.
- 1.9 (b) "Affordable Care Act" means the provisions of Public Law 111-148 and of
1.10 Public Law 111-152.
- 1.11 (c) "Qualified individual" means an individual whose calendar year 2013 health
1.12 insurance policy was terminated because it did not meet the requirements of the Affordable
1.13 Care Act and was not available for calendar year 2014 for reasons not attributable to
1.14 actions of the individual.
- 1.15 Subd. 2. **Credit allowed.** (a) For taxable years beginning after December 31, 2013,
1.16 and before January 1, 2015, a qualified individual is allowed a credit against the tax due
1.17 under this chapter equal to the difference between the amount the individual paid for health
1.18 insurance for calendar year 2014 and the amount the individual paid for health insurance
1.19 for calendar year 2013, reduced by any subsidies, including tax credits, that the individual
1.20 received under the Affordable Care Act. In no case may the credit under this section be
1.21 less than zero. A qualified individual may claim the credit in this section one time only.
- 1.22 (b) For a nonresident or part-year resident, the credit must be allocated based on the
1.23 percentage calculated under section 290.06, subdivision 2c, paragraph (e).

2.1 Subd. 3. **Credit refundable; appropriation.** (a) If the credit allowed under this
2.2 section exceeds the individual's liability under this chapter, the commissioner shall refund
2.3 the excess to the taxpayer.

2.4 (b) An amount sufficient to pay the refunds required by this section is appropriated
2.5 from the general fund to the commissioner.

2.6 **EFFECTIVE DATE.** This section is effective for taxable years beginning after
2.7 December 31, 2013, and before January 1, 2015.