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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 1983

03/18/2015 Authored by Peterson  
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; providing a toddler tax credit; proposing  
1.3 coding for new law in Minnesota Statutes, chapter 290.

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

1.5 Section 1. **[290.0793] TODDLER TAX CREDIT.**

1.6 Subdivision 1. Credit allowed; limitations. (a) A taxpayer who is the parent or  
1.7 guardian of a qualifying child may take a credit of \$1,000 per qualifying child against the  
1.8 tax imposed under this chapter. A taxpayer qualifies for the credit authorized under this  
1.9 section if the taxpayer is the parent or guardian of at least one qualifying child.

1.10 (b) For purposes of this section, a "qualifying child" means, with respect to any  
1.11 taxpayer for any taxable year:

1.12 (1) an individual who has not attained the age of five by the end of the calendar year  
1.13 in which the taxable year of the taxpayer begins;

1.14 (2) is a child of the taxpayer or a descendant of the child, or a brother, sister,  
1.15 stepbrother, or stepsister of the taxpayer or a descendant of the relative; and

1.16 (3) who has the same principal place of abode as the taxpayer for more than one-half  
1.17 of the taxable year.

1.18 (c) The credit authorized under this section may not exceed the taxpayer's liability  
1.19 for tax under this chapter.

1.20 (d) For a nonresident or part-year resident, the credit determined under this section  
1.21 must be allocated based on the percentage calculated under section 290.06, subdivision  
1.22 2c, paragraph (e).

1.23 Subd. 2. Right to file claim. The right to file a claim under this section is personal  
1.24 to the claimant and does not survive death, but the right may be exercised on behalf of a

2.1 claimant by the claimant's legal guardian or attorney-in-fact. When a claimant dies after  
2.2 having filed a timely claim, the credit amount shall be disbursed to another member of the  
2.3 claimant's household as determined by the commissioner. If the claimant was the only  
2.4 member of a household, the claim may be paid to the claimant's personal representative,  
2.5 but if none is appointed and qualified within two years of the filing of the claim, the  
2.6 amount of the claim shall escheat to the state.

2.7 **EFFECTIVE DATE.** This section is effective for taxable years beginning after  
2.8 December 31, 2014.