

**290A.04 REFUND ALLOWABLE.**

Subdivision 1. **Refund.** A refund shall be allowed each claimant in the amount that property taxes payable or rent constituting property taxes exceed the percentage of the household income of the claimant specified in subdivision 2 or 2a in the year for which the taxes were levied or in the year in which the rent was paid as specified in subdivision 2 or 2a. If the amount of property taxes payable or rent constituting property taxes is equal to or less than the percentage of the household income of the claimant specified in subdivision 2 or 2a in the year for which the taxes were levied or in the year in which the rent was paid, the claimant shall not be eligible for a state refund pursuant to this section.

Subd. 2. **Homeowners.** A claimant whose property taxes payable are in excess of the percentage of the household income stated below shall pay an amount equal to the percent of income shown for the appropriate household income level along with the percent to be paid by the claimant of the remaining amount of property taxes payable. The state refund equals the amount of property taxes payable that remain, up to the state refund amount shown below.

Household Income	Percent of Income	Percent Paid by Claimant	Maximum State Refund
\$0 to 1,189	1.0 percent	15 percent	\$ 1,850
1,190 to 2,379	1.1 percent	15 percent	\$ 1,850
2,380 to 3,589	1.2 percent	15 percent	\$ 1,800
3,590 to 4,789	1.3 percent	20 percent	\$ 1,800
4,790 to 5,979	1.4 percent	20 percent	\$ 1,730
5,980 to 8,369	1.5 percent	20 percent	\$ 1,730
8,370 to 9,559	1.6 percent	25 percent	\$ 1,670
9,560 to 10,759	1.7 percent	25 percent	\$ 1,670
10,760 to 11,949	1.8 percent	25 percent	\$ 1,610
11,950 to 13,139	1.9 percent	30 percent	\$ 1,610
13,140 to 14,349	2.0 percent	30 percent	\$ 1,540
14,350 to 16,739	2.1 percent	30 percent	\$ 1,540
16,740 to 17,929	2.2 percent	35 percent	\$ 1,480
17,930 to 19,119	2.3 percent	35 percent	\$ 1,480
19,120 to 20,319	2.4 percent	35 percent	\$ 1,420
20,320 to 25,099	2.5 percent	40 percent	\$ 1,420
25,100 to 28,679	2.6 percent	40 percent	\$ 1,360
28,680 to 35,849	2.7 percent	40 percent	\$ 1,360

35,850 to 41,819	2.8 percent	45 percent	\$ 1,240
41,820 to 47,799	3.0 percent	45 percent	\$ 1,240
47,800 to 53,779	3.2 percent	45 percent	\$ 1,110
53,780 to 59,749	3.5 percent	50 percent	\$ 990
59,750 to 65,729	3.5 percent	50 percent	\$ 870
65,730 to 69,319	3.5 percent	50 percent	\$ 740
69,320 to 71,719	3.5 percent	50 percent	\$ 610
71,720 to 74,619	3.5 percent	50 percent	\$ 500
74,620 to 77,519	3.5 percent	50 percent	\$ 370

The payment made to a claimant shall be the amount of the state refund calculated under this subdivision. No payment is allowed if the claimant's household income is \$77,520 or more.

Subd. 2a. **Renters.** A claimant whose rent constituting property taxes exceeds the percentage of the household income stated below must pay an amount equal to the percent of income shown for the appropriate household income level along with the percent to be paid by the claimant of the remaining amount of rent constituting property taxes. The state refund equals the amount of rent constituting property taxes that remain, up to the maximum state refund amount shown below.

Household Income	Percent of Income	Percent Paid by Claimant	Maximum State Refund
\$0 to 3,589	1.0 percent	5 percent	\$ 1,190
3,590 to 4,779	1.0 percent	10 percent	\$ 1,190
4,780 to 5,969	1.1 percent	10 percent	\$ 1,190
5,970 to 8,369	1.2 percent	10 percent	\$ 1,190
8,370 to 10,759	1.3 percent	15 percent	\$ 1,190
10,760 to 11,949	1.4 percent	15 percent	\$ 1,190
11,950 to 13,139	1.4 percent	20 percent	\$ 1,190
13,140 to 15,539	1.5 percent	20 percent	\$ 1,190
15,540 to 16,729	1.6 percent	20 percent	\$ 1,190
16,730 to 17,919	1.7 percent	25 percent	\$ 1,190
17,920 to 20,319	1.8 percent	25 percent	\$ 1,190
20,320 to 21,509	1.9 percent	30 percent	\$ 1,190
21,510 to 22,699	2.0 percent	30 percent	\$ 1,190
22,700 to 23,899	2.2 percent	30 percent	\$ 1,190
23,900 to 25,089	2.4 percent	30 percent	\$ 1,190

25,090 to 26,289	2.6 percent	35 percent	\$ 1,190
26,290 to 27,489	2.7 percent	35 percent	\$ 1,190
27,490 to 28,679	2.8 percent	35 percent	\$ 1,190
28,680 to 29,869	2.9 percent	40 percent	\$ 1,190
29,870 to 31,079	3.0 percent	40 percent	\$ 1,190
31,080 to 32,269	3.1 percent	40 percent	\$ 1,190
32,270 to 33,459	3.2 percent	40 percent	\$ 1,190
33,460 to 34,649	3.3 percent	45 percent	\$ 1,080
34,650 to 35,849	3.4 percent	45 percent	\$ 960
35,850 to 37,049	3.5 percent	45 percent	\$ 830
37,050 to 38,239	3.5 percent	50 percent	\$ 720
38,240 to 39,439	3.5 percent	50 percent	\$ 600
38,440 to 40,629	3.5 percent	50 percent	\$ 360
40,630 to 41,819	3.5 percent	50 percent	\$ 120

The payment made to a claimant is the amount of the state refund calculated under this subdivision. No payment is allowed if the claimant's household income is \$41,820 or more.

Subd. 2b. MS 1984 [Repealed, 1Sp1985 c 14 art 5 s 7]

Subd. 2b. **Tables may be reconstructed.** The commissioner may reconstruct the tables in subdivision 2 for homeowners to reflect the elimination of the homestead credit beginning for claims based on taxes payable in 1990.

Subd. 2c. [Repealed, 1983 c 15 s 33]

Subd. 2d. [Repealed, 1983 c 15 s 33]

Subd. 2e. [Repealed, 1987 c 268 art 3 s 13]

Subd. 2f. [Repealed, 1Sp1986 c 1 art 3 s 21]

Subd. 2g. [Repealed, 1987 c 268 art 3 s 13]

Subd. 2h. **Additional refund.** (a) If the gross property taxes payable on a homestead increase more than 12 percent over the property taxes payable in the prior year on the same property that is owned and occupied by the same owner on January 2 of both years, and the amount of that increase is \$100 or more, a claimant who is a homeowner shall be allowed an additional refund equal to 60 percent of the amount of the increase over the greater of 12 percent of the prior year's property taxes payable or \$100. This subdivision shall not apply to any increase in the gross property taxes payable attributable to improvements made to the homestead after

the assessment date for the prior year's taxes. This subdivision shall not apply to any increase in the gross property taxes payable attributable to the termination of valuation exclusions under section 273.11, subdivision 16.

The maximum refund allowed under this subdivision is \$1,000.

(b) For purposes of this subdivision "gross property taxes payable" means property taxes payable determined without regard to the refund allowed under this subdivision.

(c) In addition to the other proofs required by this chapter, each claimant under this subdivision shall file with the property tax refund return a copy of the property tax statement for taxes payable in the preceding year or other documents required by the commissioner.

(d) Upon request, the appropriate county official shall make available the names and addresses of the property taxpayers who may be eligible for the additional property tax refund under this section. The information shall be provided on a magnetic computer disk. The county may recover its costs by charging the person requesting the information the reasonable cost for preparing the data. The information may not be used for any purpose other than for notifying the homeowner of potential eligibility and assisting the homeowner, without charge, in preparing a refund claim.

Subd. 2i. [Repealed, 1995 c 264 art 15 s 6]

Subd. 2j. [Repealed, 1Sp2001 c 5 art 7 s 66]

Subd. 3. **Table.** The commissioner of revenue shall construct and make available to taxpayers a comprehensive table showing the property taxes to be paid and refund allowed at various levels of income and assessment. The table shall follow the schedule of income percentages, maximums and other provisions specified in subdivision 2, except that the commissioner may graduate the transition between income brackets. All refunds shall be computed in accordance with tables prepared and issued by the commissioner of revenue.

The commissioner shall include on the form an appropriate space or method for the claimant to identify if the property taxes paid are for a manufactured home, as defined in section 273.125, subdivision 8, paragraph (c), or a park trailer taxed as a manufactured home under section 168.012, subdivision 9.

Subd. 4. **Inflation adjustment.** Beginning for property tax refunds payable in calendar year 2002, the commissioner shall annually adjust the dollar amounts of the income thresholds and the maximum refunds under subdivisions 2 and 2a for inflation. The commissioner shall make the inflation adjustments in accordance with section 1(f) of the Internal Revenue Code, except that for purposes of this subdivision the percentage increase shall be determined from the year ending on

June 30, 2000, to the year ending on June 30 of the year preceding that in which the refund is payable. The commissioner shall use the appropriate percentage increase to annually adjust the income thresholds and maximum refunds under subdivisions 2 and 2a for inflation without regard to whether or not the income tax brackets are adjusted for inflation in that year. The commissioner shall round the thresholds and the maximum amounts, as adjusted to the nearest \$10 amount. If the amount ends in \$5, the commissioner shall round it up to the next \$10 amount.

The commissioner shall annually announce the adjusted refund schedule at the same time provided under section 290.06. The determination of the commissioner under this subdivision is not a rule under the Administrative Procedure Act.

**Subd. 5. Combined renter and homeowner refund.** In the case of a claimant who is entitled to a refund in a calendar year for claims based both on rent constituting property taxes and property taxes payable, the refund allowable equals the sum of the refunds allowable.

**Subd. 6.** [Renumbered subd 4]

**History:** 1975 c 437 art 1 s 4; 1976 c 245 s 3,4; 1977 c 423 art 2 s 9-11; 1978 c 766 s 9,10; 1979 c 303 art 2 s 31-34; 1980 c 607 art 3 s 2; 1981 c 178 s 114,115; 1Sp1981 c 1 art 2 s 19,20; 1983 c 15 s 29; 1983 c 342 art 4 s 6-12; 1984 c 502 art 3 s 21-23; 1984 c 514 art 4 s 12,13; 1Sp1985 c 14 art 4 s 89; art 5 s 2-4; 1986 c 444; 1987 c 268 art 3 s 4-6; art 6 s 48; 1988 c 719 art 4 s 5-7; 1989 c 356 s 37; 1Sp1989 c 1 art 7 s 1-5,9; 1990 c 480 art 5 s 11-13; 1990 c 604 art 5 s 3-5; 1991 c 199 art 2 s 21; 1991 c 291 art 1 s 34; 1992 c 511 art 2 s 30; 1993 c 375 art 2 s 32,33; art 3 s 48; art 6 s 4,5; 1994 c 383 s 1; 1994 c 587 art 4 s 1-4; 1995 c 264 art 3 s 24; art 4 s 11; art 15 s 3,4,6; 1996 c 471 art 3 s 33,52; 1997 c 31 art 1 s 18; 1997 c 84 art 1 s 4; 1997 c 231 art 2 s 70; art 5 s 14; 1Sp2001 c 5 art 4 s 3-6; 2002 c 377 art 10 s 18; 2008 c 366 art 1 s 1