

SENATE
STATE OF MINNESOTA
EIGHTY-NINTH SESSION

S.F. No. 2103

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DATE	D-PG	OFFICIAL STATUS
04/21/2015	2080	Introduction and first reading Referred to Taxes

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

Section 1. **[290.0682] HOMEOWNER IMPROVEMENT CREDIT.**

Subdivision 1. **Credit allowed.** (a) A resident individual is allowed a credit of up to \$10,000 against the tax imposed by this chapter in an amount equal to 20 percent of the amount paid for improvements to the individual's property classified as a homestead, provided that the house is at least 49 years old on the date the building permit for the improvement is issued

(b) For purposes of this section, the age of the house is the number of years since the original year of its construction. In the case of a building that is relocated, the relocation must be from a location within the state and the only improvements eligible for the credit under this subdivision are:

(1) those for which building permits were issued to the property owner after the building was relocated to its present site; and

(2) those undertaken during or after the year the building is initially occupied by the property owner, excluding basic improvements that are necessary to install the building on its foundation and connect it to utilities at its present site.

(c) The amount used to claim the credit excludes amounts used to claim any other subtractions, credits, exclusions, or exemptions under this chapter, chapter 272, or chapter 273, and any amounts paid for homeowner's insurance premiums.

2.1 Subd. 2. **Limitation; carryover.** The credit for a taxable year shall not exceed
2.2 the taxpayer's liability for tax. For purposes of this section, "liability for tax" means
2.3 the sum of the tax imposed under section 290.06, subdivisions 1 and 2c, for the taxable
2.4 year reduced by the sum of the nonrefundable credits allowed under this chapter. If the
2.5 amount of the credit allowed exceeds the liability for tax of the taxpayer, the excess shall
2.6 be a carryover to each of the five succeeding taxable years. The entire amount of the
2.7 excess unused credit for the taxable year shall be carried first to the earliest of the taxable
2.8 years to which the credit may be carried and then to each successive year to which the
2.9 credit may be carried. The amount of the unused credit which may be carried over under
2.10 this clause shall not exceed the taxpayer's liability for tax less the research credit under
2.11 section 290.068 for the taxable year.

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