

SENATE  
STATE OF MINNESOTA  
NINETY-FOURTH SESSION

S.F. No. 2508

(SENATE AUTHORS: DIBBLE, Pratt, Marty, Dornink and Putnam)

DATE	D-PG	OFFICIAL STATUS
03/13/2025	764	Introduction and first reading Referred to Taxes

1.1A bill for an act

1.2relating to taxation; individual income; increasing the income threshold for the

1.3child tax credit; amending Minnesota Statutes 2024, section 290.0661, subdivisions

1.44, 7.

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

1.6Section 1. Minnesota Statutes 2024, section 290.0661, subdivision 4, is amended to read:

1.7Subd. 4. **Phaseout.** The credits under subdivision 2 and section 290.0671 are phased

1.8down jointly. The combined amount of the credits is reduced by 12 percent of earned income

1.9or adjusted gross income, whichever is greater, in excess of the phaseout threshold. The

1.10phaseout threshold equals:

1.11(1) ~~\$35,000~~ \$45,490 for a married taxpayer filing a joint return; or

1.12(2) ~~\$29,500~~ \$38,340 for all other filers.

1.13**EFFECTIVE DATE.** This section is effective for taxable years beginning after December

1.1431, 2024.

1.15Sec. 2. Minnesota Statutes 2024, section 290.0661, subdivision 7, is amended to read:

1.16Subd. 7. **Inflation adjustment.** (a) For taxable years beginning after December 31,

1.172025, the commissioner of revenue must annually adjust for inflation the credit amount in

1.18subdivision 3 as provided in section 270C.22. The adjusted amounts must be rounded to

1.19the nearest \$60. The statutory year is taxable year 2025.

2.1 (b) For taxable years beginning after December 31, ~~2023~~ 2025, the commissioner of  
2.2 revenue must annually adjust for inflation the phaseout thresholds in subdivision 4, as  
2.3 provided in section 270C.22. The statutory year is taxable year ~~2023~~ 2025.

2.4 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
2.5 31, 2025.