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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 1506

02/09/2023 Authored by Lislegard, Gomez, Hill, Coulter, Norris and others
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; property tax refunds; reducing co-pays, reducing thresholds,
1.3 and increasing maximum refunds for the homestead credit refund; amending
1.4 Minnesota Statutes 2022, section 290A.04, subdivisions 2, 4.

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

1.6 Section 1. Minnesota Statutes 2022, section 290A.04, subdivision 2, is amended to read:

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

Table with 4 columns: Household Income, Percent of Income, Percent Paid by Claimant, and Maximum State Refund. Rows 1.13-1.27 show various income brackets and their corresponding refund percentages and amounts.

2.1	12,220 to 13,949		20 percent	2,770
2.2	<u>\$13,511 to \$15,420</u>	1.6 percent	<u>15 percent</u>	\$ <u>3,360</u>
2.3	13,950 to 15,709		20 percent	2,770
2.4	<u>\$15,421 to \$17,370</u>	1.7 percent	<u>15 percent</u>	\$ <u>3,360</u>
2.5	15,710 to 17,449		20 percent	2,770
2.6	<u>\$17,371 to \$19,290</u>	1.8 percent	<u>15 percent</u>	\$ <u>3,360</u>
2.7	17,450 to 19,179		25 percent	2,770
2.8	<u>\$19,291 to \$21,200</u>	1.9 percent	<u>15 percent</u>	\$ <u>3,360</u>
2.9	19,180 to 24,429	2.0 percent	25 percent	2,770
2.10	<u>\$21,201 to \$27,010</u>	<u>1.9 percent</u>	<u>15 percent</u>	\$ <u>3,360</u>
2.11	24,430 to 26,169	2.0 percent	30 percent	2,770
2.12	<u>\$27,011 to \$28,930</u>	<u>1.9 percent</u>	<u>20 percent</u>	\$ <u>3,360</u>
2.13	26,170 to 29,669	2.0 percent	30 percent	2,770
2.14	<u>\$28,931 to \$32,800</u>	<u>1.9 percent</u>	<u>20 percent</u>	\$ <u>3,360</u>
2.15	29,670 to 41,859		35 percent	2,770
2.16	<u>\$32,801 to \$46,270</u>	2.0 percent	<u>25 percent</u>	\$ <u>3,360</u>
2.17	41,860 to 61,049		35 percent	2,240
2.18	<u>\$46,271 to \$67,490</u>	2.0 percent	<u>25 percent</u>	\$ <u>2,780</u>
2.19	61,050 to 69,769		40 percent	1,960
2.20	<u>\$67,491 to \$77,130</u>	2.0 percent	<u>30 percent</u>	\$ <u>2,470</u>
2.21	69,770 to 78,499		40 percent	1,620
2.22	<u>\$77,131 to \$86,780</u>	2.1 percent	<u>30 percent</u>	\$ <u>2,090</u>
2.23	78,500 to 87,219		40 percent	1,450
2.24	<u>\$86,781 to \$96,420</u>	2.2 percent	<u>35 percent</u>	\$ <u>1,900</u>
2.25	87,220 to 95,939		40 percent	1,270
2.26	<u>\$96,421 to \$106,060</u>	2.3 percent	<u>35 percent</u>	\$ <u>1,700</u>
2.27	95,940 to 101,179		45 percent	1,070
2.28	<u>\$106,061 to \$111,850</u>	2.4 percent	<u>40 percent</u>	\$ <u>1,480</u>
2.29	101,180 to 104,689		45 percent	890
2.30	<u>\$111,851 to \$115,730</u>	2.5 percent	<u>40 percent</u>	\$ <u>1,280</u>
2.31	104,690 to 108,919		50 percent	730
2.32	<u>\$115,731 to \$120,410</u>	2.5 percent	<u>45 percent</u>	\$ <u>1,110</u>
2.33	108,920 to 113,149		50 percent	540
2.34	<u>\$120,411 to \$125,080</u>	2.5 percent	<u>45 percent</u>	\$ <u>900</u>

2.35 The payment made to a claimant shall be the amount of the state refund calculated under
2.36 this subdivision. No payment is allowed if the claimant's household income is ~~\$113,150~~
2.37 \$125,081 or more.

2.38 **EFFECTIVE DATE.** This section is effective for claims based on property taxes payable
2.39 in 2024 and following years.

3.1 Sec. 2. Minnesota Statutes 2022, section 290A.04, subdivision 4, is amended to read:

3.2 Subd. 4. **Inflation adjustment.** The commissioner shall annually adjust the dollar
3.3 amounts of the income thresholds and the maximum refunds under subdivisions 2 and 2a
3.4 as provided in section 270C.22. The statutory year for subdivision 2 is 2023. The statutory
3.5 year for subdivision 2a is 2018.

3.6 **EFFECTIVE DATE.** This section is effective for claims based on property taxes payable
3.7 in 2025 and following years.