

SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION

S.F. No. 1850

(SENATE AUTHORS: KLEIN)

DATE
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Introduction and first reading
Referred to Taxes

OFFICIAL STATUS

1.1A bill for an act

1.2relating to taxation; property tax refunds; modifying the parameters of the renter's

1.3credit and homestead credit to increase refunds; amending Minnesota Statutes

1.42020, section 290A.04, subdivisions 2, 2a.

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

1.6Section 1. Minnesota Statutes 2020, section 290A.04, subdivision 2, is amended to read:

1.7Subd. 2. **Homeowners; homestead credit refund.** A claimant whose property taxes

1.8payable are in excess of the percentage of the household income stated below shall pay an

1.9amount equal to the percent of income shown for the appropriate household income level

1.10along with the percent to be paid by the claimant of the remaining amount of property taxes

1.11payable. The state refund equals the amount of property taxes payable that remain, up to

1.12the state refund amount shown below.

			Percent Paid by	Maximum
	Household Income	Percent of Income	Claimant	State Refund
1.16	\$0 to 1,739	1.0 percent	15 percent	\$ 2,770
1.17	1,740 to 3,459	1.1 percent	15 percent	\$ 2,770
1.18	3,460 to 5,239	1.2 percent	15 percent	\$ 2,770
1.19	5,240 to 6,989	1.3 percent	20 percent	\$ 2,770
1.20	6,990 to 8,719	1.4 percent	20 percent	\$ 2,770
1.21	8,720 to 12,219	1.5 percent	20 percent	\$ 2,770
1.22	12,220 to 13,949	1.6 percent	20 percent	\$ 2,770
1.23	13,950 to 15,709	1.7 percent	20 percent	\$ 2,770
1.24	15,710 to 17,449	1.8 percent	20 percent	\$ 2,770
1.25	17,450 to 19,179	1.9 percent	25 percent	\$ 2,770

2.1	19,180 to 24,429	2.0 percent	25 percent	\$ 2,770
2.2	24,430 to 26,169	2.0 percent	30 percent	\$ 2,770
2.3	26,170 to 29,669	2.0 percent	30 percent	\$ 2,770
2.4	29,670 to 41,859	2.0 percent	35 percent	\$ 2,770
2.5	41,860 to 61,049	2.0 percent	35 percent	\$ 2,240
2.6	61,050 to 69,769	2.0 percent	40 percent	\$ 1,960
2.7	69,770 to 78,499	2.1 percent	40 percent	\$ 1,620
2.8	78,500 to 87,219	2.2 percent	40 percent	\$ 1,450
2.9	87,220 to 95,939	2.3 percent	40 percent	\$ 1,270
2.10	95,940 to 101,179	2.4 percent	45 percent	\$ 1,070
2.11	101,180 to 104,689	2.5 percent	45 percent	\$ 890
2.12	104,690 to 108,919	2.5 percent	50 percent	\$ 730
2.13	108,920 to 113,149	2.5 percent	50 percent	\$ 540

2.14				<u>Maximum</u>
2.15			<u>Percent Paid by</u>	<u>State</u>
2.16	<u>Household Income</u>	<u>Percent of Income</u>	<u>Claimant</u>	<u>Refund</u>
2.17	<u>\$0 to 1,820</u>	<u>1.0 percent</u>	<u>10 percent</u>	\$ <u>3,150</u>
2.18	<u>1,820 to 3,630</u>	<u>1.1 percent</u>	<u>10 percent</u>	\$ <u>3,150</u>
2.19	<u>3,630 to 5,490</u>	<u>1.2 percent</u>	<u>10 percent</u>	\$ <u>3,150</u>
2.20	<u>5,490 to 7,330</u>	<u>1.3 percent</u>	<u>15 percent</u>	\$ <u>3,150</u>
2.21	<u>7,330 to 9,140</u>	<u>1.4 percent</u>	<u>15 percent</u>	\$ <u>3,150</u>
2.22	<u>9,140 to 12,810</u>	<u>1.5 percent</u>	<u>15 percent</u>	\$ <u>3,150</u>
2.23	<u>12,810 to 14,620</u>	<u>1.6 percent</u>	<u>15 percent</u>	\$ <u>3,150</u>
2.24	<u>14,620 to 16,470</u>	<u>1.7 percent</u>	<u>15 percent</u>	\$ <u>3,150</u>
2.25	<u>16,470 to 18,290</u>	<u>1.8 percent</u>	<u>15 percent</u>	\$ <u>3,150</u>
2.26	<u>18,290 to 20,110</u>	<u>1.9 percent</u>	<u>20 percent</u>	\$ <u>3,150</u>
2.27	<u>20,110 to 25,610</u>	<u>2.0 percent</u>	<u>20 percent</u>	\$ <u>3,150</u>
2.28	<u>25,610 to 27,440</u>	<u>2.0 percent</u>	<u>25 percent</u>	\$ <u>3,150</u>
2.29	<u>27,440 to 31,110</u>	<u>2.0 percent</u>	<u>25 percent</u>	\$ <u>3,150</u>
2.30	<u>31,110 to 43,890</u>	<u>2.0 percent</u>	<u>30 percent</u>	\$ <u>3,150</u>
2.31	<u>43,890 to 64,000</u>	<u>2.0 percent</u>	<u>30 percent</u>	\$ <u>2,600</u>
2.32	<u>64,000 to 73,150</u>	<u>2.0 percent</u>	<u>35 percent</u>	\$ <u>2,300</u>
2.33	<u>73,150 to 82,300</u>	<u>2.1 percent</u>	<u>35 percent</u>	\$ <u>1,950</u>
2.34	<u>82,300 to 91,440</u>	<u>2.2 percent</u>	<u>35 percent</u>	\$ <u>1,770</u>
2.35	<u>91,440 to 100,580</u>	<u>2.3 percent</u>	<u>35 percent</u>	\$ <u>1,580</u>
2.36	<u>100,580 to 106,070</u>	<u>2.4 percent</u>	<u>40 percent</u>	\$ <u>1,320</u>
2.37	<u>106,070 to 109,750</u>	<u>2.5 percent</u>	<u>40 percent</u>	\$ <u>1,080</u>

3.1	<u>109,750 to 114,190</u>	<u>2.5 percent</u>	<u>45 percent</u>	<u>\$ 870</u>
3.2	<u>114,190 to 118,620</u>	<u>2.5 percent</u>	<u>45 percent</u>	<u>\$ 620</u>

3.3 The payment made to a claimant shall be the amount of the state refund calculated under
 3.4 this subdivision. No payment is allowed if the claimant's household income is ~~\$113,150~~
 3.5 \$118,620 or more.

3.6 **EFFECTIVE DATE.** This section is effective for refunds based on property taxes
 3.7 payable after December 31, 2021.

3.8 Sec. 2. Minnesota Statutes 2020, section 290A.04, subdivision 2a, is amended to read:

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

3.15				Maximum
3.16			Percent Paid by	State
3.17	Household Income	Percent of Income	Claimant	Refund
3.18	\$0 to 5,269	1.0 percent	5 percent	\$ 2,150
3.19	5,270 to 6,999	1.0 percent	10 percent	\$ 2,150
3.20	7,000 to 8,749	1.1 percent	10 percent	\$ 2,090
3.21	8,750 to 12,269	1.2 percent	10 percent	\$ 2,040
3.22	12,270 to 15,779	1.3 percent	15 percent	\$ 1,980
3.23	15,780 to 17,519	1.4 percent	15 percent	\$ 1,930
3.24	17,520 to 19,259	1.4 percent	20 percent	\$ 1,880
3.25	19,260 to 22,779	1.5 percent	20 percent	\$ 1,820
3.26	22,780 to 24,529	1.6 percent	20 percent	\$ 1,770
3.27	24,530 to 26,279	1.7 percent	25 percent	\$ 1,770
3.28	26,280 to 29,789	1.8 percent	25 percent	\$ 1,770
3.29	29,790 to 31,529	1.9 percent	30 percent	\$ 1,770
3.30	31,530 to 36,789	2.0 percent	30 percent	\$ 1,770
3.31	36,790 to 42,039	2.0 percent	35 percent	\$ 1,770
3.32	42,040 to 49,059	2.0 percent	40 percent	\$ 1,770
3.33	49,060 to 50,799	2.0 percent	45 percent	\$ 1,610
3.34	50,800 to 52,559	2.0 percent	45 percent	\$ 1,450
3.35	52,560 to 54,319	2.0 percent	45 percent	\$ 1,230
3.36	54,320 to 56,059	2.0 percent	50 percent	\$ 1,070

4.1	56,060 to 57,819	2.0 percent	50 percent	\$ 970
4.2	57,820 to 59,569	2.0 percent	50 percent	\$ 540
4.3	59,570 to 61,319	2.0 percent	50 percent	\$ 210

4.4				<u>Maximum</u>
4.5			<u>Percent Paid by</u>	<u>State</u>
4.6	<u>Household Income</u>	<u>Percent of Income</u>	<u>Claimant</u>	<u>Refund</u>
4.7	<u>\$0 to 5,520</u>	<u>1.0 percent</u>	<u>5 percent</u>	<u>\$ 2,250</u>
4.8	<u>5,520 to 7,340</u>	<u>1.0 percent</u>	<u>5 percent</u>	<u>\$ 2,250</u>
4.9	<u>7,340 to 9,170</u>	<u>1.1 percent</u>	<u>5 percent</u>	<u>\$ 2,190</u>
4.10	<u>9,170 to 12,860</u>	<u>1.2 percent</u>	<u>5 percent</u>	<u>\$ 2,140</u>
4.11	<u>12,860 to 16,540</u>	<u>1.3 percent</u>	<u>10 percent</u>	<u>\$ 2,080</u>
4.12	<u>16,540 to 18,370</u>	<u>1.4 percent</u>	<u>10 percent</u>	<u>\$ 2,020</u>
4.13	<u>18,370 to 20,190</u>	<u>1.4 percent</u>	<u>15 percent</u>	<u>\$ 1,970</u>
4.14	<u>20,190 to 23,880</u>	<u>1.5 percent</u>	<u>15 percent</u>	<u>\$ 1,910</u>
4.15	<u>23,880 to 25,720</u>	<u>1.6 percent</u>	<u>15 percent</u>	<u>\$ 1,860</u>
4.16	<u>25,720 to 27,550</u>	<u>1.7 percent</u>	<u>20 percent</u>	<u>\$ 1,860</u>
4.17	<u>27,550 to 31,230</u>	<u>1.8 percent</u>	<u>20 percent</u>	<u>\$ 1,860</u>
4.18	<u>31,230 to 33,060</u>	<u>1.9 percent</u>	<u>25 percent</u>	<u>\$ 1,860</u>
4.19	<u>33,060 to 38,570</u>	<u>2.0 percent</u>	<u>25 percent</u>	<u>\$ 1,860</u>
4.20	<u>38,570 to 44,070</u>	<u>2.0 percent</u>	<u>30 percent</u>	<u>\$ 1,860</u>
4.21	<u>44,070 to 51,430</u>	<u>2.0 percent</u>	<u>30 percent</u>	<u>\$ 1,860</u>
4.22	<u>51,430 to 53,260</u>	<u>2.0 percent</u>	<u>30 percent</u>	<u>\$ 1,690</u>
4.23	<u>53,260 to 55,100</u>	<u>2.0 percent</u>	<u>30 percent</u>	<u>\$ 1,520</u>
4.24	<u>55,100 to 56,950</u>	<u>2.0 percent</u>	<u>30 percent</u>	<u>\$ 1,290</u>
4.25	<u>56,950 to 58,770</u>	<u>2.0 percent</u>	<u>35 percent</u>	<u>\$ 1,120</u>
4.26	<u>58,770 to 60,620</u>	<u>2.0 percent</u>	<u>35 percent</u>	<u>\$ 1,020</u>
4.27	<u>60,620 to 62,450</u>	<u>2.0 percent</u>	<u>35 percent</u>	<u>\$ 570</u>
4.28	<u>62,450 to 64,290</u>	<u>2.0 percent</u>	<u>35 percent</u>	<u>\$ 220</u>

4.29 The payment made to a claimant is the amount of the state refund calculated under this
 4.30 subdivision. No payment is allowed if the claimant's household income is ~~\$61,320~~ \$64,290
 4.31 or more.

4.32 **EFFECTIVE DATE.** This section is effective for refunds based on rent paid after
 4.33 December 31, 2020.