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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 245

01/20/2015 Authored by Urdahl; Murphy, E.; Wills; Loon; Kresha and others

The bill was read for the first time and referred to the Committee on Education Innovation Policy

02/23/2015 Adoption of Report: Amended and re-referred to the Committee on Education Finance

1.1 A bill for an act
1.2 relating to taxation; individual income; allowing a tax credit for K-12 teachers
1.3 who complete a master's degree in a content area directly related to their
1.4 licensure field; appropriating money; proposing coding for new law in Minnesota
1.5 Statutes, chapter 290.

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

1.7 Section 1. **[290.0682] CREDIT FOR ATTAINING MASTER'S DEGREE IN**
1.8 **TEACHER'S LICENSURE FIELD.**

1.9 Subdivision 1. **Definitions.** (a) For purposes of this section the following terms
1.10 have the meanings given them.

1.11 (b) "Master's degree program" means a graduate level program at an accredited
1.12 university leading to a master of arts or science degree in a content area directly related
1.13 to a qualified teacher's licensure field. To be eligible under this program, a licensed
1.14 elementary school teacher must pursue and complete a master's degree program in a core
1.15 content area in which the teacher provides direct classroom instruction.

1.16 (c) "Qualified teacher" means a K-12 teacher who:
1.17 (1) currently holds a continuing license granted by the Minnesota Board of Teaching;
1.18 (2) began a master's degree program after June 30, 2015; and
1.19 (3) completes the master's degree program during the taxable year.

1.20 Subd. 2. **Credit allowed.** (a) An individual who is a qualified teacher is allowed a
1.21 credit against the tax imposed under this chapter. The credit equals \$2,500.

1.22 (b) For a nonresident or a part-year resident, the credit under this subdivision
1.23 must be allocated based on the percentage calculated under section 290.06, subdivision
1.24 2c, paragraph (e).

2.1 (c) A qualified teacher may claim the credit in this section only one time for each
2.2 master's degree program completed.

2.3 Subd. 3. **Credit refundable.** (a) If the amount of the credit for which an individual
2.4 is eligible exceeds the individual's liability for tax under this chapter, the commissioner
2.5 shall refund the excess to the individual.

2.6 (b) The amount necessary to pay the refunds required by this section is appropriated
2.7 to the commissioner from the general fund.

2.8 **EFFECTIVE DATE.** This section is effective for taxable years beginning after
2.9 December 31, 2016.