

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-EIGHTH SESSION**

**S.F. No. 2928**

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DATE	D-PG	OFFICIAL STATUS
03/28/2014	7158	Introduction and first reading Referred to Taxes

A bill for an act

1.1 relating to taxation; individual income; establishing tax credits for certain  
 1.2 home care providers and parents or guardians of children with disabilities;  
 1.3 appropriating money; amending Minnesota Statutes 2012, sections 256B.0911,  
 1.4 subdivision 3; 290.0674, subdivisions 1, 2, 4, by adding a subdivision; proposing  
 1.5 coding for new law in Minnesota Statutes, chapter 290.  
 1.6

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

1.8 Section 1. Minnesota Statutes 2012, section 256B.0911, subdivision 3, is amended to  
 1.9 read:

1.10 Subd. 3. **Long-term care consultation team.** (a) A long-term care consultation  
 1.11 team shall be established by the county board of commissioners. Two or more counties  
 1.12 may collaborate to establish a joint local consultation team or teams.

1.13 (b) Certified assessors must be part of a multidisciplinary long-term care consultation  
 1.14 team of professionals that includes public health nurses, social workers, and other  
 1.15 professionals as defined in subdivision 2b, paragraph (b). The team is responsible for  
 1.16 providing long-term care consultation services to all persons located in the county who  
 1.17 request the services, regardless of eligibility for Minnesota health care programs.

1.18 (c) The commissioner shall allow arrangements and make recommendations that  
 1.19 encourage counties and tribes to collaborate to establish joint local long-term care  
 1.20 consultation teams to ensure that long-term care consultations are done within the  
 1.21 timelines and parameters of the service. This includes integrated service models as  
 1.22 required in subdivision 1, paragraph (b).

1.23 (d) Tribes and health plans under contract with the commissioner must provide  
 1.24 long-term care consultation services as specified in the contract.

2.1 (e) The lead agency must provide the commissioner with an administrative contact  
2.2 for communication purposes.

2.3 (f) For applicants for a credit under section 290.0682, the team must certify in  
2.4 accordance with procedures established by the commissioner that the care provided by  
2.5 the caregiver:

2.6 (1) qualifies as personal care assistant services under section 256B.0625, subdivision  
2.7 19a;

2.8 (2) is needed and provided in person on a daily basis; and

2.9 (3) is appropriate based on the service recipient's needs and is likely to delay or  
2.10 avoid transferring the person to an out-of-home placement.

2.11 **EFFECTIVE DATE.** This section is effective January 1, 2015.

2.12 Sec. 2. Minnesota Statutes 2012, section 290.0674, subdivision 1, is amended to read:

2.13 Subdivision 1. **Credit allowed.** An individual is allowed a credit against the  
2.14 tax imposed by this chapter in an amount equal to 75 percent of the amount paid for  
2.15 education-related expenses, less the amount of expenses used to claim the credit under  
2.16 subdivision 1a, for a qualifying child in kindergarten through grade 12. For purposes of  
2.17 this section, "education-related expenses" means:

2.18 (1) fees or tuition for instruction by an instructor under section 120A.22, subdivision  
2.19 10, clause (1), (2), (3), (4), or (5), or a member of the Minnesota Music Teachers  
2.20 Association, and who is not a lineal ancestor or sibling of the dependent for instruction  
2.21 outside the regular school day or school year, including tutoring, driver's education  
2.22 offered as part of school curriculum, regardless of whether it is taken from a public or  
2.23 private entity or summer camps, in grade or age appropriate curricula that supplement  
2.24 curricula and instruction available during the regular school year, that assists a dependent  
2.25 to improve knowledge of core curriculum areas or to expand knowledge and skills under  
2.26 the required academic standards under section 120B.021, subdivision 1, and the elective  
2.27 standard under section 120B.022, subdivision 1, clause (2), and that do not include the  
2.28 teaching of religious tenets, doctrines, or worship, the purpose of which is to instill such  
2.29 tenets, doctrines, or worship;

2.30 (2) expenses for textbooks, including books and other instructional materials and  
2.31 equipment purchased or leased for use in elementary and secondary schools in teaching  
2.32 only those subjects legally and commonly taught in public elementary and secondary  
2.33 schools in this state. "Textbooks" does not include instructional books and materials  
2.34 used in the teaching of religious tenets, doctrines, or worship, the purpose of which is  
2.35 to instill such tenets, doctrines, or worship, nor does it include books or materials for

3.1 extracurricular activities including sporting events, musical or dramatic events, speech  
3.2 activities, driver's education, or similar programs;

3.3 (3) a maximum expense of \$200 per family for personal computer hardware,  
3.4 excluding single purpose processors, and educational software that assists a dependent to  
3.5 improve knowledge of core curriculum areas or to expand knowledge and skills under  
3.6 the required academic standards under section 120B.021, subdivision 1, and the elective  
3.7 standard under section 120B.022, subdivision 1, clause (2), purchased for use in the  
3.8 taxpayer's home and not used in a trade or business regardless of whether the computer is  
3.9 required by the dependent's school; and

3.10 (4) the amount paid to others for transportation of a qualifying child attending an  
3.11 elementary or secondary school situated in Minnesota, North Dakota, South Dakota, Iowa,  
3.12 or Wisconsin, wherein a resident of this state may legally fulfill the state's compulsory  
3.13 attendance laws, which is not operated for profit, and which adheres to the provisions of  
3.14 the Civil Rights Act of 1964 and chapter 363A.

3.15 For purposes of this section, "qualifying child" has the meaning given in section  
3.16 32(c)(3) of the Internal Revenue Code.

3.17 **EFFECTIVE DATE.** This section is effective for taxable years beginning after  
3.18 December 31, 2013.

3.19 Sec. 3. Minnesota Statutes 2012, section 290.0674, is amended by adding a subdivision  
3.20 to read:

3.21 **Subd. 1a. Credit allowed for parents or guardians of students with disabilities.**

3.22 (a) An individual is allowed a credit against the tax imposed by this chapter in an  
3.23 amount equal to 75 percent of the amount paid for tutoring expenses not compensated  
3.24 by insurance, pretax account, or otherwise, paid by a parent or guardian of a student in  
3.25 kindergarten through grade 12 for whom a Minnesota individualized education program is  
3.26 in effect pursuant to section 125A.08. The parent or guardian claiming the credit must be  
3.27 a member of the student's individual education program team and must have claimed the  
3.28 student as a dependent for all or part of the tax year. An individual claiming the credit  
3.29 under this subdivision must provide documentation of eligibility for the credit in a form  
3.30 and manner prescribed by the commissioner.

3.31 (b) For the purposes of this subdivision, eligible expenses for tutoring are the same  
3.32 as provided in subdivision 1, clause (1).

3.33 **EFFECTIVE DATE.** This section is effective for taxable years beginning after  
3.34 December 31, 2013.

4.1 Sec. 4. Minnesota Statutes 2012, section 290.0674, subdivision 2, is amended to read:

4.2 Subd. 2. **Limitations.** (a)(1) For claimants with income not greater than \$33,500,  
4.3 the maximum credit allowed under subdivision 1 for a family is \$1,000 multiplied by  
4.4 the number of qualifying children in kindergarten through grade 12 in the family. The  
4.5 maximum credit under subdivision 1 for families with one qualifying child in kindergarten  
4.6 through grade 12 is reduced by \$1 for each \$4 of household income over \$33,500, and the  
4.7 maximum credit under subdivision 1 for families with two or more qualifying children in  
4.8 kindergarten through grade 12 is reduced by \$2 for each \$4 of household income over  
4.9 \$33,500, but in no case is the credit under subdivision 1 less than zero; and

4.10 (2) for claimants with income not greater than 300 percent of the federal poverty  
4.11 guideline, the maximum credit allowed under subdivision 1a for a family is \$2,000. The  
4.12 credit under subdivision 1a is reduced by \$100 for every \$1,000 of household income over  
4.13 300 percent of the federal poverty guideline.

4.14 (b) For purposes of this section "income" has the meaning given in section 290.067,  
4.15 subdivision 2a. In the case of a married claimant, a credit is not allowed unless a joint  
4.16 income tax return is filed.

4.17 ~~(b)~~ (c) For a nonresident or part-year resident, the credit determined under  
4.18 subdivision 1 and the maximum credit amount in paragraph (a) and the credit determined  
4.19 under subdivision 1a must be allocated using the percentage calculated in section 290.06,  
4.20 subdivision 2c, paragraph (e).

4.21 **EFFECTIVE DATE.** This section is effective for taxable years beginning after  
4.22 December 31, 2013.

4.23 Sec. 5. Minnesota Statutes 2012, section 290.0674, subdivision 4, is amended to read:

4.24 Subd. 4. **Credit to be refundable.** If the amount of ~~credit~~ total credits that the  
4.25 claimant is eligible to receive under this section exceeds the claimant's tax liability under  
4.26 this chapter, the commissioner shall refund the excess to the claimant.

4.27 **EFFECTIVE DATE.** This section is effective for taxable years beginning after  
4.28 December 31, 2013.

4.29 Sec. 6. **[290.0682] MINNESOTA HOME CAREGIVER CREDIT.**

4.30 Subdivision 1. **Definitions.** The terms used in this section have the following  
4.31 meanings given unless otherwise provided for by text.

4.32 Subd. 2. **Caregiver.** "Caregiver" means an individual who provides unpaid  
4.33 assistance on a daily basis that qualifies as personal care assistant services under section

5.1 256B.0625, subdivision 19a, to a service recipient in either the individual's principal  
5.2 residence or the service recipient's principal residence.

5.3 Subd. 3. **Service recipient.** "Service recipient" means an individual who:

5.4 (1) is the spouse, parent, stepparent, sibling, stepsibling, child, stepchild,  
5.5 grandparent, or stepgrandparent of the taxpayer;

5.6 (2) does not reside in a setting licensed or registered by the commissioners of health  
5.7 or human services; and

5.8 (3) has been screened by a county long-term care consultation team and determined  
5.9 by that team to be eligible for placement in a nursing home or other long-term care facility.

5.10 Subd. 4. **Credit allowed.** (a) An individual is allowed a credit against the tax  
5.11 imposed by this chapter equal to \$200 for each month during the tax year that the individual  
5.12 is a caregiver for a service recipient. The maximum credit in a tax year shall be \$2,400.

5.13 (b) An individual claiming the credit must certify to the commissioner that the  
5.14 individual and the service recipient satisfy all the requirements of this section.

5.15 (c) Only one credit may be claimed for each service recipient in any tax year.

5.16 (d) For a nonresident or part-year resident, the credit must be allocated based on the  
5.17 percentage calculated under section 290.06, subdivision 2c, paragraph (e).

5.18 Subd. 5. **Credit limitations.** (a) For claimants with income not greater than 300  
5.19 percent of the federal poverty guideline, the credit under subdivision 4 is reduced by \$100  
5.20 for every \$1,000 of household income over 300 percent of the federal poverty guideline.

5.21 (b) Eligibility for the credit in subdivision 4 is limited to persons who have been  
5.22 certified by a long-term care consultation team under section 256B.0911, subdivision 3,  
5.23 paragraph (e).

5.24 (c) The credit in subdivision 4 is reduced to \$100 for any month in which a  
5.25 service recipient receives more than four hours per day on average of federal, state, or  
5.26 county-funded home care services as specified in section 256B.0651, subdivision 2.

5.27 Subd. 6. **Credit refundable.** If the amount of the credit under this section exceeds  
5.28 the individual's tax liability under this chapter, the commissioner shall refund the excess  
5.29 amount to the claimant.

5.30 Subd. 7. **Caregiver training.** For each year in which a credit is claimed under this  
5.31 section, the caregiver must participate in at least eight hours of (1) caregiver training,  
5.32 education, or counseling, or (2) caregiver support group sessions.

5.33 Subd. 8. **Appropriation.** The amount necessary to pay the refunds under this  
5.34 chapter is appropriated annually to the commissioner.

5.35 **EFFECTIVE DATE.** This section is effective for taxable years beginning after  
5.36 December 31, 2013.