

**290A.04 REFUND ALLOWABLE.**

Subdivision 1. **Refund.** A refund shall be allowed each claimant in the amount that property taxes payable or rent constituting property taxes exceed the percentage of the household income of the claimant specified in subdivision 2 or 2a in the year for which the taxes were levied or in the year in which the rent was paid as specified in subdivision 2 or 2a. If the amount of property taxes payable or rent constituting property taxes is equal to or less than the percentage of the household income of the claimant specified in subdivision 2 or 2a in the year for which the taxes were levied or in the year in which the rent was paid, the claimant shall not be eligible for a state refund pursuant to this section.

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

Household Income	Percent of Income	Percent Paid by Claimant	Maximum State Refund
\$0 to 1,619	1.0 percent	15 percent	\$ 2,580
1,620 to 3,229	1.1 percent	15 percent	\$ 2,580
3,230 to 4,889	1.2 percent	15 percent	\$ 2,580
4,890 to 6,519	1.3 percent	20 percent	\$ 2,580
6,520 to 8,129	1.4 percent	20 percent	\$ 2,580
8,130 to 11,389	1.5 percent	20 percent	\$ 2,580
11,390 to 13,009	1.6 percent	20 percent	\$ 2,580
13,010 to 14,649	1.7 percent	20 percent	\$ 2,580
14,650 to 16,269	1.8 percent	20 percent	\$ 2,580
16,270 to 17,879	1.9 percent	25 percent	\$ 2,580
17,880 to 22,779	2.0 percent	25 percent	\$ 2,580
22,780 to 24,399	2.0 percent	30 percent	\$ 2,580
24,400 to 27,659	2.0 percent	30 percent	\$ 2,580
27,660 to 39,029	2.0 percent	35 percent	\$ 2,580
39,030 to 56,919	2.0 percent	35 percent	\$ 2,090
56,920 to 65,049	2.0 percent	40 percent	\$ 1,830
65,050 to 73,189	2.1 percent	40 percent	\$ 1,510
73,190 to 81,319	2.2 percent	40 percent	\$ 1,350
81,320 to 89,449	2.3 percent	40 percent	\$ 1,180
89,450 to 94,339	2.4 percent	45 percent	\$ 1,000
94,340 to 97,609	2.5 percent	45 percent	\$ 830

97,610 to 101,559	2.5 percent	50 percent	\$ 680
101,560 to 105,499	2.5 percent	50 percent	\$ 500

The payment made to a claimant shall be the amount of the state refund calculated under this subdivision. No payment is allowed if the claimant's household income is \$105,500 or more.

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

Household Income	Percent of Income	Percent Paid by Claimant	Maximum State Refund
\$0 to 4,909	1.0 percent	5 percent	\$ 2,000
4,910 to 6,529	1.0 percent	10 percent	\$ 2,000
6,530 to 8,159	1.1 percent	10 percent	\$ 1,950
8,160 to 11,439	1.2 percent	10 percent	\$ 1,900
11,440 to 14,709	1.3 percent	15 percent	\$ 1,850
14,710 to 16,339	1.4 percent	15 percent	\$ 1,800
16,340 to 17,959	1.4 percent	20 percent	\$ 1,750
17,960 to 21,239	1.5 percent	20 percent	\$ 1,700
21,240 to 22,869	1.6 percent	20 percent	\$ 1,650
22,870 to 24,499	1.7 percent	25 percent	\$ 1,650
24,500 to 27,779	1.8 percent	25 percent	\$ 1,650
27,780 to 29,399	1.9 percent	30 percent	\$ 1,650
29,400 to 34,299	2.0 percent	30 percent	\$ 1,650
34,300 to 39,199	2.0 percent	35 percent	\$ 1,650
39,200 to 45,739	2.0 percent	40 percent	\$ 1,650
45,740 to 47,369	2.0 percent	45 percent	\$ 1,500
47,370 to 49,009	2.0 percent	45 percent	\$ 1,350
49,010 to 50,649	2.0 percent	45 percent	\$ 1,150
50,650 to 52,269	2.0 percent	50 percent	\$ 1,000
52,270 to 53,909	2.0 percent	50 percent	\$ 900
53,910 to 55,539	2.0 percent	50 percent	\$ 500
55,540 to 57,169	2.0 percent	50 percent	\$ 200

The payment made to a claimant is the amount of the state refund calculated under this subdivision. No payment is allowed if the claimant's household income is \$57,170 or more.

Subd. 2b. MS 1984 [Repealed, 1Sp1985 c 14 art 5 s 7]

Subd. 2b. **Tables may be reconstructed.** The commissioner may reconstruct the tables in subdivision 2 for homeowners to reflect the elimination of the homestead credit beginning for claims based on taxes payable in 1990.

Subd. 2c. [Repealed, 1983 c 15 s 33]

Subd. 2d. [Repealed, 1983 c 15 s 33]

Subd. 2e. [Repealed, 1987 c 268 art 3 s 13]

Subd. 2f. [Repealed, 1Sp1986 c 1 art 3 s 21]

Subd. 2g. [Repealed, 1987 c 268 art 3 s 13]

Subd. 2h. **Additional refund.** (a) If the gross property taxes payable on a homestead increase more than 12 percent over the property taxes payable in the prior year on the same property that is owned and occupied by the same owner on January 2 of both years, and the amount of that increase is \$100 or more, a claimant who is a homeowner shall be allowed an additional refund equal to 60 percent of the amount of the increase over the greater of 12 percent of the prior year's property taxes payable or \$100. This subdivision shall not apply to any increase in the gross property taxes payable attributable to improvements made to the homestead after the assessment date for the prior year's taxes. This subdivision shall not apply to any increase in the gross property taxes payable attributable to the termination of valuation exclusions under section 273.11, subdivision 16.

The maximum refund allowed under this subdivision is \$1,000.

(b) For purposes of this subdivision "gross property taxes payable" means property taxes payable determined without regard to the refund allowed under this subdivision.

(c) In addition to the other proofs required by this chapter, each claimant under this subdivision shall file with the property tax refund return a copy of the property tax statement for taxes payable in the preceding year or other documents required by the commissioner.

(d) Upon request, the appropriate county official shall make available the names and addresses of the property taxpayers who may be eligible for the additional property tax refund under this section. The information shall be provided on a magnetic computer disk. The county may recover its costs by charging the person requesting the information the reasonable cost for preparing the data. The information may not be used for any purpose other than for notifying the homeowner of potential eligibility and assisting the homeowner, without charge, in preparing a refund claim.

Subd. 2i. [Repealed, 1995 c 264 art 15 s 6]

Subd. 2j. [Repealed, 1Sp2001 c 5 art 7 s 66]

Subd. 3. **Table.** The commissioner of revenue shall construct and make available to taxpayers a comprehensive table showing the property taxes to be paid and refund allowed at various levels of income and assessment. The table shall follow the schedule of income percentages, maximums and other provisions specified in subdivision 2, except that the commissioner may graduate the transition between income

brackets. All refunds shall be computed in accordance with tables prepared and issued by the commissioner of revenue.

The commissioner shall include on the form an appropriate space or method for the claimant to identify if the property taxes paid are for a manufactured home, as defined in section 273.125, subdivision 8, paragraph (c), or a park trailer taxed as a manufactured home under section 168.012, subdivision 9.

**Subd. 4. Inflation adjustment.** (a) Beginning for property tax refunds payable in calendar year 2002, the commissioner shall annually adjust the dollar amounts of the income thresholds and the maximum refunds under subdivisions 2 and 2a for inflation. The commissioner shall make the inflation adjustments in accordance with section 1(f) of the Internal Revenue Code, except that for purposes of this subdivision the percentage increase shall be determined as provided in this subdivision.

(b) In adjusting the dollar amounts of the income thresholds and the maximum refunds under subdivision 2 for inflation, the percentage increase shall be determined from the year ending on June 30, 2013, to the year ending on June 30 of the year preceding that in which the refund is payable.

(c) In adjusting the dollar amounts of the income thresholds and the maximum refunds under subdivision 2a for inflation, the percentage increase shall be determined from the year ending on June 30, 2013, to the year ending on June 30 of the year preceding that in which the refund is payable.

(d) The commissioner shall use the appropriate percentage increase to annually adjust the income thresholds and maximum refunds under subdivisions 2 and 2a for inflation without regard to whether or not the income tax brackets are adjusted for inflation in that year. The commissioner shall round the thresholds and the maximum amounts, as adjusted to the nearest \$10 amount. If the amount ends in \$5, the commissioner shall round it up to the next \$10 amount.

(e) The commissioner shall annually announce the adjusted refund schedule at the same time provided under section 290.06. The determination of the commissioner under this subdivision is not a rule under the Administrative Procedure Act.

**Subd. 5. Combined renter and homeowner refund.** In the case of a claimant who is entitled to a refund in a calendar year for claims based both on rent constituting property taxes and property taxes payable, the refund allowable equals the sum of the refunds allowable.

**Subd. 6.** [Renumbered subd 4]

**History:** 1975 c 437 art 1 s 4; 1976 c 245 s 3,4; 1977 c 423 art 2 s 9-11; 1978 c 766 s 9,10; 1979 c 303 art 2 s 31-34; 1980 c 607 art 3 s 2; 1981 c 178 s 114,115; 1Sp1981 c 1 art 2 s 19,20; 1983 c 15 s 29; 1983 c 342 art 4 s 6-12; 1984 c 502 art 3 s 21-23; 1984 c 514 art 4 s 12,13; 1Sp1985 c 14 art 4 s 89; art 5 s 2-4; 1986 c 444; 1987 c 268 art 3 s 4-6; art 6 s 48; 1988 c 719 art 4 s 5-7; 1989 c 356 s 37; 1Sp1989 c 1 art 7 s 1-5,9; 1990 c 480 art 5 s 11-13; 1990 c 604 art 5 s 3-5; 1991 c 199 art 2 s 21; 1991 c 291 art 1 s 34; 1992 c 511 art 2 s 30; 1993 c 375 art 2 s 32,33; art 3 s 48; art 6 s 4,5; 1994 c 383 s 1; 1994 c 587 art 4 s 1-4; 1995 c 264 art 3 s 24; art 4 s 11; art 15 s 3,4,6; 1996 c 471 art 3 s 33,52; 1997 c 31 art 1 s 18; 1997 c 84 art 1 s 4; 1997 c 231 art 2 s 70; art 5 s 14; 1Sp2001 c 5 art 4 s 3-6; 2002 c 377 art 10 s 18; 2008 c 366 art 1 s 1; 1Sp2011 c 7 art 6 s 10,11; 2013 c 143 art 1 s 2-4