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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 1323

02/06/2023 Authored by Agbaje, Hollins, Reyer, Gomez, Lislegard 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; modifying the parameters of the renter's
1.3 credit and homestead credit to increase refunds; amending Minnesota Statutes
1.4 2022, section 290A.04, subdivisions 2, 2a.

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 5 columns: Household Income, Percent of Income, Percent Paid by Claimant, Maximum State Refund. Rows 1.13-1.25 show various income brackets and their corresponding refund percentages.

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>1,821 to 3,630</u>	<u>1.1 percent</u>	<u>10 percent</u>	<u>\$ 3,150</u>
2.19	<u>3,631 to 5,490</u>	<u>1.2 percent</u>	<u>10 percent</u>	<u>\$ 3,150</u>
2.20	<u>5,491 to 7,330</u>	<u>1.3 percent</u>	<u>15 percent</u>	<u>\$ 3,150</u>
2.21	<u>7,331 to 9,140</u>	<u>1.4 percent</u>	<u>15 percent</u>	<u>\$ 3,150</u>
2.22	<u>9,141 to 12,810</u>	<u>1.5 percent</u>	<u>15 percent</u>	<u>\$ 3,150</u>
2.23	<u>12,811 to 14,620</u>	<u>1.6 percent</u>	<u>15 percent</u>	<u>\$ 3,150</u>
2.24	<u>14,621 to 16,470</u>	<u>1.7 percent</u>	<u>15 percent</u>	<u>\$ 3,150</u>
2.25	<u>16,471 to 18,290</u>	<u>1.8 percent</u>	<u>15 percent</u>	<u>\$ 3,150</u>
2.26	<u>18,291 to 20,110</u>	<u>1.9 percent</u>	<u>20 percent</u>	<u>\$ 3,150</u>
2.27	<u>20,111 to 25,610</u>	<u>2.0 percent</u>	<u>20 percent</u>	<u>\$ 3,150</u>
2.28	<u>25,611 to 27,440</u>	<u>2.0 percent</u>	<u>25 percent</u>	<u>\$ 3,150</u>
2.29	<u>27,441 to 31,110</u>	<u>2.0 percent</u>	<u>25 percent</u>	<u>\$ 3,150</u>
2.30	<u>31,111 to 43,890</u>	<u>2.0 percent</u>	<u>30 percent</u>	<u>\$ 3,150</u>
2.31	<u>43,891 to 64,000</u>	<u>2.0 percent</u>	<u>30 percent</u>	<u>\$ 2,600</u>
2.32	<u>64,001 to 73,150</u>	<u>2.0 percent</u>	<u>35 percent</u>	<u>\$ 2,300</u>
2.33	<u>73,151 to 82,300</u>	<u>2.1 percent</u>	<u>35 percent</u>	<u>\$ 1,950</u>
2.34	<u>82,301 to 91,440</u>	<u>2.2 percent</u>	<u>35 percent</u>	<u>\$ 1,770</u>
2.35	<u>91,441 to 100,580</u>	<u>2.3 percent</u>	<u>35 percent</u>	<u>\$ 1,580</u>
2.36	<u>100,581 to 106,070</u>	<u>2.4 percent</u>	<u>40 percent</u>	<u>\$ 1,320</u>
2.37	<u>106,071 to 109,750</u>	<u>2.5 percent</u>	<u>40 percent</u>	<u>\$ 1,080</u>

3.1	<u>109,751 to 114,190</u>	<u>2.5 percent</u>	<u>45 percent</u>	<u>\$ 870</u>
3.2	<u>114,191 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 \$118,621 or more.

3.6 **EFFECTIVE DATE.** This section is effective for refunds based on property taxes
 3.7 payable after December 31, 2023.

3.8 Sec. 2. Minnesota Statutes 2022, 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>5,521 to 7,340</u>	<u>1.0 percent</u>	<u>5 percent</u>	<u>\$ 2,250</u>
4.9	<u>7,341 to 9,170</u>	<u>1.1 percent</u>	<u>5 percent</u>	<u>\$ 2,190</u>
4.10	<u>9,171 to 12,860</u>	<u>1.2 percent</u>	<u>5 percent</u>	<u>\$ 2,140</u>
4.11	<u>12,861 to 16,540</u>	<u>1.3 percent</u>	<u>10 percent</u>	<u>\$ 2,080</u>
4.12	<u>16,541 to 18,370</u>	<u>1.4 percent</u>	<u>10 percent</u>	<u>\$ 2,020</u>
4.13	<u>18,371 to 20,190</u>	<u>1.4 percent</u>	<u>15 percent</u>	<u>\$ 1,970</u>
4.14	<u>20,191 to 23,880</u>	<u>1.5 percent</u>	<u>15 percent</u>	<u>\$ 1,910</u>
4.15	<u>23,881 to 25,720</u>	<u>1.6 percent</u>	<u>15 percent</u>	<u>\$ 1,860</u>
4.16	<u>25,721 to 27,550</u>	<u>1.7 percent</u>	<u>20 percent</u>	<u>\$ 1,860</u>
4.17	<u>27,551 to 31,230</u>	<u>1.8 percent</u>	<u>20 percent</u>	<u>\$ 1,860</u>
4.18	<u>31,231 to 33,060</u>	<u>1.9 percent</u>	<u>25 percent</u>	<u>\$ 1,860</u>
4.19	<u>33,061 to 38,570</u>	<u>2.0 percent</u>	<u>25 percent</u>	<u>\$ 1,860</u>
4.20	<u>38,571 to 44,070</u>	<u>2.0 percent</u>	<u>30 percent</u>	<u>\$ 1,860</u>
4.21	<u>44,071 to 51,430</u>	<u>2.0 percent</u>	<u>30 percent</u>	<u>\$ 1,860</u>
4.22	<u>51,431 to 53,260</u>	<u>2.0 percent</u>	<u>30 percent</u>	<u>\$ 1,690</u>
4.23	<u>53,261 to 55,100</u>	<u>2.0 percent</u>	<u>30 percent</u>	<u>\$ 1,520</u>
4.24	<u>55,101 to 56,950</u>	<u>2.0 percent</u>	<u>30 percent</u>	<u>\$ 1,290</u>
4.25	<u>56,951 to 58,770</u>	<u>2.0 percent</u>	<u>35 percent</u>	<u>\$ 1,120</u>
4.26	<u>58,771 to 60,620</u>	<u>2.0 percent</u>	<u>35 percent</u>	<u>\$ 1,020</u>
4.27	<u>60,621 to 62,450</u>	<u>2.0 percent</u>	<u>35 percent</u>	<u>\$ 570</u>
4.28	<u>62,451 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~~ \$64,291
 4.31 or more.

4.32 **EFFECTIVE DATE.** This section is effective for refunds based on rent paid after
 4.33 December 31, 2022.