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State of Minnesota

HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH SESSION

H. F. No. 1293

03/24/2011 Authored by Loon and Woodard

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

1.1 A bill for an act

1.2 relating to taxation; income; modifying education credit; amending Minnesota

1.3 Statutes 2010, section 290.0674, subdivision 1.

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

1.5 Section 1. Minnesota Statutes 2010, section 290.0674, subdivision 1, is amended to

1.6 read:

1.7 Subdivision 1. **Credit allowed.** An individual is allowed a credit against the

1.8 tax imposed by this chapter in an amount equal to 75 percent of the amount paid for

1.9 education-related expenses for a qualifying child in kindergarten through grade 12. For

1.10 purposes of this section, "education-related expenses" means:

1.11 (1) fees or tuition for instruction by an instructor under section 120A.22, subdivision

1.12 10, clause (1), (2), (3), (4), or (5), or a member of the Minnesota Music Teachers

1.13 Association, and who is not a lineal ancestor or sibling of the dependent for instruction

1.14 outside the regular school day or school year, including tutoring, driver's education

1.15 offered as part of school curriculum, regardless of whether it is taken from a public or

1.16 private entity or summer camps, in grade or age appropriate curricula that supplement

1.17 curricula and instruction available during the regular school year, that assists a dependent

1.18 to improve knowledge of core curriculum areas or to expand knowledge and skills under

1.19 the required academic standards under section 120B.021, subdivision 1, and the elective

1.20 standard under section 120B.022, subdivision 1, clause (2), and that do not include the

1.21 teaching of religious tenets, doctrines, or worship, the purpose of which is to instill such

1.22 tenets, doctrines, or worship;

1.23 (2) expenses for textbooks, including books and other instructional materials and

1.24 equipment purchased or leased for use in elementary and secondary schools in teaching

2.1 only those subjects legally and commonly taught in public elementary and secondary

2.2 schools in this state. "Textbooks" does not include instructional books and materials

2.3 used in the teaching of religious tenets, doctrines, or worship, the purpose of which is

2.4 to instill such tenets, doctrines, or worship, nor does it include books or materials for

2.5 extracurricular activities including sporting events, musical or dramatic events, speech

2.6 activities, driver's education, or similar programs;

2.7 (3) a maximum expense of $200 per family for personal computer hardware,

2.8 excluding single purpose processors, and educational software that assists a dependent to

2.9 improve knowledge of core curriculum areas or to expand knowledge and skills under

2.10 the required academic standards under section 120B.021, subdivision 1, and the elective

2.11 standard under section 120B.022, subdivision 1, clause (2), purchased for use in the

2.12 taxpayer's home and not used in a trade or business regardless of whether the computer is

2.13 required by the dependent's school; and

2.14 (4) the amount paid to others for tuition and transportation of a qualifying child

2.15 attending an elementary or secondary school situated in Minnesota, North Dakota, South

2.16 Dakota, Iowa, or Wisconsin, wherein a resident of this state may legally fulfill the state's

2.17 compulsory attendance laws, which is not operated for profit, and which adheres to the

2.18 provisions of the Civil Rights Act of 1964 and chapter 363A.

2.19 For purposes of this section, "qualifying child" has the meaning given in section

2.20 32(c)(3) of the Internal Revenue Code.

2.21 **EFFECTIVE DATE.** This section is effective for taxable years beginning after

2.22 December 31, 2010.