

This Document can be made available in alternative formats upon request

State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 354

01/26/2015 Authored by Mullery

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

1.1 A bill for an act
1.2 relating to taxation; individual income; reinstating the lower income motor fuels
1.3 tax credit; appropriating money; amending Minnesota Statutes 2014, section
1.4 290.06, by adding a subdivision.

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

1.6 Section 1. Minnesota Statutes 2014, section 290.06, is amended by adding a
1.7 subdivision to read:

1.8 Subd. 34a. Lower income motor fuels tax credit. (a) To compensate for the
1.9 burden of the motor fuels tax, an individual is allowed a credit against the tax imposed
1.10 under this chapter if the individual:

- 1.11 (1) has attained the age of 18 by the end of the taxable year;
- 1.12 (2) cannot be claimed as a dependent on another taxpayer's return; and
- 1.13 (3) is a United States citizen or is lawfully present in the United States.

1.14 (b) For married couples filing joint returns, surviving spouses, single filers, and head
1.15 of household filers, the credit amount is \$25. For married individuals filing separate
1.16 returns, the credit amount is \$12.50. To qualify, the individual's taxable net income for
1.17 the taxable year must not exceed the maximum amount for the individual's filing status,
1.18 adjusted as provided in subdivision 2d, that is taxable at the lowest rate under subdivision
1.19 2c. For individuals with taxable net income that exceeds the amount of income taxable for
1.20 the individual's filing status at the lowest rate under subdivision 2c, adjusted as provided in
1.21 subdivision 2d, the credit amount is zero. For a nonresident or part-year resident, the credit
1.22 must be allocated based on the percentage calculated under subdivision 2c, paragraph (e).

2.1 (c) If the amount of the credit that the individual is eligible to receive under this
2.2 subdivision exceeds the individual's liability for tax under this chapter, the commissioner
2.3 of revenue shall refund the excess.

2.4 (d) The amount necessary to pay claims for the refund provided in this section is
2.5 appropriated from the general fund to the commissioner.

2.6 **EFFECTIVE DATE.** This section is effective for taxable years beginning after
2.7 December 31, 2014.