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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 505

02/02/2015 Authored by Davids, Franson and Lucero

The bill was read for the first time and referred to the Committee on Health and Human Services Reform

1.1 A bill for an act  
1.2 relating to taxation; individual income; allowing a tax credit for excess  
1.3 advance premium credits required to be repaid under the Affordable Care Act;  
1.4 appropriating money; proposing coding for new law in Minnesota Statutes,  
1.5 chapter 290.

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

1.7 Section 1. **[290.0661] AFFORDABLE CARE ACT CREDIT FOR REPAYMENT**  
1.8 **OF EXCESS ADVANCE PREMIUM CREDITS.**

1.9 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms  
1.10 have the meanings given.

1.11 (b) "Excess advance premium credit" means the amount required to be repaid as  
1.12 provided in section 36B(f) of the Internal Revenue Code.

1.13 (c) "Premium assistance credit" means the credit allowed under section 36B of the  
1.14 Internal Revenue Code.

1.15 (d) "Qualified individual" means an individual for whom the reconciliation of the  
1.16 advance payment of the premium assistance credit and the premium assistance credit  
1.17 allowed results in the required repayment of the excess advance premium credit.

1.18 Subd. 2. **Credit allowed.** (a) A qualified individual is allowed a credit against the  
1.19 tax due under this chapter equal to excess advance premium credit paid by the individual  
1.20 for the taxable year.

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

1.23 Subd. 3. **Credit refundable; appropriation.** (a) If the credit allowed under this  
1.24 section exceeds the individual's liability under this chapter, the commissioner shall refund  
1.25 the excess to the taxpayer.

2.1 (b) An amount sufficient to pay the refunds required by this section is appropriated  
2.2 from the general fund to the commissioner.

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