

**Subject** Modifying the Minnesota housing tax credit

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## Summary

Minnesota allows a tax credit (applicable against individual income, insurance premium, and corporate franchise taxes) for qualifying donations to the Minnesota Housing Finance Agency. Donors may designate specific projects to receive their donations, but under current law, only income-limited properties may receive grants or loans funded through these donations. The credit is set to expire in 2029.

This bill would repeal expiration of the credit, allow its use on workforce housing in projects receiving an award from the workforce housing development program, and set aside a fraction of the credits for projects located outside the metropolitan area. That fraction would equal the fraction of the Minnesota population residing in greater Minnesota.