

March 16, 2021

Representative Cheryl Youakim  
Chair, House Property Tax Division  
591 State Office Building  
St. Paul, MN 55155

Dear Chair Youakim and Property Tax Division members:

The undersigned organizations are writing in strong support of the provisions to strengthen the Renters' Credit included in House File 1735.

Like all Minnesotans, Minnesota's renters want safe, affordable homes for themselves and their families. But some Minnesotans earning lower wages or on fixed incomes struggle to afford the cost of housing and other basic necessities.

The Renters' Credit helps bring down one of the costs of housing, and it creates a more equitable tax system. It puts a limit on how much of a household's budget can go toward property taxes by refunding a portion of the property taxes that renters have paid through their rents.

The Renters' Credit is particularly effective at reaching the state's lowest-income households: about three-fourths of households receiving the credit have incomes of \$40,000 or less. In addition, about 30 percent of the households who receive the Renters' Credit include seniors or people living with disabilities; in 21 Greater Minnesota counties, more than half of those receiving the credit are seniors or people with disabilities. The Renters' Credit also advances racial equity, as people of color in Minnesota are more likely to be renters and more likely to earning lower incomes.

By increasing the amount of tax refunds, House File 1735 is one way to recognize Minnesota's long-standing shortage of affordable housing. It would respond to the severe hardship that so many Minnesotans have faced during the pandemic and economic downturn, including the essential workers that we all have counted on more than ever.

Thank you for your consideration of the role that a stronger Renter's Credit can play in reaching the state's goals for economic security and a fair tax system.

AARP  
Growth & Justice  
HOME Line  
ISAIAH  
Legal Services Advocacy Project

Minnesota Asset Building Coalition  
Minnesota Budget Project  
Minnesota Coalition for the Homeless  
Prepare + Prosper  
Voices for Racial Justice