

April 18, 2021

Representative Rena Moran
Chair, House Ways and Means Committee
449 State Office Building
St. Paul, MN 55155

Dear Chair Moran and House Ways and Means Committee members:

The undersigned organizations support including provisions to strengthen the Renters' Credit in House File 991, the omnibus tax bill.

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 the households receiving the credit include 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 property tax refunds for renters, the omnibus tax bill recognizes Minnesota's long-standing shortage of affordable housing. It is one step to 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 Renters' Credit can play in reaching the state's goals for economic security and a fair tax system.

AARP
Center For Economic Inclusion
Growth & Justice
HOME Line
ISIAH

Jewish Family and Children's Service of Minneapolis
Joint Religious Legislative Coalition
Legal Services Advocacy Project
Minnesota Asset Building Coalition
Minnesota Budget Project
Minnesota Coalition for the Homeless
Prepare + Prosper
Voices for Racial Justice