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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 2475

03/17/2025

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The bill was read for the first time and referred to the Committee on Taxes

1.1	A bill for an act			
1.2	relating to taxation; property tax refunds; reducing homestead credit refund co-pays;			
1.3	amending Minnesota Statutes 2024, section 290A.04, subdivisions 2, 4.			
1.4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:			
1.5	Section 1. Minnesota Statutes 2024, section 290A.04, subdivision 2, is amended to read:			
1.6	Subd. 2. Homeowners; homestead credit refund. A claimant whose property taxes			
1.7	payable are in excess of the percentage of the household income stated below shall pay an			
1.8	amount equal to the percent of income shown for the appropriate household income level			
1.9	along with the percent to be paid by the claimant of the remaining amount of property taxes			
1.10	payable. The state refund equals the amount of property taxes payable that remain, up to			
1.11	the state refund amount shown below.			
1.12				Maximum
1.13				State
1.14	Household Income	Percent of Income	Percent Paid by	Refund
1.15	\$0 to 2,079		12 percent	3,310
1.16	<u>\$0 to 2,199</u>	1.0 percent	<u>7 percent</u>	\$ <u>3,500</u>
1.17	2,080 to 4,139		12 percent	3,310
1.18	<u>2,200 to 4,379</u>	1.1 percent	<u>7 percent</u>	\$ <u>3,500</u>
1.19	4,140 to 6,269		12 percent	3,310
1.20	<u>4,380 to 6,629</u>	1.2 percent	<u>7 percent</u>	\$ <u>3,500</u>
1.21	6,270 to 8,369		17 percent	3,310
1.22	<u>6,630 to 8,849</u>	1.3 percent	<u>12 percent</u>	\$ <u>3,500</u>
1.23	8,370 to 10,439		17 percent	3,310
1.24	<u>8,850 to 11,039</u>	1.4 percent	<u>12 percent</u>	\$ <u>3,500</u>
1.25	10,440 to 14,619		17 percent	3,310
1.26	<u>11,040 to 15,449</u>	1.5 percent	<u>12 percent</u>	\$ <u>3,500</u>

2.1	14,620 to 16,689		17 percent	3,310
2.2	<u>15,450 to 17,639</u>	1.6 percent	<u>12 percent</u>	\$ <u>3,500</u>
2.3	16,690 to 18,799		17 percent	3,310
2.4	<u>17,640 to 19,869</u>	1.7 percent	<u>12 percent</u>	\$ <u>3,500</u>
2.5	18,800 to 20,879		17 percent	3,310
2.6	<u>19,870 to 22,069</u>	1.8 percent	<u>12 percent</u>	\$ <u>3,500</u>
2.7	20,880 to 22,949		22 percent	3,310
2.8	<u>22,070 to 24,259</u>	1.9 percent	<u>17 percent</u>	\$ <u>3,500</u>
2.9	22,950 to 29,239		22 percent	3,310
2.10	<u>24,260 to 30,909</u>	2.0 percent	<u>17 percent</u>	\$ <u>3,500</u>
2.11	29,240 to 31,319		27 percent	3,310
2.12	<u>30,910 to 33,109</u>	2.0 percent	<u>22 percent</u>	\$ <u>3,500</u>
2.13	31,320 to 35,509		27 percent	3,310
2.14	<u>33,110 to 37,539</u>	2.0 percent	<u>22 percent</u>	\$ <u>3,500</u>
2.15	35,510 to 50,099		32 percent	3,310
2.16	<u>37,540 to 52,959</u>	2.0 percent	<u>27 percent</u>	\$ <u>3,500</u>
2.17	50,100 to 73,059			2,680
2.18	<u>52,960 to 77,229</u>	2.0 percent	32 percent	\$ <u>2,830</u>
2.19	73,060 to 83,499			2,350
2.20	<u>77,230 to 88,259</u>	2.0 percent	37 percent	\$ <u>2,480</u>
2.21	83,500 to 93,939			1,940
2.22	<u>88,260 to 99,299</u>	2.1 percent	37 percent	\$ <u>2,050</u>
2.23	93,940 to 104,379			1,740
2.24	<u>99,300 to 110,339</u>	2.2 percent	37 percent	\$ <u>1,840</u>
2.25	104,380 to 114,819			1,520
2.26	<u>110,340 to 121,369</u>	2.3 percent	37 percent	\$ <u>1,610</u>
2.27	114,820 to 121,089			1,280
2.28	<u>121,370 to 127,999</u>	2.4 percent	42 percent	\$ <u>1,350</u>
2.29	121,090 to 125,289			1,070
2.30	<u>128,000 to 132,439</u>	2.5 percent	42 percent	\$ <u>1,130</u>
2.31	125,290 to 130,349			870
2.32	<u>132,440 to 137,789</u>	2.5 percent	47 percent	\$ <u>920</u>
2.33	130,350 to 135,409			650
2.34	<u>137,790 to 143,139</u>	2.5 percent	47 percent	\$ <u>690</u>

2.35 The payment made to a claimant shall be the amount of the state refund calculated under
 2.36 this subdivision. No payment is allowed if the claimant's household income is ~~\$135,410~~
 2.37 \$143,140 or more.

2.38 **EFFECTIVE DATE.** This section is effective beginning with refunds based on property
 2.39 taxes payable after December 31, 2025.

3.1 Sec. 2. Minnesota Statutes 2024, section 290A.04, subdivision 4, is amended to read:

3.2 Subd. 4. **Inflation adjustment.** The commissioner shall annually adjust the dollar
3.3 amounts of the income thresholds and the maximum refunds under subdivision 2 as provided
3.4 in section 270C.22. The statutory year is ~~2023~~ 2025.

3.5 **EFFECTIVE DATE.** This section is effective beginning with refunds based on property
3.6 taxes payable after December 31, 2026.