

Subject Tax corrections bill

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Overview

The bill makes three changes to provisions enacted in the 2023 tax policy and finance act (Laws 2023, chapter 64):

- 1) amends the state standard deduction law to rebase the tax year 2023 standard deduction amounts. The 2023 tax act inadvertently reduced the standard deduction for tax year 2024 by undoing inflation adjustments since tax year 2019;
- 2) aligns the definition of Tribal Nation in the statewide local housing aid with the definition used in the Tribal Nation aid program. The change would allow any of the 11 federally recognized Tribes in Minnesota to apply for statewide local housing aid; and
- 3) amends the local sales tax authorization for Beltrami County to allow the tax to be approved by voters at an election held on November 7, 2023.

Summary

Section	Description
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| 1 | <p>Standard deduction amount.</p> <p>Updates the standard deduction amount to account for inflation adjustments since 2019.</p> <p>Effective retroactively for tax year 2023 and later.</p> |
| 2 | <p>Additional amount for seniors or blind taxpayers.</p> <p>Updates the additional standard deduction for seniors and blind taxpayers to account for inflation adjustments since 2019.</p> <p>Effective retroactively for tax year 2023 and later.</p> |

Section	Description
3	<p>Amount for dependents.</p> <p>Updates the additional standard deduction for dependents to account for inflation adjustments since 2019.</p> <p>Effective retroactively for tax year 2023 and later.</p>
4	<p>Definitions.</p> <p>Redefines “eligible Tribal Nation” for the purposes of statewide local housing aid to mean any federally recognized Tribal Nation that applies for the aid.</p> <p>Effective for aids payable in 2024.</p>
5	<p>Administration.</p> <p>Makes a conforming change modifying the deadline for certifying and paying the statewide local housing aid to eligible Tribal Nations.</p> <p>Effective for aids payable in 2024.</p>
6	<p>Beltrami County; taxes authorized.</p> <p>Specifies that Beltrami County may impose a local sales tax if approved by voters at an election held on November 7, 2023.</p> <p>Effective the day following final enactment.</p>
7	<p>Applications of Tribal Nations for statewide housing aids payable in 2024.</p> <p>Extends the deadline for Tribal Nations to apply for statewide local housing aid in 2024. Allows the Department of Revenue to recertify the aids payable to eligible Tribal Nations in 2024.</p> <p>Effective for aids payable in 2024.</p>



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