



Delivering the Largest Tax Cut in State History

2023 House DFL Tax Bill

The economic recovery since the COVID-19 pandemic has not been felt equally. The wealthiest among us and large corporations continue to do better, while hardworking families continue to be squeezed. House DFLers are committed to helping Minnesotans who are struggling with increasing costs while responsibly investing in the priorities people value most.

Top Impacts:

Support for Workers, Families, Students, and Seniors

- Full **Social Security state income tax exemption** for those earning less than \$100,000 annually (married/joint) or \$78,000 (single/head of household).
- **Direct \$275 rebates** for Minnesotans (up to \$150,000 for married/joint; \$75,000 for all other filers) with an additional \$275 for each dependent (up to three).
- A new, simplified **Child & Working Family Tax Credit** of up to \$1,275 per child and expanded **K-12 Education Credit** of up to \$1,500 per child. The Child & Working Family Tax Credit alone is expected to reduce childhood poverty by 22.9%.
- An expanded, refundable **Student Loan Credit** up to \$1,000.
- New funding toward **Workforce and Affordable Homeownership Loans**.

Property Tax Cuts for Homeowners and Renters

- Reforming the **Renter's Property Tax Refund** program, incorporating the credit onto income tax filings, resulting in an **additional \$378 million** back to renters over the next two years.
- Expansion of the **Homestead Credit Refund**, targeting an **additional \$41 million** of assistance over the biennium to homeowners who will benefit the most.

New Tax Fairness Measures

- A **millionaires tax** on the top 0.8% of earners: a new highest rate of 10.85% for those earning \$1 million (married/joint), \$600,000 (single) or \$800,000 (head of household).
- A **worldwide reporting requirement for multinational corporations** hiding income in offshore tax havens.

Investments in Communities

- An additional **\$100 million for Local Government Aid** and **\$100 million for County Program Aid** to help local communities deliver critical public services while keeping property taxes in check.
- \$75 million annually in **direct assistance to Minnesota's tribal nations**.
- \$32 million in aid to support efforts of **Soil & Water Conservation Districts** and \$9 million in new funding for counties from the **Payment in Lieu of Taxes** program.