

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 420
Version: First engrossment

DATE: April 13, 2015

Authors: O'Neill and others

Subject: Income tax credit for STEM and long-term care jobs

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Overview

Allows a refundable income tax credit for taking a job in a qualified field in a region of the state with high job vacancy rates.

Section

1 **Credit for new STEM and long-term care employees.** Allows a refundable income tax credit for individuals who take qualified positions after June 30, 2015, in the fields of science, technology, engineering, mathematics (STEM), or long-term care at businesses located in qualified economic development regions. To qualify an individual must have a two- or four-year degree in a field related to the employment. Defines a qualified economic development region as one that has a high rate of job vacancies in STEM and long-term care jobs, as determined by the commissioner of employment and economic development in the previous year's Job Vacancy Survey. Defines "qualified position" by reference to Standard Occupational Classifications adopted by the U.S. Bureau of Labor Statistics.

The credit equals 50 percent of the state grant allowance for tuition and fees at a two- or four-year public institution in Minnesota in the year the individual obtained his or her degree. The maximum credit is \$5,000 for individuals with four-year degrees and \$2,500 for individuals with two-year degrees. An individual may claim the credit in the tax year in which he or she gains employment and in each of the next four tax years, provided the individual remains employed in a STEM job in the same economic development region..

Effective date: Tax year 2015.