

Line Instructions

To apply for a refund, complete lines 1-15 to determine your total household income. If you are applying with your spouse, you must include both of your incomes.

If a line does not apply to you or if the amount is zero, leave the line blank.

Homeowners: If you are filing only for the special property tax refund on your homestead, complete lines 1-15, 19, 20, 23-25, and Schedule 1. Above line 19, provide the property ID number and county in which the property is located.

Line 1 — Federal Adjusted Gross Income

Enter the federal adjusted gross income from line 1 of your 2023 Form M1. If the amount is a negative number, enter as a negative number. If you did not file a 2023 federal income tax return, use the federal return and instructions to determine what your federal adjusted gross income would have been.

If you and your spouse filed separate income tax returns, but are filing a joint property tax refund return, enter the total of both federal adjusted gross incomes on line 1 of the return.

Note: If line 1 of this return does not match your federal adjusted gross income, enclose an explanation. **Your refund will be delayed or denied if you do not provide an explanation.**

Line 2 — Nontaxable Social Security and/or Railroad Retirement Board Benefits

Include your total amounts received in 2023 for these benefits:

- Social Security and Railroad Retirement Board benefits
- Social Security Disability Insurance (SSDI)
- Retirement Survivors and Disability Insurance (RSDI)

Also, include amounts for Medicare Premium payments deducted from your Social Security or Railroad Retirement Board benefits.

Enter the amount from box 5 of Form SSA-1099 or RRB-1099. If, however, a portion of the benefits was taxable and you listed an amount on line 6b of federal Form 1040 or 1040-SR, complete these steps to determine line 2:

1. Total Social Security benefits or Railroad Retirement Board benefits (from box 5 of Form SSA-1099 or RRB-1099) _____
2. Taxable portion from line 6b of federal Form 1040 _____
3. Subtract step 2 from step 1. Enter here and on line 2 of your return _____

Do not include Social Security income for dependents.

Line 4 — Total Payments Received from Programs

Include nontaxable payments you received from programs listed on line 4 of Form M1PR. Also, include nontaxable payments from the Diversionary Work Program (DWP), emergency assistance, refugee cash assistance, and “Pay-for-Performance” Success Payments under the federal Home Affordable Modification Program (HAMP).

Do not include Medicaid payments or non-cash payments from government agencies, such as food stamps, clothing, medical supplies, fuel assistance, and child care assistance.

If you repaid program payments during the year, you may subtract these repayments from your amount on line 4.

Line 5 — Additional Nontaxable Income

You must use Schedule M1PR-AI, *Additions to Income*, to report the total amount of nontaxable income to include on line 5. Write the type of income received in Column A and the amount of income in Column B. If you need more lines, include a separate statement with the type of income and amounts received. Include Schedule M1PR-AI with your Form M1PR.

Common examples include:

- Acquisition or abandonment of property gain, reported on 1099-A, not included in your federal income
- Adoption assistance – subsidy payments as well as employer-paid expenses
- Alimony received to the extent not included in adjusted gross income
- Canceled, discharged, or forgiven debt not included in your federal adjusted gross income
- Community Access for Disability Inclusion Waivers
- Contributions to deferred compensation plans such as 401(k), 403(b), 457 deferred compensation, or SIMPLE/SEP plans
- Contributions to dependent care accounts and medical expense accounts
- Disability benefits (do not include veterans disability benefits)
- Distributions from a ROTH or traditional IRA not included on line 1, including qualified charitable distributions made to charity
- Employer paid education expenses
- Federal adjustments to income for contributions to IRA, Keogh, and SIMPLE/SEP plans
- Federally nontaxed interest and mutual fund dividends, including amortized bond premiums paid
- Foreign earned income exclusion
- Foster care payments, including adult foster care
- Gain on the sale of your home excluded from your federal income
- G.I. Bill funding, including scholarships
- Housing allowance for military or clergy
- Income excluded by tax treaty
- Long-term care benefits not used for medical expenses
- Lump-sum distribution reported on line 1 of Schedule MILS
- Medicaid Home & Community-Based Services Waiver program payments (from Line 8s of federal Schedule 1)
- Medicare Part B Premiums not included in lines 1 or 2
- Nontaxable Compensated Work Therapy (CWT) payments

Line Instructions (cont.)

- Nontaxable employee transit and parking expenses
- Nontaxable military earned income, such as combat zone pay
- Nontaxable pension and annuity payments, including disability payments
- Nontaxable personal injury or settlement income (to the extent not used for medical expenses)
- Nontaxable scholarships, fellowships, grants for education, including those from foreign sources, and tuition waivers or reductions
- Post-9/11 Veteran Service Bonus payments (to the extent not included in adjusted gross income)
- Public Safety Officer medical insurance exclusion
- Reduction in rent for caretaking responsibilities (include the amount shown on your CRP)
- Sick pay (to the extent not used for medical expenses)
- Strike benefits

- VEBA contributions made by the employee
- Worker's compensation benefits (to the extent not used for medical expenses)

Also include these losses and deductions to the extent they reduced federal adjusted gross income:

- Capital loss carryforward (use Worksheet 4 on page 30 to compute amount)
- Educator expenses
- Health savings account and Archer MSA deductions
- Net operating loss carryforward or carryback
- Passive activity losses in current year in excess of current year passive activity income, including rental losses, even if actively involved in real estate
- Prior-year passive activity loss carryforward claimed in 2023 for federal purposes

Do not include:

- Amounts from a Section 1035 annuity exchange
- Annuity payments that are a return of after-tax contributions
- Bonus depreciation addition or subtraction
- Car insurance settlement payments used to pay medical bills
- Certain federal adjustments to income such as moving expenses, student loan interest deduction, penalty on early withdrawal, ½ self-employment tax, self-employment health insurance, and alimony paid
- Child care assistance
- Child support payments
- COVID-19 federal economic stimulus payments
- Dependent's income, including Social Security
- Dependent's indemnity compensation
- Employee's mandatory contributions to a retirement plan
- Employer's contributions to filer's deferred compensation or pension plan
- FEMA emergency grants for disaster victims
- Foster care adoption bonus
- Gifts and inheritances
- Gulf War bonus
- Health and dental insurance contributions paid by employee or employer

- IRA rollovers
- HSA funding distributions (distributions from a traditional IRA or a Roth IRA, made to an individual's Health Savings Account as a contribution)
- IRS stimulus/rebate
- Long-term care benefits used to pay medical expenses
- Loss on sale of rental property
- Minnesota property tax refunds
- Nontaxable Holocaust settlement payments
- Payments by someone else for your care by a nurse, nursing home, or hospital
- Payments from life insurance policies
- Premium tax credit
- Reimbursements by employer for expenses paid, such as gas, meals, and lodging
- Return of capital or investment
- Reverse mortgage proceeds
- Special needs welfare benefits
- Spouse's Social Security income when filing separately
- State income tax refunds not included on line 1
- Veteran's disability compensation paid under U.S. Code, title 38

Line 7 — Subtraction for those born before January 2, 1959 or disabled

You are considered to be disabled if you were certified as disabled by the Social Security Administration on or before December 31, 2023. If you were not certified, you may still qualify as disabled if, during 2023, you were unable to work for at least 12 consecutive months because of a disability, or you are blind. You are considered to be blind if you cannot see better than 20/200 in your better eye with corrective lenses or your field of vision is not more than 20 degrees.

This subtraction does not apply to dependents. Do not enter more than \$4,800. The subtraction amount is the same even if both you and your spouse are over 65 or disabled. Check the appropriate box under line 7.

Line 8 — Dependent Subtraction

Enter the number of dependents you claimed on your federal Form 1040 or 1040-SR. If you did not file a federal form, enter the number of persons who qualify as your dependents who are U.S. citizens or residents of Canada or Mexico. **Do not include yourself or your spouse.**

If the number of dependents is:	Enter on line 8:
0	\$0
1	6,770
2	12,960
3	18,720
4	24,000
5 or more	28,800

Enter your dependents' names and tax identification numbers on the line under line 8. If more than one person may claim the dependent, we follow the federal tie-breaker rules to decide who claims the dependent subtraction. See the federal Form 1040 instructions for details.

Line Instructions (cont.)

Line 9 — Retirement Account Subtraction

Enter your contributions to a 401(k), 403(b), IRA, Roth IRA (from line 10 of federal Form 5498), or 457 retirement plan. Do not enter more than \$6,500 (\$13,000 if filing a joint return). Contributions cannot exceed compensation included in gross income for the year.

Line 10 — Other Subtractions

Use this line to report other subtractions from the list of eligible subtractions below, and list the subtractions you are claiming in the blank space below line 10. **Your subtraction may be denied if you do not indicate the subtractions you are claiming.** The eligible subtractions you may claim are:

Non-deductible alimony payments: Include alimony payments you made which were non-deductible from line 19a of federal Schedule 1.

Workforce incentive grants: Include the amounts eligible to be subtracted from Minnesota income on lines 31 and 32 of Schedule M1M, Income Additions and Subtractions.

One-time rebates for tax year 2021: Enter the amount of your one-time rebate for tax year 2021 that was included in your federal adjusted gross income.

Line 13

Renters: If line 13 is \$73,270 or more, you do not qualify for the renter's refund. If line 13 is less than \$73,270, and you are not claiming a homeowner's property tax refund, skip lines 14 and 15.

Line 14 — Co-occupant Income

Renters: Do not complete this line.

Homeowners: Use Worksheet 5 on page 31 to determine the total income for each co-occupant living with you. If the total co-occupant income is a negative number, enter the total as a negative. If you had multiple co-occupants, have each of them complete a separate worksheet. Include the worksheet(s) with your return.

Line 15

Homeowners: If line 15 is \$135,410 or more, you do not qualify for the homeowner's refund. You may be eligible for the special property tax refund. Read the instructions for lines 26-38 to see if you qualify.

Renters Only—Lines 16 through 18

If you **did not** rent for any part of 2023, skip lines 16 through 18 and continue with line 19.

Line 16 — Total Rent from CRP(s)

The amount on line 3 of your CRP(s) is not your refund amount.

If you lived in one rental unit during 2023: Enter the amount from line 3 of your CRP.

Worksheet for Multiple CRPs

1. For each CRP, divide line 3 by the number of months you paid rent for the unit _____
2. Multiply step 1 by the number of months you lived in the unit _____
3. Add the results from step 2 for each CRP _____
4. Combine the total of line 3 of all CRPs you received _____
5. Enter the lesser of Step 3 or Step 4 on line 16 of Form M1PR _____

If you lived in two or more rental units during 2023: Complete the Worksheet for Multiple CRPs to calculate line 16. Do not file a separate property tax refund for each CRP. You may only use the rent amount for the time you actually lived in a rental unit to determine your refund.

If you rented a mobile home and rented a mobile home lot, include both CRPs and a statement with your return.

Do not enter an amount on line 16 greater than the total amount of rent reported on all CRPs you received.

If you lived in a nursing facility, your rent amounts are limited to \$600 per month. If you lived in an adult foster care home, your rent amount is limited to \$930 per month.

If you have adult dependents who received a CRP for a portion of the rent you paid, combine the amount on line 3 of their CRP with the amount on line 3 of your CRP. Enter the total on line 16.

You must enclose your CRP(s) when you file Form M1PR.

Line 17

The percentage on line 17 is used to calculate the amount of your rent considered to have been paid for property taxes.

Line 18 — Renter's Refund Table Amount

Use the amounts from line 13, line 17, and the refund table for renters beginning on page 15 to determine your Renter's Property Tax Refund amount. If line 13 is less than zero, use zero in the refund table. Enter the amount from the table on line 18.