

Subject Homestead credit refund and property tax refund

Authors Youakim and others

Analyst Sean Williams

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Summary

H.F. 1735 increases the amount paid to homeowners and renters through the homestead credit refund and renter's credit.

For the homestead credit refund, the bill reduces the "co-pay" percentage by 5% for all claimants, and increases the maximum credit by \$250 for most claimants (the size of the increase phases down for claimants with the greatest incomes).

For the renter's credit, the bill reduces the statutory "co-pay" by 5% to 15%, depending on the income of the claimant. The tables below show the proposed schedules under the bill, including the proposed changes.

The bill is effective for property tax refunds paid in 2022 (based on 2021 incomes and rents, and property taxes payable in 2022).

Proposed Homestead Credit Refund Schedule

Income Range	Threshold percentage	Co-pay percentage (proposed)	Maximum Refund (proposed)	Change in co-pay percentage	Change in maximum refund
\$0 to \$1,820	1.0%	10%	\$3,150	-5%	\$250
\$1,820 to \$3,630	1.1%	10%	\$3,150	-5%	\$250
\$3,630 to \$5,490	1.2%	10%	\$3,150	-5%	\$250
\$5,490 to \$7,330	1.3%	15%	\$3,150	-5%	\$250
\$7,330 to \$9,140	1.4%	15%	\$3,150	-5%	\$250
\$9,140 to \$12,810	1.5%	15%	\$3,150	-5%	\$250
\$12,810 to \$14,630	1.6%	15%	\$3,150	-5%	\$250
\$14,630 to \$16,470	1.7%	15%	\$3,150	-5%	\$250
\$16,470 to \$18,300	1.8%	15%	\$3,150	-5%	\$250
\$18,300 to \$20,110	1.9%	20%	\$3,150	-5%	\$250
\$20,110 to \$25,620	2.0%	20%	\$3,150	-5%	\$250

Income Range	Threshold percentage	Co-pay percentage (proposed)	Maximum Refund (proposed)	Change in co-pay percentage	Change in maximum refund
\$25,620 to \$27,440	2.0%	25%	\$3,150	-5%	\$250
\$27,440 to \$31,110	2.0%	25%	\$3,150	-5%	\$250
\$31,110 to \$43,890	2.0%	30%	\$3,150	-5%	\$250
\$43,890 to \$64,020	2.0%	30%	\$2,600	-5%	\$250
\$64,020 to \$73,160	2.0%	35%	\$2,310	-5%	\$250
\$73,160 to \$82,320	2.1%	35%	\$1,950	-5%	\$250
\$82,320 to \$91,460	2.2%	35%	\$1,770	-5%	\$250
\$91,460 to \$100,600	2.3%	35%	\$1,580	-5%	\$250
\$100,600 to \$106,100	2.4%	40%	\$1,320	-5%	\$200
\$106,100 to \$109,780	2.5%	40%	\$1,080	-5%	\$150
\$109,780 to \$114,210	2.5%	45%	\$870	-5%	\$100
\$114,210 to \$118,650	2.5%	45%	\$620	-5%	\$50

Proposed Renter's Credit Schedule

Income Range	Threshold percentage	Co-pay percentage (proposed)	Maximum Refund	Change in co-pay percentage
\$0 to \$5,530	1.0%	5%	\$2,250	0%
\$5,530 to \$7,340	1.0%	5%	\$2,250	-5%
\$7,340 to \$9,180	1.1%	5%	\$2,190	-5%
\$9,180 to \$12,870	1.2%	5%	\$2,140	-5%
\$12,870 to \$16,550	1.3%	10%	\$2,080	-5%
\$16,550 to \$18,370	1.4%	10%	\$2,020	-5%
\$18,370 to \$20,200	1.4%	15%	\$1,970	-5%
\$20,200 to \$23,890	1.5%	15%	\$1,910	-5%
\$23,890 to \$25,720	1.6%	15%	\$1,860	-5%
\$25,720 to \$27,560	1.7%	20%	\$1,860	-5%
\$27,560 to \$31,240	1.8%	20%	\$1,860	-5%
\$31,240 to \$33,060	1.9%	25%	\$1,860	-5%
\$33,060 to \$38,580	2.0%	25%	\$1,860	-5%

Income Range	Threshold percentage	Co-pay percentage (proposed)	Maximum Refund	Change in co-pay percentage
\$38,580 to \$44,080	2.0%	30%	\$1,860	-5%
\$44,080 to \$51,440	2.0%	30%	\$1,860	-10%
\$51,440 to \$53,270	2.0%	30%	\$1,690	-15%
\$53,270 to \$55,110	2.0%	30%	\$1,520	-15%
\$55,110 to \$56,960	2.0%	30%	\$1,290	-15%
\$56,960 to \$58,780	2.0%	35%	\$1,120	-15%
\$58,780 to \$60,630	2.0%	35%	\$1,020	-15%
\$60,630 to \$62,470	2.0%	35%	\$570	-15%
\$62,470 to \$64,300	2.0%	35%	\$220	-15%



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