

April 19, 2024

To Representative Gomez
From House Research
Subject Tax Bill Author’s Amendment (H5247A8)

Below is a summary of what each line in the author’s amendment accomplishes:

Amendment Page and Line(s)	Purpose
1.3	Deletes language clarifying that the recipient of the set-aside is the taxpayer eligible for the credit.
1.4 - 1.6	Adds language to the corporate disclosure provision clarifying that the \$250,000,000 threshold also applies to amounts reported by a corporation on an amended or adjusted return.
1.7 - 1.12	Modifies the eligibility requirements for the child credit to explicitly state that taxpayers must have income low enough to qualify for the child credit in the previous year.
1.13 - 1.14	Deletes language for the child credit minimum credit that establishes the child credit account in the special revenue fund. Substantively identical language is reinserted below as an uncodified section.
1.15	Extends the due date for the base erosion study to February 1, from January 1.
1.16 - 1.22	Provides an appropriation for the corporate franchise tax return disclosure requirement.
2.1 - 2.4	Provides an appropriation for the corporate franchise tax base erosion study.
2.5 - 2.22	Reinserts language establishing a child credit account in the special revenue fund. Substantively identical language is in the A24-0302 amendment, except that language is coded in statute. The amendment also makes minor technical changes.
2.23 - 3.20	Adds language establishing a filing requirement for taxpayers who received a senior advance property tax refund.
3.21 - 3.30	For the senior advance property tax refund, modifies the definition of “eligible senior claimant” to describe the year by which a claimant must reach the age of 62 or 65.
4.1 - 4.3	Requires taxpayers to elect to receive the advance senior property tax refund by August 15.

Amendment Page and Line(s)	Purpose
4.4 - 4.8	Allows DOR to impose penalties and interest if a claimant who received a senior advance property tax refund does not file a return to reconcile the advance payment amount with the credit amount the senior was eligible for.
4.9 - 4.10	Clarifies that for the purposes of providing property tax abatements for affordable housing, “area median income” is the estimate provided by the United States Department of Housing and Urban Development.
4.11 - 4.30	Expires the biannual report on uses of local homeless prevention aid after the report on uses of the 2028 distribution.
4.31	Adds the full name of the ownership entity of the Red Lake Nation College to the section that provides a property tax exemption for that property.
4.32	Changes from 2024 to 2025 the fiscal year of the appropriation for the refund of taxes paid in 2021 and 2022 for the Red Lake Nation College.
5.1 - 5.5	Rephrases the extension provided to the city of Ramsey’s TIF district. This is a technical correction based on feedback from the city’s public financing counsel.
5.6 - 5.8	Provides the formal name of the city of Minnetonka’s TIF district.
5.9 - 20.7	<p>Deletes and reinserts the local sales and use tax article with the following modifications:</p> <ul style="list-style-type: none"> ▪ modifies the entity approving the local taxes from the state auditor to DOR; ▪ modifies the definitions and requirements for parks and trails to reflect the aspects of regional significance identified in section 85.536 and the DNR’s 2011 Parks and Trails Legacy Plan; ▪ modifies the contribution share of a political subdivision’s tax that goes into the local sales tax equalization account to 20 percent for a political subdivision that requires legislative approval to impose a tax after July 1, 2024; and ▪ provides appropriation funding to the state auditor in the amounts reflected on the spreadsheet for fiscal years 2025-2027.
20.8	Requires DOR to “regularly” make taxpayer assistance and tax credit outreach grants, rather than “annually.” Currently, DOR awards two years of grants through an open application process every two years.
24.9 - 24.10	Requires an ordinance establishing a land-value taxation district be adopted by May 1 of the year prior to the year in which the district would take effect.

AH/CK/JS/SW/mc