



2018 Schedule M1MTC, Alternative Minimum Tax Credit

Your First Name and Initial

Last Name

Social Security Number

Read the instructions on the back before you complete this schedule.

Round amounts to the nearest whole dollar.

Part 1

1	2017 federal adjusted gross income (from line 37 of your 2017 federal Form 1040)	1	_____
2	2017 federally exempt interest and dividends (see instructions)	2	_____
3	Domestic production activities deduction and depletion (add the domestic production activities deduction included on line 8 of 2017 Schedule M1M and line 7 of 2017 Schedule M1MT)	3	_____
4	Expenses deducted on your federal return attributable to income not taxed by Minnesota (from line 9 of 2017 Schedule M1M)	4	_____
5	Add lines 1 through 4	5	_____
6	Medical and dental expense deduction (from line 9 of 2017 Schedule M1MT)	6	_____
7	Investment interest expense (from line 10 of 2017 Schedule M1MT)	7	_____
8	Charitable contributions (from line 11 of 2017 Schedule M1MT)	8	_____
9	Casualty and theft losses (from line 12 of 2017 Schedule M1MT)	9	_____
10	Impairment-related work expenses of a disabled person (from line 13 of 2017 Schedule M1MT)	10	_____
11	State income tax refund (from line 14 of 2017 Schedule M1MT)	11	_____
12	Net interest or mutual fund dividends from U.S. bonds (from line 16 of 2017 Schedule M1MT)	12	_____
13	Other subtractions (see instructions)	13	_____
14	Exemption (from line 25 of 2017 Schedule M1MT)	14	_____
15	Add lines 6 through 14	15	_____
16	Subtract line 15 from line 5 (if less than zero, enter 0)	16	_____
17	Multiply line 16 by 6.75% (.0675)	17	_____
18	Your 2017 alternative minimum tax (from line 27 of 2017 Schedule M1MT)	18	_____
19	Your 2017 regular income tax (from line 28 of 2017 Schedule M1MT)	19	_____
20	Subtract line 19 from line 18 (if less than zero, enter 0)	20	_____
21	Subtract line 17 from line 18 (if less than zero, enter 0)	21	_____
22	Compare line 21 and line 20. Residents: Enter the smaller of the two amounts. Nonresidents and part-year residents: Multiply the smaller amount by line 25 of 2017 Schedule M1NR	22	_____
23	Amount from line 29 of 2017 Schedule M1MTC	23	_____
24	Alternative minimum tax credit available for 2018. Add lines 22 and 23	24	_____
Part 2			
25	Regular tax for 2018 (see instructions)	25	_____
26	Alternative minimum tax for 2018 (see instructions)	26	_____
27	Subtract line 26 from line 25 (if less than zero, enter 0)	27	_____
28	Amount from line 24 or line 27, whichever is less. (Read instructions for 2018 Schedule M1MT.) Also enter this amount on line 11 of Schedule M1C	28	_____
Part 3 (see instructions)			
29	Subtract line 28 from line 24	29	_____

You must include this schedule, Schedule M1MT and Schedule M1C when you file your 2018 Form M1.



2018 Schedule M1MTC Instructions

If you did not pay the Minnesota alternative minimum tax in prior years, you are not eligible for this credit.

Should I file Schedule M1MTC?

If you paid Minnesota alternative minimum tax (AMT) in prior years, but are not required to pay it in 2018, you may qualify for a nonrefundable credit for 2018 or later years by completing Schedule M1MTC. File the schedule with your 2018 Form M1.

You may be eligible for this credit if:

- on your 2017 Schedule M1MT, line 27 is more than line 28, and the liability is at least partly due to timing items; or
- you have an amount on line 29 of your 2017 Schedule M1MTC.

If you paid Minnesota alternative minimum tax in one or more years from 1989 through 2017, but did not complete a Schedule M1MTC, complete the form to determine any carryover.

Timing and Exclusion Items

The Minnesota alternative minimum tax is attributable to two types of adjustments and preferences — timing items and exclusion items.

Generally, **timing items** do not cause a permanent difference in taxable income over time. The minimum tax credit is only generated by the alternative minimum tax attributable to timing adjustments and preferences, such as accelerated depreciation, intangible drilling costs preference, exercise of incentive stock options, etc.

Exclusion items, such as personal exemptions or any itemized deduction not allowed for alternative minimum tax purposes (e.g. gambling losses, home mortgage interest, taxes or miscellaneous itemized deductions) do cause a permanent difference in taxable income for regular tax vs. alternative minimum tax purposes. The minimum tax credit **is not** generated by the alternative minimum tax attributable to exclusion items.

Line Instructions

Part 1 is used to determine the minimum tax credit generated by Minnesota alternative minimum tax paid for 2017. Part 2 is used to calculate how much, if any, of that credit can be used in 2018. Part 3 is used to determine any minimum tax credit that you can carry forward.

You will not be able to complete Parts 2 and 3 until you determine your 2018 tax liability. Complete a 2018 Schedule M1MT, *Alternative Minimum Tax*, before completing this schedule.

Round amounts to the nearest whole dollar.

Part 1

If line 13 and lines 16–27 of your 2017 federal Form 6251 are blank, skip lines 1–23 of this schedule, and start with line 24. All line references for Part 1 are to your 2017 Minnesota and federal tax forms.

Line 2

Enter the amount of:

- federally exempt interest and dividends from obligations of other states from lines 3 and 4 of your 2017 Schedule M1M; and
- tax-exempt interest from Minnesota private activity bonds issued after August 7, **1986**, included on line 12 of your 2017 federal Form 6251.

Line 4

If you deducted interest or other expenses on your 2017 federal return which were attributable to income not taxed by Minnesota, enter the amount from line 9 of your 2017 Schedule M1M.

Line 13

Enter the amount from line 18 (other subtractions) of your 2017 Schedule M1MT. However, do not include any NOL subtraction that may have been included on line 18 of your 2017 Schedule M1MT.

Part 2

Lines 25–28

If you are **not** subject to the AMT for 2018, you may be eligible for the credit in 2018. However, you must complete and file the 2018 Schedule M1MT to determine the credit.

If you are subject to the AMT for 2018, skip Part 2. You may not take the credit in 2018.

Line 25

Full-year residents: Enter the amount from line 28 of 2018 Schedule M1MT.

Part-year residents and nonresidents:

Multiply line 28 of 2018 Schedule M1MT by line 26 of 2018 Schedule M1NR.

All taxpayers: Reduce the result from above by lines 16 through 18 of Form M1 and lines 1 through 9 of Schedule M1C.

Line 26

Full-year residents: Enter the amount from line 27 of 2018 Schedule M1MT.

Part-year residents and nonresidents:

Multiply line 27 of 2018 Schedule M1MT by line 26 of 2018 Schedule M1NR.

This line cannot be less than zero.

All taxpayers: Reduce the result from above by lines 16, 17, and 18 of Form M1, and lines 1 through 10 of Schedule M1C.

Line 28

Enter the amount from line 24 or line 27, whichever is less. Also enter this amount on line 11 of Schedule M1C, *Other Nonrefundable Credits*.

This is your 2018 Minnesota alternative minimum tax credit.

Part 3

Line 29

If you were subject to the Minnesota alternative minimum tax for 2018 and did not have to complete Part 2, enter the amount from line 24.

You may carry forward any unused portion of your minimum tax credit. If you have a carryforward, include Schedule M1MTC when you file your 2018 Form M1, even if you could not use any of the credit for 2018.

Save copies of the schedule until you have claimed the entire credit. The 2019 Schedule M1MTC will have a line for this amount.