



# 2017 Schedule M1REF Instructions

**Before you complete this schedule, you must complete the supporting credit schedule for each credit you qualify for.**

These credits may allow you to receive a refund even if you do not have a tax liability.

## **Is there a penalty for fraudulently claiming a refund?**

Yes. If you file a return that fraudulently claims a credit, you will be assessed a penalty equal to 50 percent of the fraudulently claimed credit.

## **Line 1—Child and Dependent Care Credit (Schedule M1CD)**

Married persons filing separate returns cannot claim this credit.

To qualify for the Child and Dependent-Care Credit, your household income—federal adjusted gross income plus most nontaxable income—must be less than \$62,000 with one qualifying person or \$74,000 with two or more qualifying persons, and one of the following conditions must apply:

- You paid someone (other than your dependent child or stepchild younger than age 19) to care for a qualifying person while you (and your spouse if filing a joint return) were working or looking for work. A qualifying person and qualified expenses match the federal credit for child and dependent care expenses
- You were an operator of a licensed family daycare home caring for your own dependent child who had not reached the age of six by the end of the year
- You are married and filing a joint return, your child was born in 2017, and you did not participate in a pre-tax dependent care assistance program

If one of the above conditions applies to you, complete Schedule M1CD, *Child and Dependent Care Credit*, and include it with your Minnesota income tax return.

Enter the number of qualifying persons in the box provided on line 1.

## **Line 2—Minnesota Working Family Credit (Schedule M1WFC)**

Married persons filing separate returns cannot claim this credit.

If you qualify for the federal earned income credit, you **may** also qualify for the Minnesota Working Family Credit.

Use Schedule M1WFC, *Working Family Credit*, and the WFC table in the M1 instruction booklet to determine your Minnesota credit.

Part-year residents may qualify for this credit based on the percentage of income taxable to Minnesota.

If you qualify for the credit, complete Schedule M1WFC and include it with your Minnesota income tax return.

Enter the number of your qualifying children in the box provided on line 2 of this schedule.

## **Line 3—K–12 Education Credit (Schedule M1ED)**

Married persons filing separate returns cannot claim this credit.

You may receive a credit if you paid education-related expenses in 2017 for a qualifying child in grades kindergarten through 12 (K–12). See qualifying expenses in the M1 instruction booklet.

To qualify, your household income—which is your federal adjusted gross income plus most nontaxable income—must be under the limit based on the number of qualifying children you have in grades K–12. A qualifying child is the same as for the federal earned income credit.

Enter the number of qualifying children in the box provided on line 3.

<b>If your total number of qualifying children is:</b>	<b>Your household income limit is:</b>
1 or 2 . . . . .	\$37,500
3 . . . . .	\$39,500
4 . . . . .	\$41,500
5 . . . . .	\$43,500
6 or more . . . . .	*

\* *More than 6 children: \$43,500 plus \$2,000 for each additional qualifying child.*

If you qualify for the credit, complete Schedule M1ED, *K–12 Education Credit*, and include it with your Minnesota income tax return.

## **Line 4—Credit for Parents of Stillborn Children (Schedule M1PSC)**

You may be eligible for the Credit for Parents of Stillborn Children if:

- you experienced a stillbirth in 2017
- you received a Certificate of Birth Resulting in Stillbirth from the Minnesota Department of Health, Office of Vital Records
- the child would have been your dependent if they had been born alive

You may be asked to provide a copy of the Certificate of Birth Resulting in Stillbirth.

If you qualify for the credit, complete Schedule M1PSC, *Credit for Parents of Stillborn Children*, and include it with your Minnesota income tax return.

Part-year and nonresidents may qualify for this credit based on the percentage of income taxable to Minnesota.

## **Line 5—Refundable credit for taxes paid to Wisconsin (Schedule M1RCR)**

You may be eligible for a refundable credit if you were a Minnesota resident who paid taxes to Wisconsin in 2017.

If you qualify for this credit, complete Schedule M1RCR, *Refundable Credit for Taxes Paid to Wisconsin*, and include it with your Minnesota income tax return.