



## 2020 Schedule M1HOME, First-Time Homebuyer Savings Account

If you are the account holder of more than one first-time homebuyer savings account, complete a separate Schedule M1HOME for each account.

Your First Name and Initial \_\_\_\_\_ Last Name \_\_\_\_\_ Social Security Number \_\_\_\_\_

### Registration Information

Bank Name \_\_\_\_\_ Date Account Opened (MM/DD/YYYY) \_\_\_\_\_ Account Number \_\_\_\_\_ End of Year Balance \_\_\_\_\_

Qualified Beneficiary \_\_\_\_\_ Date Beneficiary Named \_\_\_\_\_

### Withdrawals from Account

Date of First Withdrawal \_\_\_\_\_ Amount of First Withdrawal \_\_\_\_\_ Purpose of First Withdrawal \_\_\_\_\_

Date of Second Withdrawal \_\_\_\_\_ Amount of Second Withdrawal \_\_\_\_\_ Purpose of Second Withdrawal \_\_\_\_\_

Date of Third Withdrawal \_\_\_\_\_ Amount of Third Withdrawal \_\_\_\_\_ Purpose of Third Withdrawal \_\_\_\_\_

Round amounts to the nearest whole dollar.

### Account Reporting

- 1 Amount of contributions to the account prior to 2020 (see instructions) . . . . . 1 ■ \_\_\_\_\_
- 2 Amount of contributions made in 2020 do not enter more than \$14,000 (\$28,000 if married filing a joint return) . . . 2 ■ \_\_\_\_\_
- 3 Add Lines 1 and 2 . . . . . 3 ■ \_\_\_\_\_
- 4 Qualified withdrawals in 2020 (see instructions) . . . . . 4 ■ \_\_\_\_\_
- 5 Nonqualified withdrawals in 2020 (see instructions) . . . . . 5 ■ \_\_\_\_\_

### Subtraction

- 6 Enter amount of interest earned in 2020 on this account here and on line 40 of Schedule M1M . . . . . 6 \_\_\_\_\_

### Addition

- 7 Subtract line 3 from line 5. If the result is zero or less, **STOP HERE**. You do not have an addition.  
If you have a positive number, enter this amount on line 11 of Schedule M1M and complete line 8 . . . . . 7 \_\_\_\_\_

### Additional Tax

- 8 Multiply line 7 by 10% (.10). Enter the amount here and on line 14 of Form M1.  
Check the box for Schedule M1HOME on line 14 of Form M1 . . . . . 8 \_\_\_\_\_



# 2020 Schedule M1HOME Instructions

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Complete Schedule M1HOME, *First-time Homebuyer Savings Account*, to:

- Register a first-time homebuyer savings account in Minnesota, which also includes a manufactured home, trailer, mobile home, condominium unit, townhome, or cooperative
- Designate a qualified beneficiary
- Determine your subtraction or addition and additional tax

Complete one form per qualified first-time homebuyer savings account you earned interest from or took a distribution from in 2020.

## Who is a qualified beneficiary?

A qualified beneficiary is the person or married couple that the account holder designates on this schedule. The beneficiary must be a Minnesota resident who has not had ownership interest in a principal residence in the last three years. The account holder may be the beneficiary of a first-time homebuyer account. You may change the qualified beneficiary at any time.

## How do I determine the date I named the qualifying beneficiary?

Typically, you name the qualified beneficiary the day you open the account. To qualify for this subtraction, you must name the beneficiary on Schedule M1HOME.

## What is a qualified withdrawal?

A qualified withdrawal is a withdrawal of funds used for a down payment on a single-family residence, closing costs, cost of construction, or financing the construction of a single-family residence in Minnesota, which also includes a manufactured home, trailer, mobile home, condominium unit, townhome, or cooperative.

## What is a nonqualified withdrawal?

A nonqualified withdrawal is a withdrawal of funds used for anything other than expenses listed as a qualified withdrawal.

## Line Instructions

*Round amounts to the nearest whole dollar.*

### Line 1

Enter the contributions to the account made prior to 2020. If there were distributions from this account in prior years, reduce your overall contributions by the amount of these distributions.

### Line 2

Enter the contributions to the account during 2020. Do not enter more than \$14,000 (\$28,000 if married filing a joint return).

### Line 3

Add the amounts from line 1 and 2. The total contribution limit to the account must not exceed \$50,000 ( \$100,000 if you are married filing a joint return)

### Line 4

Enter the amount of qualified withdrawals taken from the account in 2020.

### Line 5

Enter the amount of nonqualified withdrawals taken from the account in 2020.

### Line 6

Enter the amount of interest or dividends earned on this account in 2020. You may find this amount on a federal Form 1099 your financial institution issued. This amount is your subtraction to enter on line 4 of this schedule and on line 40 of Schedule M1M, *Income Additions and Subtractions*.

### Line 7

Enter the result of this line here and on line 11 of Schedule M1M. This is the amount of your addition.

### Line 8

Multiply the amount on line 7 by 10% (.10). Enter this amount here and on line 14 of Form M1. This is your additional tax.

## Questions? Need forms?

Forms and information are available on our website at [www.revenue.state.mn.us](http://www.revenue.state.mn.us).

If you have questions:

- Visit our website at [www.revenue.state.mn.us](http://www.revenue.state.mn.us)
- Send us an email at [individual.incometax@state.mn.us](mailto:individual.incometax@state.mn.us)
- Call us at 651-296-3781 or 1-800-652-9094