

February 15, 2022

	<b>Yes</b>	<b>No</b>
DOR Administrative Costs/Savings	X	

Department of Revenue  
Analysis of H.F. 2900 (Frazier), 1<sup>st</sup> Engrossment

	<b>Fund Impact</b>			
	<u>F.Y. 2022</u>	<u>F.Y. 2023</u>	<u>F.Y. 2024</u>	<u>F.Y. 2025</u>
		(000's)		
General Fund	\$0	\$0	\$0	\$0

Effective beginning the day following final enactment.

**EXPLANATION OF THE BILL**

**Proposed Law:** The bill creates a one-time payment (not to exceed \$1,500 per worker) to eligible frontline workers for work during the COVID-19 pandemic. One billion dollars is appropriated from the general fund for the payments.

To qualify, a worker had to be employed for at least 120 hours during the period beginning Mar 15, 2020 through June 30, 2021, could not telework, and did not collect unemployment insurance benefits for more than 20 weeks during that time period.

For a worker with direct COVID-19 health care duties to qualify, adjusted gross income for either tax year 2020 or 2021 must be less than \$250,000 for married joint filers (\$150,000 for other filers). For all other frontline workers, adjusted gross income must be less than \$185,000 for married joint filers (\$85,000 for other filers).

The payments may be subtracted from taxable income for state income tax purposes.

**REVENUE ANALYSIS DETAIL**

- The proposed payments are not included in personal income or income tax revenues in the current state economic forecast. The effects of both the payments and the corresponding income tax subtraction will be factored into the next state economic forecast.

Minnesota Department of Revenue  
Tax Research Division  
<https://www.revenue.state.mn.us/revenue-analyses>