



2019 Schedule M1C, Other Nonrefundable Credits

Complete this schedule to determine line 19 of Form M1. Include this schedule when filing your return.

Your First Name and Initial	Last Name	Your Social Security Number
1	Credit for past military service <i>(see instructions)</i>	1 ■ _____
2	Employer Transit Pass Credit <i>(enclose Schedule ETP)</i>	2 ■ _____
3	SEED Capital Investment Credit <i>(see instructions; enclose certification)</i>	3 ■ _____
4	Education Savings Account Contribution Credit <i>(enclose Schedule M1529)</i>	4 ■ _____
5	Credit for Attaining Master's Degree in Teacher's Licensure Field <i>(enclose Schedule M1CMD)</i>	5 ■ _____
6	Student Loan Credit <i>(enclose Schedule M1SLC)</i>	6 ■ _____
7	Beginning Farmer Management Credit Enter the certificate number from the certificate you received from the Rural Finance Authority: BF 19 - _____	7 ■ _____
8	Tax Credit for Owners of Agricultural Assets Enter the certificate number from the certificate you received from the Rural Finance Authority: AO 19 - _____ AO 19 - _____ AO 19 - _____	8 ■ _____
9	Credit for increasing research activities <i>(enclose Schedule KPI, KS, or KF)</i>	9 ■ _____
10	Carryforward of prior year Beginning Farmer Management Credits <i>(see instructions)</i> BF ____ - _____ BF ____ - _____	10 ■ _____
11	Carryforward of prior year Owners of Agricultural Assets Credits <i>(see instructions)</i> AO ____ - _____ AO ____ - _____	11 ■ _____
12	Carryforward of prior year Credit for Increasing Research Activities List the year(s) the credit was reported to you on Schedule KPI, KS, or KF: _____	12 ■ _____
13	Alternative Minimum Tax Credit <i>(enclose Schedule M1MTC)</i>	13 ■ _____
14	Add lines 1 through 13. Enter total here and on line 19 of Form M1.	14 _____

You must include this schedule with your Form M1.



2019 Schedule M1C Instructions

Should I file this schedule?

Complete Schedule M1C if any of the following apply to you (and/or your spouse if filing a joint return):

- You qualify for the Credit for Past Military Service (see the instructions for line 1 on this schedule).
- You purchased transit passes to resell or give to your employees.
- You paid Minnesota alternative minimum tax in prior years and are not required to pay it in 2019.
- You invested in a qualified business in East Grand Forks, Breckenridge, Dilworth, Moorhead, or Ortonville, and the business has been certified as qualified for the SEED Capital Investment Program.
- You contributed to a qualifying education savings account in 2019 and did not claim the education savings account subtraction.
- You were a licensed teacher who completed a qualifying master's degree program you began after June 30, 2017.
- You were a full-year or part-year resident and made eligible loan payments on your own qualified student loans.
- You received a credit certificate from the Minnesota Rural Finance Authority.

Report the total of all credits from Schedule M1C on line 19 of Form M1. Include any schedules you completed when filing your return.

Line Instructions

Round amounts to the nearest whole dollar.

Line 1 — Credit for Past Military Service

You qualify for a credit if you (or your spouse if filing a joint return) have separated from service, your adjusted gross income is less than \$37,500, you did not claim a subtraction for military pension or other military retirement pay on line 32 of Schedule M1M, and one of the following is true:

- You were honorably discharged and receive a military pension or other retirement pay for your service in the military.
- You had served in the military for at least 20 years.
- You have a service-related disability rated by the U.S. Department of Veterans' Affairs as being 100 percent total and permanent.

If your adjusted gross income is:

- \$30,000 or less, enter \$750 on line 1 of Schedule M1C. (If you and your spouse both qualify for the credit and you are filing a joint return, enter \$1,500.)
- Between \$30,000 and \$37,500, use the Worksheet for Line 1 to determine your credit amount.
- More than \$37,500, you do not qualify for this credit.

You may not claim this credit if you claimed the subtraction for military retirement pay on Schedule M1M.

Worksheet for Line 1

If your income is between \$30,000 and \$37,500, follow the steps below:

1 The maximum credit is \$750	750
2 Federal adjusted gross income from line 1 of Form M1	
3 Income limit	30,000
4 Subtract step 3 from step 2	
5 Multiply step 4 by 10% (.10)	
6 Subtract step 5 from step 1	
Full-year residents: Enter the result here and on line 1 of Schedule M1C.	
Part-year residents and nonresidents:	
7 Enter the percentage from line 24 of Schedule M1NR	
8 Multiply step 6 by step 7. Enter the result here and on line 1 of Schedule M1C.	

If you and your spouse both qualify for the credit and are filing a joint return, multiply the result on step 6 (or step 8 if you are a part-year resident or nonresident) by 2.

Line 2 — Employer Transit Pass Credit (Schedule ETP)

If you purchase transit passes to give or resell to your employees, you may be eligible for this credit. To qualify:

- The transit pass must be a pass, token, farecard, voucher, or similar item entitling a person to transportation at regular or reduced prices.
- The passes must be used in Minnesota.
- The transportation must be provided by either of the following:
 - A public or privately-owned mass transit facility
 - A person in the business of transporting people for compensation or hire. The vehicle must have seating capacity for at least six adults, not including the driver.

The credit is equal to 30 percent of the difference between the price you pay for the passes and the price you charge employees.

If you qualify, complete Schedule ETP, *Employer Transit Pass Credit*. Enter the credit amount on line 2 of Schedule M1C, and include both schedules when you file Form M1. Include any credits reported to you on any Schedule KPI, KS, or KF you received.

Line 3 — SEED Capital Investment Credit

If you invest in a qualified business in Breckenridge, Dilworth, East Grand Forks, Moorhead, or Ortonville, and the business has been certified by the Minnesota Department of Employment and Economic Development (DEED) as qualifying for the SEED Capital Investment Program, you may qualify for this credit. You may carry the credit forward for up to four years.

Enter the amount from the credit certificate you received from DEED. **Include the credit certificate and Schedule M1C when you file Form M1.**

Line 4 — Education Savings Account Contribution Credit

If you contributed to a qualified education savings account in 2019, you may be eligible for a nonrefundable credit. Complete Schedule M1529, and enter the credit on line 4 of Schedule M1C. Include both schedules with your Form M1.

You are not eligible for this credit if you claimed the education savings account subtraction.

Line 5 — Credit for Attaining Master's Degree in Teacher's Licensure Field

If you were a licensed teacher who completed a master's degree program in a core content area that you began after **June 30, 2017**, you may be eligible for a nonrefundable credit. Complete Schedule M1CMD, *Credit for Attaining Master's Degree in Teacher's Licensure Field*, and enter the credit on line 5 of Schedule M1C. Include both schedules with your return.

Line 6 — Student Loan Credit

If you were a full-year or part-year resident of Minnesota in 2019 and you made eligible loan payments on your own qualified student loans in 2019, you may be eligible for a credit against tax if you had taxable earned income. Complete Schedule M1SLC, *Student Loan Credit*, and enter your credit from the schedule on line 6 of Schedule M1C. Include both schedules with your return.

Line 7 — Beginning Farmer Management Credit

If you received a credit certificate from the Minnesota Rural Finance Authority for enrolling in a management class, enter the certificate number in the space provided and credit amount on line 7. You may carry the unused credit forward for up to 3 years after the tax year it is generated.

Line 8 — Tax Credit for Owners of Agricultural Assets

If you received a credit certificate from the Minnesota Rural Finance Authority for selling or leasing agricultural assets to a beginning farmer, enter the certificate number in the space provided and credit amount on line 8.

If you received a certificate as an individual, and from a Partnership or S-Corporation, enter the certificate number for the certificate you received as an individual. If you received more than one certificate from an entity, but not as an individual, enter each certificate number on the spaces provided. If you received more than three certificates, provide an attachment with a list of the additional certificate numbers.

You may carry the unused credit forward for up to 15 years after the tax year it is generated.

Line 9 — Credit for Increasing Research Activities

Include the amounts reported you on:

- Schedule KS, line 17
- Schedule KPI, line 17
- Schedule KF, line 24

Attach the appropriate schedule when you file your return.

You may carry the unused credit forward for up to 15 years after the tax year it is generated.

Line 10 - Carryforward of prior year Beginning Farmer Management Credit

If you have a carryforward of one or more prior year Beginning Farmer Management Credits, enter the certificate number for each credit. Next to each certificate number, enter the amount you are claiming for the current year. On line 10, enter the total carryforward amount for all credits you are claiming in the current year.

Line 11 - Carryforward of prior year Owners of Agricultural Assets Credit

If you have a carryforward of one or more prior year Owners of Agricultural Assets Credits, enter the certificate number for each credit. Next to each certificate number, enter the amount you are claiming for the current year. On line 11, enter the total carryforward amount for all credits you are claiming in the current year.

Worksheet for Carryforward Credits

Use this worksheet if you are claiming credits on lines 7 through 12. The worksheet will help you determine the credits you will carry to the next year if allowed by the carryforward period.

1. Line 10 from Form M1 _____
2. Line 14 from Form M1 _____
3. Add steps 1 and 2 _____
4. Line 16 of Form M1 _____
5. Subtract step 4 from step 3. If less than zero, stop here and see instructions. _____
6. Line 11 of Form M1 _____
7. Add steps 5 and 6 _____
8. Lines 17 and 18 of Form M1 and Lines 1 through 6 of Schedule M1C _____
9. Subtract step 8 from step 7. If less than zero, stop here and see instructions. _____
10. Lines 7 and 8 of Schedule M1C _____
11. Subtract step 10 from step 9. If less than zero, stop here and see instructions. _____
12. Line 9 of Schedule M1C _____
13. Subtract step 12 from step 11. If less than zero, stop here and see instructions. _____
14. Lines 10 and 11 of Schedule M1C _____
15. Subtract step 14 from step 13. If less than zero, stop here and see instructions. _____
16. Line 12 of Schedule M1C _____
17. Subtract step 16 from step 15. If less than zero, see instructions. _____

If the result is less than zero on:

Step 5 or 9: Any credits claimed on lines 7 through 12 of Schedule M1C may be carried forward to the next year depending on the carryforward period allowed for that credit.

Step 11, 13, 15, or 17: You may have a carryforward amount for the credit entered on this step of the worksheet. You can carry this amount forward to the extent the credit reduced this step below zero and for the allowable carryforward period. For the credits that would have been entered on the remaining steps of this worksheet, you may carry those credits forward based on the carry forward period allowed for that credit.

Line 13 — Alternative Minimum Tax Credit (Schedule M1MTC)

If you have never paid Minnesota alternative minimum tax, you do not qualify for this credit.

If you paid Minnesota alternative minimum tax in one or more years from 1989 through 2018, but not for 2019, complete Schedule M1MT, Alternative Minimum Tax, and Schedule M1MTC, *Alternative Minimum Tax Credit*, to determine if you qualify or have a credit carry over from a prior year of any unused portion of your minimum tax credit. Enter the credit from Schedule M1MTC on line 13 of Schedule M1C.