



Minnesota Homestead Credit Refund and Renter's Credit

Tax Year 2024

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- We will begin at 9:00 a.m. It will be quiet until then.
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- We are recording this webinar, and it will be available

Today's Presenter



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Today's Agenda

- Homestead Credit Refund
- Special Property Tax Refund
- Renter's Credit



Homestead Credit Refund

Homestead Credit Refund Qualifications

- Household income is less than \$139,320
- Cannot be a dependent
- Must own and occupy home on January 2, 2025
 - **Not** eligible if owner does not live in the home or occupant does not own
 - Does **not** matter who pays the property taxes during the year
 - Eligible if temporarily away from home on January 2, 2025

Homestead Credit Refund Requirements

- Social Security Number or Individual Taxpayer Identification Number (ITIN) to homestead
- Relative homestead does **not** qualify
- Agricultural homestead limited to house, garage, and one acre of land
- Does not owe delinquent property tax

Individual Taxpayer Identification Numbers

How to qualify:

- Homestead property with the county by December 31
- Request a signed statement from county assessor's office confirming approval
- Include the statement when filing for refund

Income to include:

- Federal Adjusted Gross Income (FAGI)
- Nontaxable Social Security
- Deduction for contributions to a qualified retirement plan

Total payments received from:

- Supplemental Security Income (SSI)
- Minnesota Housing Support, formerly Group Residential Housing
- Minnesota Family Investment Program (MFIP)
- Minnesota Supplemental Aid

- General Assistance
- Diversionary Work Program
- Emergency Assistance
- Refugee Cash Assistance

Be sure to ask for 2024 amounts!

Line 5: Co-occupant income

- Complete a worksheet for each co-occupant

Additional Nontaxable Income

- Form W-2:
 - Contributions to a 401(k), deferred comp, SIMPLE IRA plans, or SEP plans
 - Contributions to dependent care or medical expense accounts
 - Nontaxable military earned income, also called combat pay
- Form 1040: Health Savings Account
- Schedule B: Federally nontaxed interest and mutual fund dividends
- Schedule D: Capital loss carryover, to extent FAGI was reduced

Nontaxable Income Examples

- Scholarships and grants
- Certain debts
- Losses and deductions
- Veterans' benefits
- Pension and annuity payments, including disability payments

Non-Qualifying Household Income

Do not include:

- Veteran's disability compensation
- Child support payments
- Dependents' income, including Social Security
- IRA rollovers
- Food stamps or fuel assistance payments

Taxpayers can claim a subtraction if they:

- Had dependents
- Were born before January 2, 1960
- Contributed to a retirement account
- Had a permanent and total disability on or before December 31, 2024

Primary Subtractions

Line 8: Subtraction for 65 or older, or disabled

Line 9: Dependent subtraction

Line 10: Retirement account subtraction

- Non-deductible Alimony payments
- Workforce incentive grant
- One-time rebates for tax year 2021, if received in 2024

Special Property Tax Refund

Special Property Tax Refund Requirements

- Owned and lived in same home on January 2, 2024, and on January 2, 2025
- Net property tax increase was:
 - More than 12% from 2024 to 2025
 - At least \$100
 - **Not** because of improvements

Form M1PR-SR, Special Refund

- May also qualify if received special refund in previous year
- No income limitation to qualify
- Need prior year property tax return to calculate special refund

Renter's Credit

Renter's Credit Changes

- Renter's Property Tax Refund is ending
- Claim credit on Schedule M1RENT with Form M1
- Credit applied on Form M1
- No separate check later in the year
- Subtractions for age 65 and older, disabled, and dependents

Certificate of Rent Paid Changes

- Must submit Certificate of Rent Paid (CRP) **electronically** by February 1
- Our system assigns Electronic Control Number (ECN) to each CRP
- Property owners or managers must use our system to create CRPs
- Alternate system for limited technology access
- The ECN used to verify information filed with tax return

- Call us at 651-556-3017
- Email us at crp.revenue.mdor@state.mn.us
- Training video available soon for tax professionals

What about:

- Mobile homeowners? File M1PR.
- Renters who buy a home? File both Schedule M1RENT and M1PR.
- Joint filers in separate homes? Depends.

What about:

- Joint homeowners with one spouse in nursing home?
File Schedule M1RENT and M1PR.
- Rent paid affidavits (RPA)? Available, but changes.
- **M1PR only** taxpayers not required to file tax return?
File 1040 and M1.

Contact Information

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Thank You!

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