
Annual Tax Pro Webinar Presentation Slides & Supplemental Handouts

2025 Filing Season

Please Note: Tax forms in this packet are for educational and illustration use only. Please check our website for the most current versions of forms and instructions. Information in this presentation may change prior to the start of the 2025 filing season. This information and these forms are current as of January 6, 2025



Annual Tax Pro Webinar – Session 2 2025 Minnesota Filing Season Update

January 7, 2025 | 9:00 – 11:00 a.m.

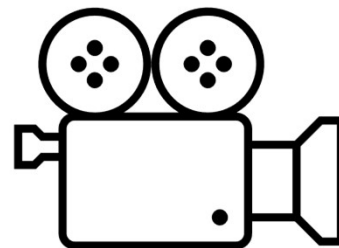
Virtual

Disclaimer

This presentation is for educational purposes only and does not provide tax advice. It is meant to accompany an oral presentation and not to be used as a standalone document.

This presentation is based on the facts and circumstances being discussed, and on the laws in effect when it is presented. It does not supersede or alter any provisions of Minnesota laws, administrative rules, court cases, or revenue notices.

This webinar is being recorded.



Agenda

Agency Update

Legislative Update

Business Income Tax Update

Individual Income and Withholding Tax Update

Property Tax Refund Update

Question & Answer Session

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Agency Updates

Mark Krause, Tax Professional Outreach Coordinator
Income Tax and Withholding Division

Multi-State Power of Attorney Form

Why

- Public recommendation
- Created by Multistate Tax Commission

Who

- Representatives of taxpayers in multiple states
- Does not replace Minnesota REV forms

Where

- Colorado, Idaho, Illinois, Kansas, Texas, and Utah
- Minnesota expected to adopt in 2024

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Individuals Can Register in e-Services Pilot

- Begins in November
- Opens gradually to taxpayers
- We review each individual enrollment
- Updates by GovDelivery emails sent to tax professionals as technology options expand

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Printable Form TRA

Launched in March

- Available through DOR website Form Finder
- Fillable PDF version
- Helps taxpayers prepare to interact with TRA Office
- Easier to track interactions with taxpayers and broader trends

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Web Form TRA

Launched in October

- Online version – available on TRA website
- Easier to link and find
- Allows better prioritization for emergency requests

<https://www.revenue.state.mn.us/contact-tra>

Taxpayer Rights Advocate Request Form

Submit this form to request help from the Taxpayer Rights Advocate at the Minnesota Department of Revenue. We will try to respond to your request within two business days.

Taxpayer Information

FIRST AND LAST NAME *

Your Name

TAXPAYER IDENTIFICATION NUMBER *

Enter a 9-digit ID number, without hyphens

If you do not have a Taxpayer Identification Number, enter 999999999.

STREET ADDRESS *

CITY *

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Important Tips for Reaching Out

- Form REV184i, *Individual or Sole Proprietor Power of Attorney*
Form REV184b, *Business Power of Attorney*
- Document your claims
- Use your preferred contact on Form TRA
 - Phone or email
 - Mail

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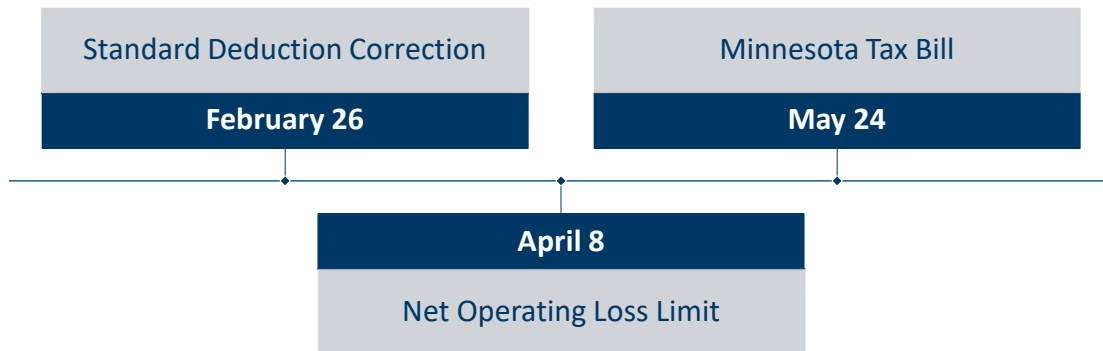
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Legislative Updates

Tax Bills 2024 Dates



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Tax Law Changes

2024 Legislative Session

The 2024 resulted in several updates to Minnesota's tax code. Major changes are summarized below.

Child Tax Credit — Advance Payments in 2025 and Later

Starting in tax year 2025, families who qualify for a 2024 Minnesota Child Tax Credit can choose to receive an advance payment of their 2025 credit. You must file a 2024 Minnesota Individual Income Tax return to determine the amount of the credit and opt into the advance payment.

We are in the process of determining the specific amount and timing of the advance payments — likely an amount no more than 50% of your 2024 credit, sent in the second half of 2025. Qualifying filers will also be able to choose to receive advance payments in following years. (See [Minnesota Laws 2024, Chapter 127](#)).

We'll share more details about the advance payment as they are available ahead of next filing season. For

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Statutes

<https://www.revisor.mn.gov>

Minnesota Law Official and authentic digital publications

Minnesota Statutes

Find by Number

290.0661



Search by Keyword



Minnesota Session Laws

Find by Number

eg. 2012 c 122



Search by Keyword



Minnesota Rules

Find by Number

eg. 1205



Search by Keyword


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Statutes


EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2024.

Sec. 3. Minnesota Statutes 2023 Supplement, section 290.0661, subdivision 8, is amended to read:

Subd. 8. **Advance payment of credits.** (a) The commissioner of revenue may must establish a process to allow taxpayers to elect to receive one or more advance payments of the credit under this section. The amount of advance payments must be based on the taxpayer and commissioner's estimate of the amount of credits for which the taxpayer would be eligible in the taxable year beginning in the calendar year in which the payments were made. The commissioner must not distribute advance payments to a taxpayer who does not elect to receive advance payments.

(b) The amount of a taxpayer's credit under this section for the taxable year is reduced by the amount of advance payments received by the taxpayer in the calendar year during which the taxable year began. If a taxpayer's advance payments exceeded the credit the taxpayer was eligible to receive for the taxable year, the taxpayer's liability for tax is increased by the difference between the amount of advance payments received and the credit amount.

Legislative Bulletins



[Individuals](#)
[Businesses](#)
[Tax Professionals](#)
[Governments](#)
[Policy & Research](#)
[Fraud](#)

TAX POLICY

Revenue Notices
Policy statements that provide added interpretation, details, or information about Minnesota tax laws or rules.

Minnesota Administrative Rules
Administrative rules adopted by the Department of Revenue to administer Minnesota tax laws.

Legislative Bulletins
Annual summaries of Minnesota tax law changes enacted during each legislative session.

TAX RESEARCH

Revenue Analyses
Research estimates of how state House and Senate bills could affect revenues and the Minnesota tax system.

Reports and Studies
Tax Statistics
Tax Rankings
Property Tax Data

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Legislative Bulletins

2024 Legislative Bulletins
[-]

[2024 Data Practices and Disclosure Legislative Bulletin](#)

[2024 Individual Income and Corporate Franchise Taxes Legislative Bulletin](#)

[2024 Mineral Taxes Legislative Bulletin](#)

[2024 Property Tax and Local Government Aids Legislative Bulletin](#)

[2024 Sales and Use Taxes Legislative Bulletin](#)

[2024 Special Taxes Legislative Bulletin](#)

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Annual Forms Changes



Tax Law Changes → Resources → Draft Forms & Instructions → Tax Type

Non-Conformity and Decoupling

Decouple means to separate or disengage or dissociate from something else. (Oxford Languages)

*Example: Minnesota tax code has **decoupled** from the federal tax code for standard and itemized deductions.*



Business Income Tax Updates

Allyson Casseday, External Training and Communication Specialist

Halle Rotty, External Training and Communication Specialist

Corporate Franchise Tax Division

State Housing Tax Credit



- Administered by the MN Housing Finance Agency (MHFA)
- Tax years 2023 through 2028
- 85% of contribution
- Carryforward

Cannabis Income Tax Subtraction



Expands existing
subtractions

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Net Operating Loss Limit

80% Limitation

After December 31, 2017, and before January 1, 2024

70% Limitation

After December 31, 2023

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Sustainable Aviation Fuel Tax Credit

\$1.50 per gallon

Produced in MN	Blended in MN	Sold in MN
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Contact Us

businessincome.tax@state.mn.us

651-556-3075

1-800-657-3666

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Contact Me

Allyson Casseday - allyson.casseday@state.mn.us

Halle Rotty - halle.rotty@state.mn.us



Individual Income Tax and Withholding Updates

Standard Deduction Amounts for 2024

Filing Status	Minnesota Standard Deduction	Federal Standard Deduction	Change from 2023
Married Filing Jointly, Qualifying Surviving Spouse	\$29,150	\$29,200	↑\$1,500
Head of Household	\$21,900	\$21,900	↑\$1,100
Single and Married Filing Separately	\$14,575	\$14,600	↑\$750
Dependent on another return	Larger of \$1,300 or Earned Income + \$400, up to \$14,575		

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Standard and Itemized Deduction Limitation

**AGI over
\$232,500**

- Deductions reduced by 80% **or** 3% of AGI up to \$304,970 plus 10% of AGI over \$321,350
- Threshold reduced by 50% for MFS


**AGI over
\$1,053,750**

- Deductions reduced by 80%
- Threshold reduced by 50% for MFS

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\$5,050

↑\$250

Filing status	Phaseout
Married Filing Joint Qualifying Surviving Spouse	\$348,850
Head of Household	\$290,700
Single	\$232,550
Married Filing Separate	\$174,424

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e-Filed M1X

On Hold Until Further Notice

Tax Year 2024
Calendar Year 2025



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Form M1 Checkboxes

<input type="checkbox"/> I do not want my paid preparer to file my return electronically.	<input type="checkbox"/> I authorize the Minnesota Department of Revenue to discuss this tax return with the preparer or the third-party designee indicated on my federal return.
<input type="checkbox"/> I am filing this return for Net Investment Income Tax requirements (see instructions).	<input type="checkbox"/> I authorize the Minnesota Department of Revenue to share necessary return information with MNsure for the purpose of contacting me with information about my estimated eligibility for free or reduced-cost health insurance (see instructions).

Include a copy of your 2024 federal return and schedules.
Mail to: Minnesota Individual Income Tax, Mail Station 0010, 600 N. Robert St., St. Paul, MN 55146-0010

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Child Tax Credit - Amount

Amount

- \$1,750 per child under 18 – No maximum number of children
- Combined with the Working Family Credit, then phased out
- Reduced by 12% of amount above income thresholds

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Child Tax & Working Family Credit – Income Limits

Income – Greater of earned income or AGI

- Less than \$36,880 for MFJ
- Less than \$31,090 all others
- Phase out begins above these thresholds

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Working Family Credit - Amount

Amount

- 4% of the first \$9,220
- Increased by \$970 for one qualifying older child
 - \$2,210 for two
 - \$2,630 for three or more
- Combined with Child Tax Credit, then phased out
- Reduced by 12% of amount above income thresholds, or 9% if not eligible for the Child Tax Credit

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Child Tax Credit – Advance Payments

What we know so far:

- Opt in annually on Schedule M1CWFC and file by April 15
- Opt out (after opting in) by calling us or using e-Services in March 2025
- Must have at least one dependent under age 17 in 2024
- Three equal payments – August, October, December
- Minimum Credit effective with tax year 2025 for filing season 2026
- A filing requirement is created for opt-in years
- Taxpayers will receive letter with payment amount
 - No lookup tool will be available
 - Use e-Services

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Child Tax Credit – Advance Payments



NEAR FINAL DRAFT 8/1/24



2024 Schedule M1CWFC, Minnesota Child and Working Family Credits

To claim this credit, you must be a full- or part-year resident of Minnesota. If you are a full-year nonresident, you are not eligible for this credit. Do not complete Schedule M1CWFC if you have a 2-year or 10-year IRS ban or are otherwise restricted from claiming the federal Earned Income Credit (EIC).

Your First Name and Initial

Last Name

Your Social Security Number

☐ Check this box if you are married filing separately and meet the exceptions in the instructions

Advance Payment of Child Tax Credit for 2025 (See Section 2)

Note: If you elect to receive advance payments of your 2025 child tax credit, you are required to file a 2025 income tax return, regardless of other filing requirements and you may have to repay your advance payment in certain situations. See instructions for more information.

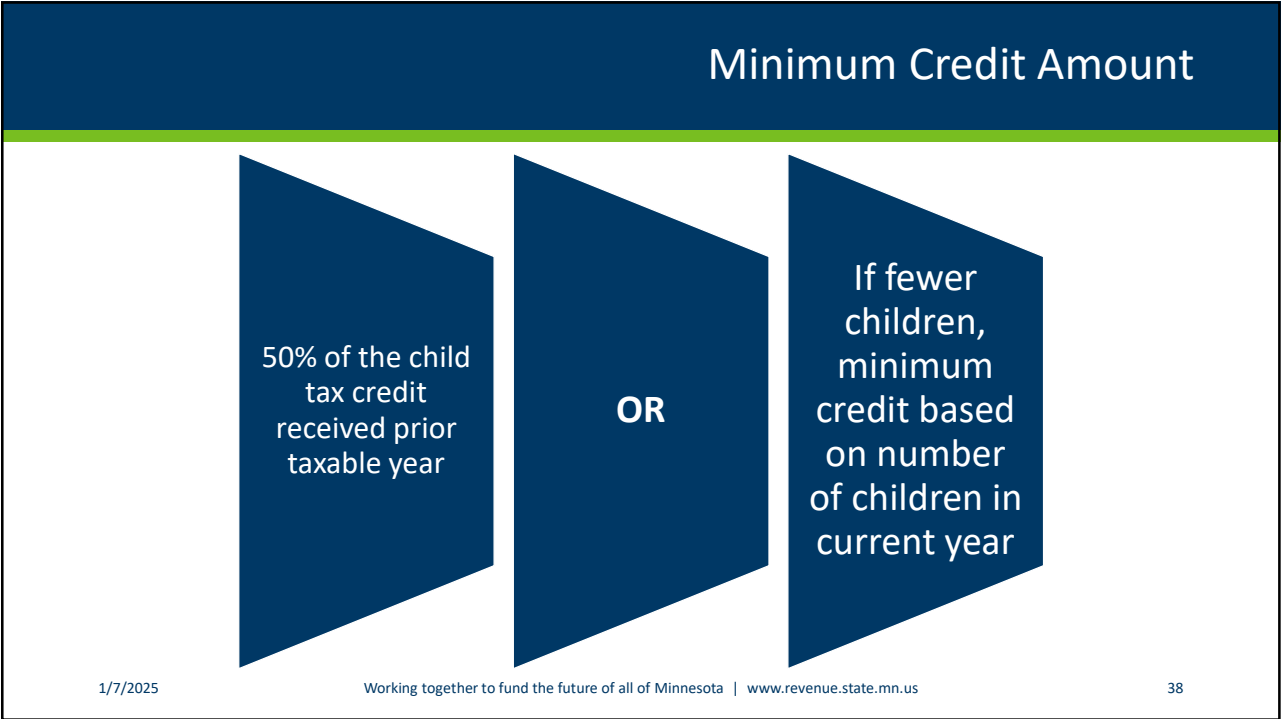
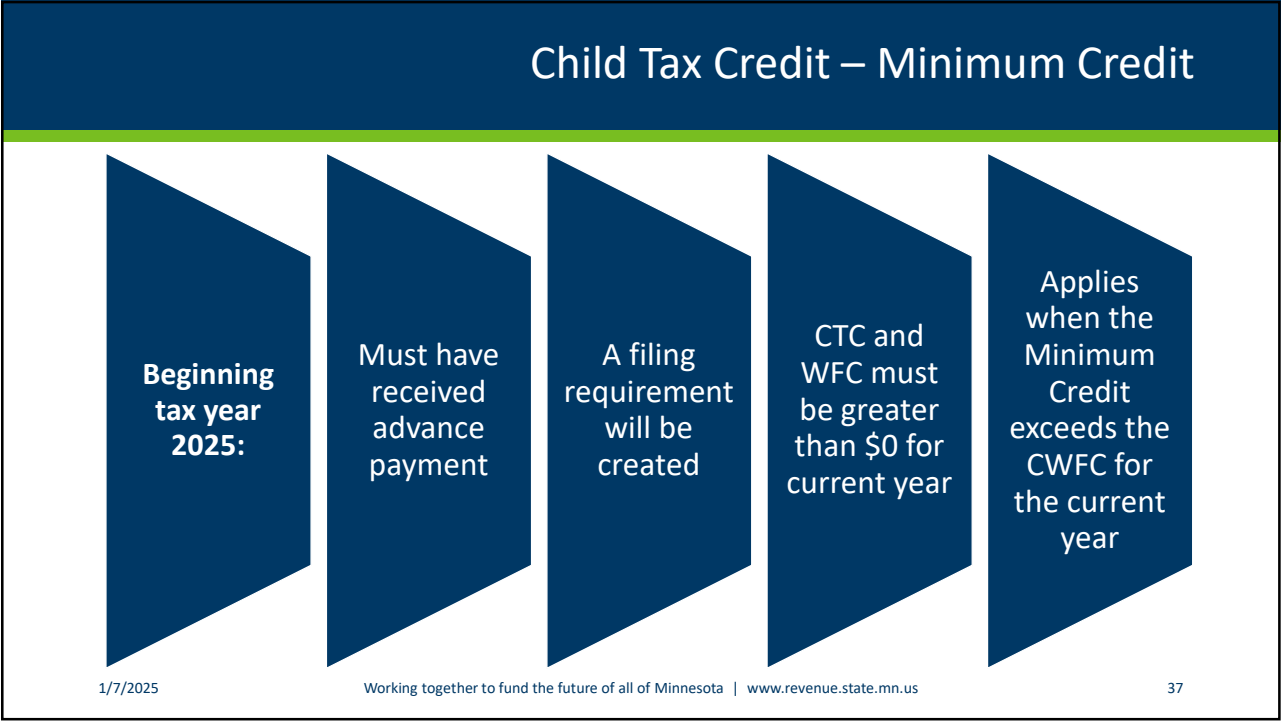
☐ Check this box if you are electing to receive advance payment of your 2025 child tax credit (see instructions)

☐ This check box for future use.

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Minimum Credit – Example

2024 Child Tax
Credit \$1,750

2025
Minimum is
\$875 if no
change in
qualifying
children

2025 income
rises, but
does not
reduce CTC
and WFC to
\$0

Minimum
Credit of \$875
if CTC and
WFC between
\$875 but not
below \$0

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Advance Payments – Counsel Your Client

If electing
to receive
advance
payments,
consider
the
following:

Qualifying
children
turning 18

Residency
changes
from full to
part year

Income
changes
substantially

Taxpayers
divorce or
separate

Taxpayers
that receive
SNAP
payments

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K-12 Education Credit

Amount of Credit

- Maximum is \$1,500 per qualifying child

Credit Reduced By

- \$1 for each \$4 of AGI over \$70,000 for one child
- \$2 for each \$4 of AGI over \$70,000 for two or more qualifying children

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2024 AGI Limits

# of Children	AGI Must Be Less Than
1 or 2	\$79,760
3	\$82,760
More than 3	\$85,760 plus \$3,000 for each child

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Social Security Benefits Subtraction - Simplified Method

Simplified method allows 100% subtraction if:

Filing Status	AGI Below
Married Filing Joint or Qualifying Surviving Spouse	\$105,380
Single or Head of Household	\$82,190
Married Filing Separately	\$52,690

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Simplified Method Phaseout

Married Filing Separately:

Reduced 10% for each \$2,000 of AGI over threshold

All other filing statuses:

Reduced 10% for each \$4,000 of AGI over threshold

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Social Security Benefits Subtraction - Alternate Method (Prior Law)

Filing Status	Provisional Income Limit	Subtraction Amt Reduced by 20%
Married Filing Joint or Qualifying Surviving Spouse	\$88,630	\$5,840
Single Head of Household	\$69,250	\$4,560
Married Filing Separate	\$44,315	\$2,920

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Qualified Public Pension Subtraction



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Public Pension Subtraction



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Pension Plans That Qualify	[+]
Income Limitations for the Subtraction	[+]
Maximum Subtraction	[+]
Determining Benefits for the Subtraction	[+]
What if I am receiving Social Security benefits?	[+]

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Qualified Public Pension Subtraction

Qualifying Plans

- Ch. 353: Basic member of PERA
- Ch. 353, sections 353.63 – 353.666: Public Employees Police and Fire Plan
- Ch. 353E: Basic member of Local Gov't Correctional Service Retirement Plan
- Ch. 354 or 354A: Basic member of TRA and St Paul TRFA
- Ch. 3A: Basic member of the Legislators plan
- Ch. 352B: State agency law enforcement retirement fund
- Any federal government plan based on service where social security benefits were not earned
- A plan created by another state, its political subdivisions, or DC, if the other state allows a similar subtraction or exemption for plans listed
 - Submit supporting documentation with the return as a precaution

Qualifying Plans

Visit our **Public Pension Subtraction** webpage for an extensive list of qualifying plans.

2024 Schedule M1QPEN



NEAR FINAL DRAFT 8/1/24



2024 Schedule M1QPEN, Qualified Public Pension Subtraction

Before you complete this schedule, read the instructions on the next page.

_____ Your First Name and Initial	_____ Last Name	_____ Social Security Number
_____ Your Pension Administrator		_____ Payer TIN (found on federal Form 1099-R)

You may qualify for this subtraction if all of these are true:

- You receive payments or survivor benefits from a qualified public pension plan
- Your payments are taxable on your federal return
- Your income is below a certain threshold based on your filing status (see the table in the instructions)
- Your payments are not based on service for which Social Security benefits were also earned

☐ **Qualified Pension Plan:** Check this box if you are receiving taxable payments from a qualified public pension plan listed in the instructions

Membership Type: Check the boxes that apply to your pension plan membership (see instructions):

- ☐ **Basic Member:** You were a basic member of the pension plan
- ☐ **Coordinated Member:** You were a coordinated member of the pension plan
- ☐ **Basic to Coordinated Member Conversion:** You were a basic member of the pension plan who was converted to a coordinated member during your service

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Qualified Public Pension Subtraction Maximum Amounts

Filing Status	Amount
Married Filing Joint or Qualifying Surviving Spouse	\$26,340
All Others	\$13,170

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Qualified Public Pension Subtraction Phaseout

Filing Status	AGI Amount Over
Married Filing Joint or Qualifying Surviving Spouse	\$105,380
Single or Head of Household	\$82,190
Married Filing Separately	\$52,690

Reduced 10% for every \$2,000 of AGI over threshold

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Net Investment Income Tax

Types	Entities	Rate
<ul style="list-style-type: none"> • Interest and dividends • Capital gains • Rental and royalty income • Other income 	<ul style="list-style-type: none"> • Individuals • Trusts • Estates 	<ul style="list-style-type: none"> • 1% on net investment income over \$1 million

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2024 Schedule NIIT – Part 1



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2024 Schedule NIIT, Net Investment Income Tax

Your First and Last Name		FEIN, SSN, or ITIN	Minnesota Tax ID
Part 1 — Net Investment Income Calculation			
1	Enter the total investment income from your federal Form 8960, line 8.	1	
2	Total net gain included in line 1 relating to dispositions of Class 2a property located in Minnesota	2	
3	Net interest and mutual fund dividends from U.S. bonds	3	
4	Add lines 2 and 3	4	
5	Total Minnesota Investment Income. Subtract line 4 from line 1	5	
6	Enter the total deductions and modifications from your federal Form 8960, line 11	6	
7	Total deductions and modifications included in line 6 relating to the Class 2a property reported on line 2	7	
8	Total Minnesota Deductions and Modifications. Subtract line 7 from line 6	8	
9	Minnesota Net Investment Income. Subtract line 8 from line 5	9	

Schedule NIIT - Parts 2 and 3

Part 2 — Individual Tax Computation			
10	Minnesota net investment income (from line 9 above)	10	
11	Subtract \$1,000,000 from line 10. If the result is less than zero, enter zero and stop.	11	
12	Multiply line 11 by one percent (0.01)	12	
13	Portion of line 10 allocated to Minnesota. (see instructions)	13	
14	Divide line 13 by line 10. Carry to five decimal places	14	
15	Minnesota Net Investment Income Tax. Multiply line 12 by line 14. Enter here and on line 14 of Form M1	15	
Part 3 — Estate and Trust Tax Computation			
16	Minnesota net investment income (from line 9 above)	16	
17	Portion of line 16 that is distributed to beneficiaries or charities	17	
18	Undistributed Minnesota Net Investment Income. Subtract line 17 from line 16	18	
19	Subtract \$1,000,000 from line 18. If the result is less than zero, enter zero and stop.	19	
20	Multiply line 19 by one percent (0.01)	20	
21	Portion of line 18 allocated to Minnesota. (See instructions)	21	
22	Divide line 21 by line 18. Carry to five decimal places	22	
23	Minnesota Net Investment Income Tax. Multiply line 20 by line 22. Enter here and on line 12 of Form M2	23	

2024 Schedule M1W

Schedule M1W is only for:

- W-2
- 1099
- W-2G
- 1042-S, Foreign Person's U.S. Source Income Subject to Withholding
- KPI, Partner's Share of Income, Credits, and Modifications
- KS, Shareholder's Share of Income, Credits, and Modifications
- KF, Beneficiary's Share of Income, Credits, and Modifications

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Alternate Withholding Certificate

Do not report withholding on Schedule M1W from:

- Form AWC, Alternative Withholding Certificate

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New Withholding Tax Coordinator

Patrick Smith

651-556-3180

withholdingtax.outreach.mdor@state.mn.us

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Property Tax Refund Updates

Renter's Credit

What's changing?

Renter's Property Tax Refund is ending

Renter's Credit now claimed on Schedule M1RENT with Form M1

Credit applied on Form M1 and a separate check will not be received later in the year

Subtractions still apply for age 65 and older, disabled, and dependents

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Renter's Credit

What's changing?

Non-taxable income no longer applies to renters

Business use or rental use of home no longer applies to renters

Renter's Credit can be claimed for a longer period due to M1 statute of limitations

Clients will amend their Form M1 to add a previously unclaimed Renter's Credit

Now available to taxpayers even after death by using Form M23

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Certificate of Rent Paid (CRP)

What's changing?

Property Owners/Managers must submit CRP electronically by February 1

An Electronic Control Number (ECN) will be assigned to each CRP by our system

CRPs must be created using our system and provided to tenants by Property Owners/Managers

We are developing an alternate system for those with limited or no access to technology

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Certificate of Rent Paid (CRP)

What's changing?

The ECN will be used to verify information filed with the tax return

Call us at 651-556-3017 or email us at crp.revenue.mdor@state.mn.us

There will be a training video released soon specifically for tax professionals

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Certificate of Rent Paid (CRP)

What's the Tax Pro impact?

Property Manager's/Owner's e-Services account will not be accessible through Third Party Access

Is there another way I can create and file CRPs for my clients?

Call us at CRP Helpline 651-556-3017 or email us at crp.revenue.mdor@state.mn.us

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Homestead Credit Refund

What's changing?

Only the Homestead Credit Refund will appear on Form M1PR

Additional Nontaxable Income on line 6 has room for 3 different types

Schedule M1PR-AI is now obsolete

The Special Refund calculation has been removed from the M1PR

New Schedule M1PR-SR, Special Refund has been added

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Other Situations

What about...

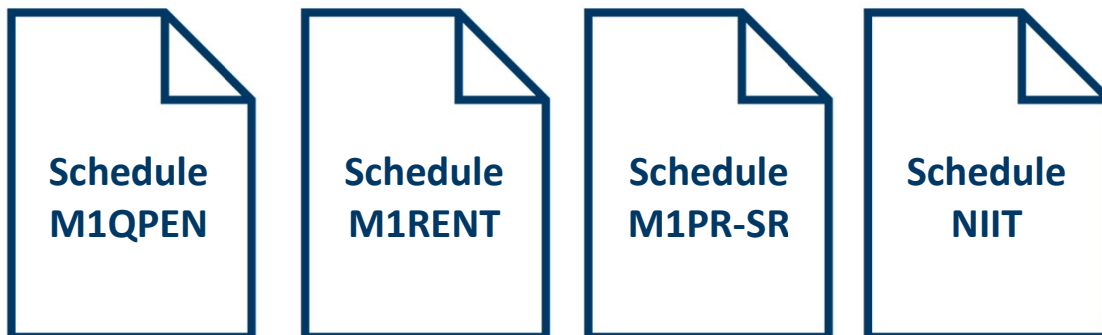
- Mobile homeowners? File M1PR
- Renters that buy a home? File both Schedule M1RENT and M1PR
- Joint filers living in separate homes? Multiple possibilities
- Joint homeowners where one spouse is in a nursing home?
File both Schedule M1RENT and M1PR
- Rent paid affidavits? Still available but there are changes.
- "M1PR Only" taxpayers that are not required to file a tax return?

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New Forms



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Changed Forms



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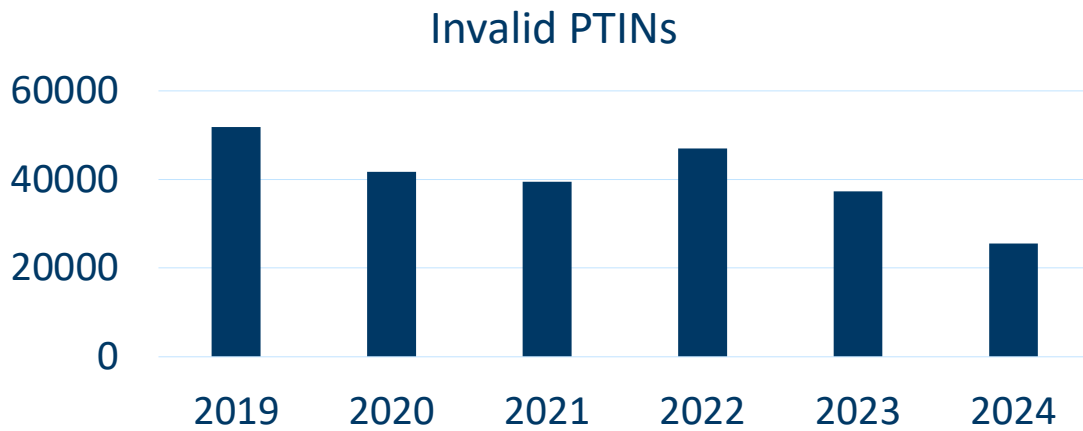
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Tax Professional Enforcement Update

Invalid PTINS



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Question & Answer Session



1/7/2025

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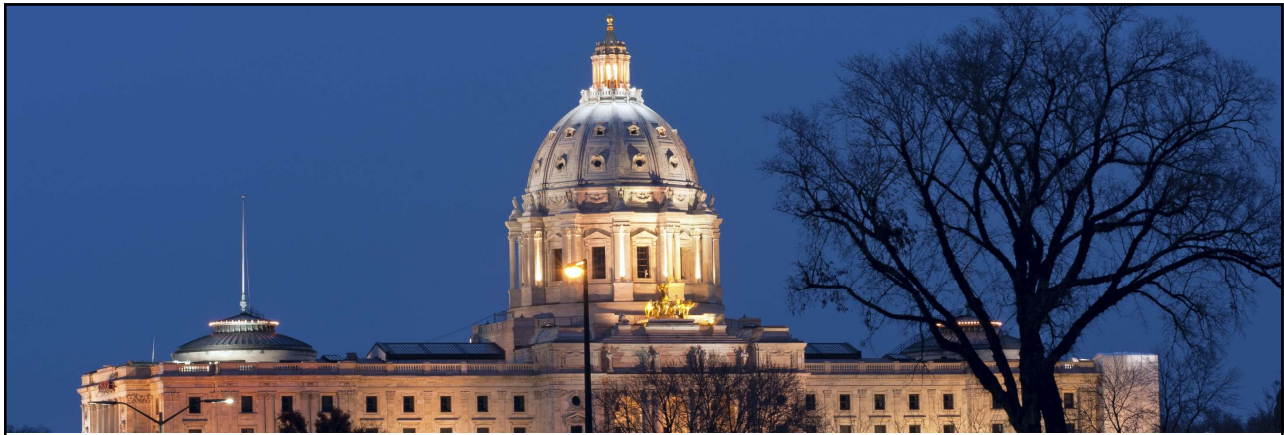
Contact Me

Mark Krause

651-556-6606

mark.krause@state.mn.us

taxpro.outreach@state.mn.us



Thank you!
Have a great filing season!

Form TRA, Request for Taxpayer Rights Advocate Assistance

If you have exhausted all reasonable efforts to get timely relief through normal channels on your tax issue, fill out this form to request assistance from the Taxpayer Rights Advocate (TRA) Office. Learn how we can help you by visiting <https://www.revenue.state.mn.us/taxpayer-rights-advocate>.

Some information being requested is private by state law. You are not legally required to supply the information being requested. Providing the requested information may allow for more efficient management of your case, but refusing to provide the information will not impact the ability to assist you or the quality of assistance provided. Any private information you provide is not allowed to be shared outside of the department except where required by law.

Note: Do not use this form to request legal advice, help with tax return preparation, or review an unfavorable court decision or judicial determination. The TRA Office cannot change the law, act as your legal counsel, or give legal advice.

Taxpayer Information

Taxpayer First Name and Initial	Taxpayer Last Name	Taxpayer Identification Number (SSN/ITIN/EIN)	
Street Address	City	State	ZIP Code
Daytime Phone Number	Contact Preference (Email or Phone)	Best Time to Call	Email Address

☐ Check here if you consent to have confidential information about your tax issue left on voicemail at this number.

Interpreter request:

☐ None
 ☐ Español (Spanish)
 ☐ Hmoob (Hmong)
 ☐ Soomaali (Somali)
 ☐ Other _____

Tax Issue

Describe the tax issue you are experiencing and any difficulties it may be creating. Note the relevant tax years or periods. Include the name of your business, if applicable.

Enter Letter ID (if you received a letter from the Minnesota Department of Revenue) _____

☐ Check here if you are experiencing an emergency financial hardship and need a state tax refund immediately. Examples of an emergency financial hardship include eviction or foreclosure, utilities shut-off, or the inability to pay for necessary medical expenses. You must provide documentation showing that the hardship exists.

Describe the relief you are requesting.

Sign

Printed Name of Taxpayer	Signature of Taxpayer	Date (MM/DD/YYYY)
--------------------------	-----------------------	-------------------

Form TRA Instructions

The Taxpayer Rights Advocate (TRA) Office is an independent office within the Minnesota Department of Revenue that assists taxpayers and protects taxpayers' rights. Contact us if:

- Your tax problem is causing a financial difficulty.
- You have tried and been unable to resolve your issue with Revenue.
- You believe a Revenue system, process, or procedure is not working as it should.

Note: The TRA Office cannot change the law, act as your legal counsel, or give you legal advice.

Common Issues

There are certain issues we can help with. We may be able to help you if:

- Someone is collecting on a debt and you believe that the debt is invalid and that the collection action is unwarranted, unfair, or illegal.
- You are experiencing significant economic harm or are about to suffer undue economic harm because of a tax problem.
- You believe there has been an unexplained and significant delay by Revenue in providing a response or resolution to your problem or inquiry.
- You believe the tax laws, regulations, or policies are being administered unfairly or have impaired, or will impair, your rights.
- You believe a Revenue system or procedure has failed to operate as intended or failed to resolve your problem or dispute.
- You believe the unique facts of your case or compelling public policy reasons warrant assistance.

How We Can Help

We offer these services:

- **Significant financial hardship review:** If you are experiencing a significant financial hardship, we may be able to help.
- **Compromise reconsideration:** If the Collection Division denies your compromise offer, you can request that the TRA Office reconsider that denial.
- **Payment plan reconsideration:** If the Collection Division denies your payment plan, you can request that the TRA Office reconsider that denial.
- **Independent review:** If you have exhausted all available administrative options and are unable to solve your tax issue, the TRA Office can review your situation.

Do not use this form if:

- You have not exhausted all reasonable efforts to obtain timely relief through normal channels.
- You want to request legal advice or help with tax return preparation.
- You want a review of an unfavorable court decision or judicial determination.

Important Things You Should Know

- Submit a Form REV184i, *Individual or Sole Proprietor Power of Attorney*, or Form REV184b, *Business Power of Attorney*, if you wish to grant an attorney, accountant, agent, tax return preparer, or other person with authority to access your account information and represent you before the Minnesota Department of Revenue.
- We may be able to help you more quickly if you include documentation you believe would help us resolve your issue.
- We will first try to contact you by the preferred method you indicated on your Form TRA. If we are unable to reach you by phone or email, we will mail you a letter.
- Go to www.revenue.state.mn.us and enter **Taxpayer Rights Advocate** into the Search box for more information.

Where to Send this Form

- **Email:** dor.tra@state.mn.us
- **Fax:** 651-556-5211
- **Mail:**
Taxpayer Rights Advocate Office
Mail Station 7102
600 N. Robert St.
St. Paul, MN 55146-7102
- **Submit your request electronically:** <https://www.revenue.state.mn.us/contact-tra>

2024 Summary of Annual Forms Changes

Disclaimer: Information in this document is based on the laws in effect when it was written. It does not replace or change any provision of Minnesota laws, administrative rules, court cases, or revenue notices. It does not provide tax advice.

This document summarizes changes made to 2024 Minnesota fiduciary income, business income, estate, individual income, withholding, and property tax forms.

General Updates

- Created new Schedule M1PR-SR, Special Refund
- Created new Schedule M1QPEN, Qualified Public Pension Subtraction
- Created new Schedule M1RENT, Renter's Credit
- Created new Schedule NIIT, Net Investment Income Tax
- Eliminated Schedule M1PR-AI, Additions to Income

2024 Withholding Tax Form Changes

Form W-4MNP, Minnesota Withholding Certificate for Retirement Account, Pension, or Commercial Annuity Payments

- No line changes

2024 Business Income Tax Form Changes

Form M4, Corporate Franchise Tax Return

- Added Line 6, Credit for Sustainable Aviation Fuel, and the certificate number from the Department of Agriculture
- Line numbers have shifted for Lines 6-19 to accommodate the addition of Line 6
- Updated subtraction for qualified railroad track maintenance credit instructions for Line 4c of the M4I.
- Changed Line 4m to the M4I from: Disallowed section 280E expenses of a licensed cannabis business, to: Disallowed section 280E expenses of a licensed cannabis or hemp business
- Updated Minimum Fee Table on Form M4A
- Reorganized Lines 14 through 23 of the M4T

- Added Line 24 of the M4T for carryover credits from prior years including D - Name of Credit, E - Certificate Number, F - Unused Credit, and G - MNID

Form M4X, Amended Franchise Tax Return/Claim for Refund

- Reorganized Lines 15 through 25
- Added Line 26 for carryover credits from prior years and to include D - Name of Credit, E - Certificate Number, and F - Unused Credit
- Line numbers have shifted for Lines 27-31 to accommodate the addition of Line 26
- Added Line 32, Credit for Sustainable Aviation Fuel, and the certificate number from the Department of Agriculture
- Line numbers have shifted for Lines 33-45 to accommodate the addition of lines 26 and 32
- Updated Line 4m of Amended Income Calculation from: Disallowed section 280E expenses of a licensed cannabis business, to: Disallowed section 280E expenses of a licensed cannabis or hemp business

Schedule NOL, Net Operating Loss Deduction

- Updated net operating loss (NOL) limitation in instructions of Schedule NOL

Form M8, S Corporation Return

- Updated Minimum Fee Table on Form M8A

Schedule KS, Shareholder's Share of Income, Credits and Modifications

- Updated Line 16 from: Disallowed section 280E expenses of a licensed cannabis business, to: Disallowed section 280E expenses of a licensed cannabis or hemp business
- Added Line 21 for Shareholder's pro rata share of a net gain relating to dispositions of Class 2a property
- Added Line 22 for Shareholder's pro rata share of deductions and modifications relating to Line 21
- Added Line 29, Credit for Sustainable Aviation Fuel, and the certificate number from the Department of Agriculture

Form M3, Partnership Return

- Updated Minimum Fee Table on Form M3

Schedule KPI, Partner's Share of Income, Credits and Modifications

- Updated Line 16 from: Disallowed section 280E expenses of a licensed cannabis business, to: Disallowed section 280E expenses of a licensed cannabis or hemp business
- Added Line 21 Partner's pro rata share of a net gain relating to dispositions of Class 2a property
- Added Line 22 to Partner's pro rata share of deductions and modifications relating to Line 21
- Added Line 29, Credit for Sustainable Aviation Fuel, and the certificate number from the Department of Agriculture

Schedule KPC, Partner's Share of Income, Credits and Modifications

- Updated Line 19 from: Disallowed section 280E expenses of a licensed cannabis business, to:
Disallowed section 280E expenses of a licensed cannabis or hemp business
- Added Line 23 to Partner's pro rata share of a net gain relating to dispositions of Class 2a property
- Added Line 24 to Partner's pro rata share of deductions and modifications relating to Line 21
- Added Line 31, Credit for Sustainable Aviation Fuel, and the certificate number from the Department of Agriculture

2024 Fiduciary Income Tax Form Changes

Form M2, Income Tax Return for Estates and Trusts

- Added Line 12, Minnesota Net Investment Income Tax, and must enclose Schedule NIIT
- Removed Line 18, unused credit for owners of agricultural assets from a prior year
- Added Line 24, Carryover credits from prior years including D – Name of Credit, E – Certificate Number, and F – Unused Credit
- Added Line 31, Credit for Sustainable Aviation Fuel, and the certificate number from the Department of Agriculture
- Removed Line 50, This line intentionally left blank
- Updated subtraction for railroad maintenance expenses instructions for Line 62.
- Changed Line 65 from: Disallowed section 280E expenses of a licensed cannabis business, to:
Disallowed section 280E expenses of a licensed cannabis or hemp business

Form M2X, Amended Income Tax Return for Estates and Trusts

- Added Line 12, Minnesota Net Investment Income Tax, and must enclose Schedule NIIT
- Removed Line 18, Unused credit for owners of agricultural assets from a prior year
- Added Line 24, Carryover credits from prior years including D - Name of Credit, E - Certificate Number, and F - Unused Credit
- Added Line 31, Credit for Sustainable Aviation Fuel, and the certificate number from the Department of Agriculture
- Removed Line 51, This line intentionally left blank
- Changed Line 66 from: Disallowed section 280E expenses of a licensed cannabis business, to:
Disallowed section 280E expenses of a licensed cannabis or hemp business

Schedule M2SB, Income Tax Computation for S Portion of ESBT

- Changed Line 35 from: Disallowed section 280E expenses of a licensed cannabis business, to:
Disallowed section 280E expenses of a licensed cannabis or hemp business

Schedule M2NM, Non-Minnesota Source Income

- Added Line 12, Section 199A Qualified Business Income Addition
- Added Line 23, Estate Tax Deduction
- Added Line 24, Qualified Business Income Deduction
- Added Line 25, Exemption

Schedule M2MT, Alternative Minimum Tax

- Added Instruction Calculation Changes to Line 3
- Added Instruction Calculation Changes to Line 6
- Updated Line 7 from: If line 7, column A is \$43,990 or less, stop here, to: If line 7, column A is \$46,360 or less, stop here.

Schedule KF, Beneficiary's Share of Minnesota Taxable Income

- Changed Line 23 from: Disallowed section 280E expenses of a licensed cannabis business, to: Disallowed section 280E expenses of a licensed cannabis or hemp business
- Added Line 30, Beneficiary's pro rata share of a net gain relating to dispositions of Class 2a property
- Added Line 31, Beneficiary's pro rata share of deductions and modifications relating to Line 30
- Added Line 39, Carryover credits from prior years including D - Name of Credit, E - Certificate Number, F - Unused Credit, and G - Remaining Years
- Added Line 40, Credit for Sustainable Aviation Fuel, and the certificate number from the Department of Agriculture

2024 Individual Income Tax Form Changes

Form M1, Individual Income Tax Return

- Added checkbox for Net Investment Income Tax (NIIT) on Line 14
- Added checkbox for NIIT filers only at the bottom of the form
- Added checkbox for electing us to share information with MNsure to the bottom of the form
- Removed the input line for Line B of the Certificate of Rent Paid and replaced with a checkbox on the M1

Schedule M1C, Other Non-Refundable Credits

- Added new Line 17 that combines carryover credits
- Removed previous Line 17
- Removed Line 18
- Removed Line 19

Schedule M1CR, Credit for Income Tax Paid to Another State

- Added checkbox for entity level taxes paid to another state to the top of the schedule

Schedule M1CMD, Credit for Attaining Master’s Degree in Teacher’s Licensure Field

- Added checkbox to verify they had a license when they began and finished program to the top of the schedule
- Added checkbox requesting information on pedagogy component in their program to the top of the schedule

Schedule M1CWFC, Minnesota Child and Working Family Credits

- Added checkbox for Married Filing Single eligibility to the top of the schedule
- Added checkbox for electing to receive advance payments to the top of the schedule
- Added checkbox left blank for now at the top of the schedule
- Added Line 17
- Added Line 18
- Added Line 19
- Added Line 20
- Added Line 21
- Added write-in line between Lines 21 and 22 to enter number of qualifying children who were under the age of 17
- Added Line 22
- Added Line 23
- Added lines for entering bank deposit information for receiving advance payments

Schedule M1RCR, Credit for Tax Paid to Wisconsin

- Added checkbox for entity level taxes paid to another state to the top of the schedule

Schedule M1REF, Refundable Credits

- Added Line 4 for the Renter’s Credit, shifting all other lines down one
- Added Line 12 for Sustainable Aviation Fuel Credit
- Added space to enter certificate number for Sustainable Aviation Fuel Credit on Line 12

2024 Property Tax Refund Form Changes

Form M1PR, Homestead Credit Refund (for Homeowners)

- Removed checkbox for renters, nursing homes, and homeowners from the top of the form
- Moved checkbox for mobile homeowners to the top of the form
- Moved Line 14, co-occupant income, to Line 5
- Added Line 6, additional nontaxable income, with table to enter type of income and amount
- Removed Lines 16-18, Renter’s Refund
- Removed Lines 26-38, Special Refund Lines, and moved to Schedule M1PR-S



2024 Schedule NIIT, Net Investment Income Tax

Taxpayer Name

FEIN, SSN, or ITIN

Minnesota Tax ID

Part 1 — Net Investment Income Calculation

- 1 Enter the total investment income from your federal Form 8960, line 8. **1** ■ _____
- 2 Total net gain included in line 1 relating to dispositions of Class 2a property (*see instructions*) **2** ■ _____
- 3 Net interest and mutual fund dividends from U.S. bonds **3** ■ _____
- 4 Add lines 2 and 3 **4** ■ _____
- 5 **Total Minnesota Investment Income.** Subtract line 4 from line 1 **5** ■ _____
- 6 Enter the total deductions and modifications from your federal Form 8960, line 11 **6** ■ _____
- 7 Total deductions and modifications included in line 6 relating to the Class 2a property reported on line 2. **7** ■ _____
- 8 **Total Minnesota Deductions and Modifications.** Subtract line 7 from line 6 **8** ■ _____
- 9 **Minnesota Net Investment Income.** Subtract line 8 from line 5. **9** ■ _____

Part 2 — Individual Tax Computation

- 10 Minnesota net investment income (*from line 9 above*) **10** _____
- 11 Subtract \$1,000,000 from line 10. If the result is less than zero, enter zero and stop. **11** ■ _____
- 12 Multiply line 11 by one percent (0.01) **12** ■ _____
- 13 Amount of line 10 allocated to Minnesota. (*see instructions*) **13** ■ _____
- 14 Divide line 13 by line 10. Carry to five decimal places **14** ■ _____
- 15 **Minnesota Net Investment Income Tax.** Multiply line 12 by line 14. Enter here and on line 14 of Form M1 . . . **15** ■ _____

Part 3 — Estate and Trust Tax Computation

- 16 Minnesota net investment income (*from line 9 above*) **16** _____
- 17 Amount of line 16 that is distributed to beneficiaries or charities. **17** ■ _____
- 18 **Undistributed Minnesota Net Investment Income.** Subtract line 17 from line 16 **18** ■ _____
- 19 Subtract \$1,000,000 from line 18. If the result is less than zero, enter zero and stop. **19** ■ _____
- 20 Multiply line 19 by one percent (0.01) **20** ■ _____
- 21 Amount of line 18 allocated to Minnesota. (*See instructions*) **21** ■ _____
- 22 Divide line 21 by line 18. Carry to five decimal places **22** ■ _____
- 23 **Minnesota Net Investment Income Tax.** Multiply line 20 by line 22. Enter here and on line 12 of Form M2 . . . **23** ■ _____



2024 Schedule NIIT Instructions

Who Should File Schedule NIIT

You must complete Schedule NIIT if you are an individual, estate, or trust taxpayer with over \$1,000,000 of Minnesota net investment income during the tax year. The Minnesota net investment income tax does not apply to corporate taxpayers.

If you are a nonresident alien of the United States and not subject to the federal net investment income tax, you may still be subject to the Minnesota net investment income tax. Complete a pro-forma federal Form 8960 and include it with your Schedule NIIT.

Minnesota Net Investment Income

Minnesota net investment income is federal net investment income as defined under Internal Revenue Code (IRC) section 1411 that is sourced to Minnesota. Federal net investment income includes, but is not limited to:

- Interest
- Dividends
- Capital gains
- Rental and royalty income
- Non-qualified annuities
- Income from businesses involved in trading of financial instruments or commodities and businesses that are passive activities to the taxpayer (within the meaning of IRC section 469)
- Deductions allocated to the items of gross investment income

Federal net investment income does not include any amount of gain that is excluded from gross income for regular income tax purposes. For example, IRC section 121 exempts the first \$250,000 (\$500,000 if married and filing a joint return) of gain recognized on the sale of a principal residence from gross income for regular income tax purposes.

Minnesota net investment income does not include net gains attributable to dispositions of property classified as class 2a property under Minnesota Statute section 273.13, subdivision 23.

Class 2a Property

Class 2a agricultural land consists of parcels of property, or portions thereof that are agricultural land and buildings. If the property has multiple property classifications and the county assessor can practically separate the acreage of each classification type, then only the acreage that is attributable to class 2a may be excluded from the Minnesota net investment income tax. See lines 2 and 7 for more details.

You may identify a property's classification on its property tax statement for the year of the disposition or by contacting the county assessor. Flow-through entities will include whether a gain is from a disposition of class 2a property on:

- Lines 21 and 22 of Schedules KPI and KS
- Lines 23 and 24 of Schedule KPC
- Lines 30 and 31 of Schedule KF

Investments and Mutual Fund Dividends from U.S. Bonds

Stocks and obligations of the U.S. Government are exempt from taxation by states under IRC section 3124. Any stocks and obligations exempt under this federal law are not subject to the Minnesota net investment income tax. See line 3 for more details.

Flow-through entities will include whether interest is from a U.S. bond on:

- Line 14 of Schedules KPI and KS
- Line 17 of Schedule KPC
- Line 16 of Schedule KF

How to File

Schedule NIIT is included with Form M1 or Form M2 as a supplemental schedule. The tax amount from Schedule NIIT will be reported on:

- Line 14 of Form M1
- Line 12 of Form M2

Composite Tax or Pass-Through Entity (PTE) Tax

Schedule NIIT may **not** be included with Form M3 or Form M8. Any partner or shareholder electing composite income tax or PTE tax to satisfy their filing requirement must file Schedule NIIT with Form M1. In these situations, the Form M1 will only report the net investment income tax due on line 14 and will not report any other tax lines or tax benefits. The composite income tax or PTE tax can still satisfy the partner's or shareholder's tax for the distributive share of the entity's business income.

Estimated Payments

The Minnesota net investment income tax is subject to the same estimated tax provisions as other individual, estate, or trust taxes. If you expect to be subject to the Minnesota net investment income tax, you should adjust your income tax withholding or estimated payments to account for the tax increase in order to avoid underpayment penalties.

Continued

Line Instructions

Part 1. Net Investment Income Calculation

All taxpayers that may be subject to Minnesota net investment income tax must complete Part 1.

Line 1

Include the amount of total investment income from line 8 of your federal Form 8960 regardless of the source of the income.

Line 2

Include any net gain reported within line 8 of your federal Form 8960 that relates to dispositions of class 2a property located in Minnesota. The amount reported on this line cannot exceed the amount reported on line 1.

See **Class 2a Property** above, for more information.

Line 3

Include federally taxable interest reported within line 8 of your federal Form 8960 that you received from:

- U.S. bonds, bills, notes, savings bonds, and certificates of indebtedness
- Sallie Mae bonds
- Dividends paid to you by mutual funds that are attributable to these bonds
- U.S. Government interest and dividends you received as partner of a partnership, shareholder of an S corporation, or beneficiary of a trust

Reduce these amounts by any related investment interest and other expenses deducted within line 11 of your federal Form 8960. Do not include interest or dividends attributable to Ginnie Mae, Fannie Mae, or Freddie Mac bonds. If you received interest from a government source not listed, see Income Tax Fact Sheet 13, U.S. Government Interest.

The amount reported on this line cannot exceed the amount reported on line 1.

See **Investments and Mutual Fund Dividends from U.S. Bonds** above, for more information.

Line 6

Include the amount of deductions and modifications from line 11 of your federal Form 8960 regardless of the source of the income. Reduce this amount by the deductions already included in the calculation for line 3.

Line 7

Include the amount of deductions and modifications reported within line 11 of your federal Form 8960 that relate to dispositions of class 2a property located in Minnesota reported on line 2 of this schedule. The amount reported on this line cannot exceed either the amount reported on line 2 or line 6 of this schedule.

Line 9

Subtract line 8 from line 5. If the result is less than zero, enter zero.

This is your Minnesota net investment income. Also include this amount on either line 10 or line 16 of this schedule.

Part 2. Individual Tax Computation

Complete Part 2 if you are an individual taxpayer that files Form M1. You will not need to complete Part 3.

Line 10

Include on line 10 the amount of Minnesota net investment income calculated on line 9.

Line 11

Subtract \$1,000,000 from line 10 and enter the result on line 11.

If the result on line 11 is more than \$0, continue with line 12. If line 11 is \$0 or less, stop. You are not subject to the Minnesota net investment income tax.

Line 12

Multiply the amount on line 11 by the one percent tax rate and include the result on line 12.

Line 13

Include on line 13 the amount of line 9 that is allocated to Minnesota according to Minnesota Statute section 290.17. Minnesota residents allocate 100% of income to Minnesota. For part-year residents or nonresidents of Minnesota, use the guidance within the instructions for Schedule M1NR, *Nonresidents/Part-Year Residents*, lines 1 through 8, to determine the amount allocated to Minnesota. Include an attachment with the calculation of the amount reported on this line.

Line 14

Divide the amount allocated to Minnesota on line 13 by the total Minnesota net investment income tax on line 10 and include the result on line 14. Carry the result to five decimal places.

Line 15

Multiply the tax amount on line 12 by the allocation ratio on line 14. Include the result on line 15 and on line 14 of Form M1.

Continued

Part 3. Estate and Trust Tax Computation

Complete Part 3 if you are an estate or trust taxpayer that files Form M2. You will not need to complete Part 2.

Line 16

Include on line 16 the amount of Minnesota net investment income calculated on line 9.

Line 17

Include on line 17 the amount of line 16 that was distributed to a beneficiary or charity.

Line 18

Subtract line 17 from line 16. This is the undistributed Minnesota net investment income retained by the estate or trust.

Line 19

Subtract \$1,000,000 from line 18 and include the result on line 19.

If the result on line 19 is more than \$0, continue with line 20. If line 19 is \$0 or less, stop. You are not subject to the Minnesota net investment income tax.

Line 20

Multiply the amount on line 19 by the one percent tax rate and include the result on line 20.

Line 21

Include on line 21 the amount of line 18 that is allocated to Minnesota according to Minnesota Statute sections 290.17, 290.191, and 290.20. Use the guidance within the instructions for Schedule M2NM, *Non-Minnesota Source Income and Related Expenses*, lines 1 through 8 and 17 through 25, to determine the amount allocated to Minnesota. Include an attachment with the calculation of the amount reported on this line.

Line 22

Divide the amount allocated to Minnesota on line 21 by the total Minnesota net investment income tax on line 18 and include the result on line 22. Carry the result to five decimal places.

Line 23

Multiply the tax amount on line 20 by the allocation ratio on line 22. Include the result on line 23 and on line 12 of Form M2.



2024 Form M1, Individual Income Tax

Do not use staples on anything you submit.

Your First Name and Initial _____		Last Name _____		Your Social Security Number _____		Your Date of Birth (MM/DD/YYYY) _____	
If a Joint Return, Spouse's First Name and Initial _____		Spouse's Last Name _____		Spouse's Social Security Number _____		Spouse's Date of Birth _____	
Current Home Address _____				Check if Address is:		<input type="checkbox"/> New <input type="checkbox"/> Foreign	
City _____		State _____ ZIP Code _____		County _____			

2024 Federal Filing Status (place an X in one box):

<input type="checkbox"/> (1) Single	<input type="checkbox"/> (2) Married Filing Jointly	<input type="checkbox"/> (3) Married Filing Separately	<input type="checkbox"/> (4) Head of Household	<input type="checkbox"/> (5) Qualifying Surviving Spouse
Spouse Name _____		Spouse SSN _____		

State Elections Campaign Fund


To grant \$5 to this fund, enter the code for the party of your choice. It will help candidates for state offices pay campaign expenses. This will not increase your tax or reduce your refund.

Political Party Code Numbers:		Republican 11	Grassroots/Legalize Cannabis 14	Legal Marijuana Now 17
Your Code Spouse's Code		Democratic/Farmer-Labor . . . 12	Libertarian 16	General Campaign Fund 99

From Your Federal Return (see instructions)

A. Wages, salaries, tips, etc.	B. IRA, pensions, and annuities	C. Unemployment	D. Federal taxable income
1 Federal adjusted gross income (from line 11 of federal Form 1040 and 1040-SR) 1 ■ _____			
2 Additions to income from line 10 of Schedule M1M and line 9 of Schedule M1MB (see instructions) 2 ■ _____			
3 Add lines 1 and 2. 3 _____			
4 Itemized deductions (from Schedule M1SA) or your standard deduction (see instructions) 4 ■ _____			
5 Exemptions (from Schedule M1DQC) 5 ■ _____			
6 State income tax refund from line 1 of federal Schedule 1 6 ■ _____			
7 Subtractions from line 35 of Schedule M1M and line 21 of Schedule M1MB (see instructions) 7 ■ _____			
8 Total subtractions. Add lines 4 through 7. 8 _____			
9 Minnesota taxable income. Subtract line 8 from line 3. If zero or less, leave blank. 9 _____			
10 Tax from the table or schedules in the Form M1 instructions 10 _____			
11 Alternative minimum tax (enclose Schedule M1MT) 11 ■ _____			
12 Add lines 10 and 11 12 _____			
13 Full-year residents: Enter the amount from line 12 on line 13. Skip lines 13a and 13b. Part-year residents and nonresidents: From Schedule M1NR, enter the amount from line 32 on line 13, from line 28 on line 13a, and from line 29 on line 13b (enclose Schedule M1NR) 13 _____			



- 14** Other taxes, such as recapture amounts and the tax on lump-sum distributions (*check appropriate boxes*)
- ☐ (a) Schedule M1HOME ☐ (b) Schedule M1529 ☐ (c) Schedule M1LS ☐ (d) Schedule NIIT **14** ■ _____
- 15** Tax before credits. Add lines 13 and 14 **15** _____
- 16** Amount from line 19 of Schedule M1C, *Nonrefundable Credits* (enclose Schedule M1C) **16** ■ _____
- 17** Subtract line 16 from line 15 (*if result is zero or less, leave blank*) **17** _____
- 18** Nongame Wildlife Fund contribution (*see instructions*)
- This will reduce your refund or increase the amount you owe  **18** ■ _____
- 19** Add lines 17 and 18 **19** _____
- 20** **Minnesota income tax withheld.** Complete and enclose Schedule M1W to report
Minnesota withholding from Forms W-2, 1099, and W-2G and Schedules KPI, KS, and KF **20** ■ _____
- 21** Minnesota estimated tax and extension payments made for 2024 **21** ■ _____
- 22** Amount from line 13 of Schedule M1REF, *Refundable Credits* (*see instructions; enclose Schedule M1REF*) . . . **22** ■ _____
- 23** Total payments. Add lines 20 through 22 **23** _____
- 24** **REFUND.** If line 23 is more than line 19, subtract line 19 from line 23 (*see instructions*).
For direct deposit, complete line 25 **24** ■ _____
- 25** Direct deposit of your refund (*you must use an account not associated with a foreign bank*):
- ☐ Checking ☐ Savings _____
- Routing Number _____ Account Number _____
- 26** **AMOUNT YOU OWE.** If line 19 is more than line 23, subtract line 23 from line 19 (*see instructions*) **26** ■ _____
- 27** Penalty amount from Schedule M15 (*see instructions*). Also subtract
this amount from line 24 or add it to line 26 (*enclose Schedule M15*) **27** ■ _____
- 28** Penalty and interest (*see instructions*) **28** ■ _____
- IF YOU PAY ESTIMATED TAX** and want part of your refund credited to estimated tax, complete lines 29 and 30.
- 29** Amount from line 24 you want sent to you **29** ■ _____
- 30** Amount from line 24 you want applied to your 2025 estimated tax **30** ■ _____

Taxpayer(s): I declare that this return is correct and complete to the best of my knowledge and belief.

_____ Your Signature	_____ Spouse's Signature (If Filing Jointly)	_____ Date (MM/DD/YYYY)
_____ Daytime Phone	_____ Email Address	
_____ Paid Preparer's Signature	_____ Date (MM/DD/YYYY)	_____ PTIN or VITA/TCE # (required)
_____ Preparer's Daytime Phone	_____ Preparer's Email Address	

- | | |
|--|--|
| <input type="checkbox"/> I do not want my paid preparer to file my return electronically. | <input type="checkbox"/> I authorize the Minnesota Department of Revenue to discuss this tax return with the preparer or the third-party designee indicated on my federal return. |
| <input type="checkbox"/> I am filing this return for Net Investment Income Tax requirements (<i>see instructions</i>). | <input type="checkbox"/> I authorize the Minnesota Department of Revenue to share necessary return information with MNsure for the purpose of contacting me with information about my estimated eligibility for free or reduced-cost health insurance (<i>see instructions</i>). |

Include a copy of your 2024 federal return and schedules.

Mail to: Minnesota Individual Income Tax, Mail Station 0010, 600 N. Robert St., St. Paul, MN 55146-0010



2024 Schedule M1CWFC, Minnesota Child and Working Family Credits

To claim this credit, you must be a full- or part-year resident of Minnesota. If you are a full-year nonresident, you are not eligible for this credit. Do not complete Schedule M1CWFC if you have a 2-year or 10-year IRS ban or are otherwise restricted from claiming the federal Earned Income Credit (EIC).

Your First Name and Initial

Last Name

Your Social Security Number

☐ Check this box if you are married filing separately and meet the exceptions in the instructions

Advance Payment of Child Tax Credit for 2025 (See Section 2)

Note: If you elect to receive advance payment of your 2025 child tax credit, you are required to file a 2025 income tax return, regardless of other filing requirements and you may have to repay your advance payment in certain situations. See instructions for more information.

☐ Check this box if you are electing to receive advance payment of your 2025 child tax credit (see instructions)

☐ This check box for future use.

Section 1

Round amounts to the nearest whole dollar.

- 1 Enter the amount from line 1 of Form M1. **1** ■ _____
- 2 Enter your total earned income (*see instructions; if less than zero, enter zero*). **2** ■ _____
- 3 If line 2 is greater than \$9,220, enter \$9,220. Otherwise enter the amount from line 2. **3** ■ _____
- 4 Multiply line 3 by 4% (.04). **4** ■ _____
- 5 Credit for Qualifying Older Children: If you have: **5** ■ _____
 - One qualifying older child, enter \$970
 - Two qualifying older children, enter \$2,210
 - Three or more qualifying older children, enter \$2,630
- 6 Add lines 4 and 5 **6** ■ _____
- 7 Number of qualifying children (*see instructions*) **7** ■ _____
- 8 Multiply line 7 by \$1,750. **8** ■ _____
- 9 Add lines 6 and 8 **9** ■ _____
- 10 Enter the greater of line 1 or 2 **10** ■ _____
- 11 Enter \$36,880 if married filing jointly or \$31,090 for any other filing status **11** ■ _____
- 12 If line 10 is less than line 11, see instructions. Otherwise, subtract line 11 from line 10 **12** ■ _____
- 13 If you had an amount on line 5 but not on line 8, enter 9% (.09). Otherwise enter 12% (0.12) **13** ■ _____
- 14 Multiply line 12 by line 13. **14** ■ _____
- 15 Subtract line 14 from line 9. If less than zero, enter 0. If you are a full year resident, enter this amount on line 2 of Schedule M1REF. **15** ■ _____



- 16 Part year residents: If your Minnesota gross income is: 16 ■ _____
- \$14,575 or more, multiply line 15 by line 30 of Schedule M1NR.
Enter the result here and on line 2 of Schedule M1REF

• Less than \$14,575, see instructions
- Enter the result from step 5 of the Worksheet for line 16: _____

Section 2 — Advance Payment of Child Tax Credit

- 17 Multiply line 15 by 50% 17 ■ _____
- 18 Divide line 8 by line 9. Round to the nearest five decimal places 18 ■ _____
- 19 All filers: Multiply line 17 by line 18 19 ■ _____
- 20 Part year residents: Multiply line 19 by line 30 Schedule M1NR 20 ■ _____
- 21 If you claimed a qualifying child who was 17 at the end of 2024, divide the number of qualifying children who were under 17 by your total number of qualifying children (round to the nearest five decimal places), otherwise, enter 1 on line 21 21 ■ _____
Number of Qualifying Children for the Child Tax Credit who were under 17 at the end of 2024: _____
- 22 Multiply line 19 (or line 20 if you were a part year resident) by line 21. 22 ■ _____
- 23 Divide line 22 by three to get the amount of each advance payment you will receive (see instructions) 23 ■ _____
- 24 Direct deposit of your advance payment:
- ☐ Checking

☐ Savings

Routing Number Account Number

Include this schedule with your Form M1. Enter the number of qualifying children on line 2a and the number of qualifying older children on line 2b of Schedule M1REF.



2024 Schedule M1CWFC Instructions

Purpose of this Schedule

Use this schedule to determine the amount of your Minnesota Working Family Credit and Child Tax Credit for 2024 and your Advance Child Tax Credit Payments and Minimum Credit for 2025. You must complete Schedule M1DQC, Dependents and *Qualifying Children*, to determine who is a qualifying child and qualifying older child.

The Working Family Credit is four percent of your first \$9,220 of earned income plus an additional amount for up to three qualifying older children. See Schedule M1DQC to determine who is a qualifying older child. For 2024, the maximum working family credit is:

- \$369 with zero qualifying older children
- \$1,339 with one qualifying older child
- \$2,579 with two qualifying older children
- \$2,999 with three or more qualifying older children

You may claim the credit for qualifying older children and child tax credit even if you have no earned income.

The Minnesota Child Tax Credit is \$1,750 for each qualifying child under the age of 18. See Schedule M1DQC to determine who you may claim as a qualifying child for the child tax credit.

The Working Family Credit and Child Tax Credit are reduced when your adjusted gross income exceeds \$31,090 (\$36,880 if married filing jointly). The amount of the credit is reduced by 12 percent of adjusted gross income (AGI) that exceeds the limit. If you had at least one qualifying older child but no qualifying child for the child tax credit, your credit is reduced by 9 percent of AGI exceeding the limit.

If you, your spouse (if married and filing a joint return) or your qualifying children do not have a Social Security Number, you may use an Individual Taxpayer Identification Number (ITIN) to claim these credits.

What's new

You may elect to receive advance payments of your 2025 Child Tax Credit if you are eligible for the 2024 Child Tax Credit. See additional information under **Advance Payments for 2025**.

Beginning with tax year 2025, you may be eligible for a Minimum Credit which is up to 50% of your Child Tax Credit received in the prior year. To be eligible for the 2025 Minimum Credit, you must elect to receive advance payments of your 2025 Child Tax Credit when you file your 2024 individual income tax return, and you must also be eligible for the Child Tax Credit when you file your 2025 return. The Minimum Credit may be reduced if you are claiming fewer qualifying children on your 2025 return than your 2024 return or if you are a part year resident in 2025. The maximum Minimum Credit you are eligible to receive is determined on line 19 of Schedule M1CWFC.

Am I eligible?

You must meet all of these requirements to be eligible to claim the Minnesota Working Family and Child Tax credits:

- You were a full-year or part-year resident of Minnesota in 2024 (if you are a member of the military, see below)
- You have investment income less than \$11,600 (if you have investment income greater than \$11,600 complete step 2 in the instructions for line 27 of Form 1040 to determine if you are eligible to claim the credits on this schedule)
- You are not a dependent of another person
- If you have no qualifying children on rows 10 and 11 of Schedule M1DQC, you or your spouse must be between the ages of 19 and 64
- If you have no qualifying children on rows 10 and 11 of Schedule M1DQC, you and your spouse's main residence must have been in the United States for more than half of 2024
- If you are married and you or your spouse are a nonresident alien, your filing status must be Married Filing Jointly

You are **not** eligible if any of these apply:

- You have a 2-year or 10-year IRS ban on claiming the federal Earned Income Credit (EIC)
- You are the dependent or qualifying child of another person
- Your filing status is Married Filing Separately, unless you meet the exception and requirements under **Exception for Those Who are Married and Filing Separately** below

Earned income does not include:

- Any amount included on line 1z of Form 1040 or 1040-SR that is a taxable scholarship or fellowship grant not reported on a Form W-2
- Any amount included on line 1z of Form 1040 or 1040-SR that you received for work performed while an inmate in a penal institution, or
- Any amount included on line 1z of Form 1040 or 1040-SR that you received as a pension or annuity from a nonqualified deferred compensation plan or nongovernmental section 457 plan

Exception for Those Who are Married and Filing Separately

Check the box at the top of Schedule M1CWFC if your filing status is Married Filing Separately, you have at least one qualifying child on Schedule M1DQC who lived with you for more than half of 2024 and either of these apply:

- You do not share the same principal abode as your spouse for at least the last six months of 2024
- You are legally separated from your spouse according to Minnesota law under a written separation agreement or a decree of separate maintenance and do not live in the same household as your spouse at the end of 2024

Treatment of military personnel stationed outside Minnesota

If you are a member of the Armed Forces, you will be treated as if you resided in Minnesota during any period which you are stationed outside the United States while serving on extended active duty with the U.S. Armed Forces. "Extended active duty" means any period of active duty pursuant to a call or order to such duty for a period in excess of 90 days or for an indefinite period. You must otherwise be a resident of Minnesota. You may include nontaxable combat pay as earned income.

Is there a penalty for fraudulently claiming a refund?

Yes. If you file a return that fraudulently claims a credit that results in a refund, you may be assessed a penalty equal to 50% of the portion of the refund attributable to fraud. If a fraudulently claimed credit reduced your tax liability, you may also be assessed a penalty equal to 50% of the unpaid tax.

Line Instructions

Round amounts to the nearest whole dollar.

Line 2

Use the Worksheet for Earned Income below to determine the amount for line 2. You must use your 2024 earned income when completing this worksheet.

Worksheet for Earned Income

1 Line 1z of federal Form 1040 or 1040-SR. Church employees and clergy, see instructions below for Step 1

2 Enter all of your nontaxable combat pay if you elect to include it in earned income

3 Add steps 1 and 2. Enter the result on Line 2 of this schedule, unless you were self-employed, filing federal Schedule SE as a member of the clergy, had church employee income, or are filing federal Schedule C as a statutory employee. If any of these apply, continue to step 4.

4 Use the amount from step 3 of this worksheet on line 4a of Worksheet B from the instruction for line 27 of Form 1040. Complete Worksheet B in the federal instructions and enter the amount from Step 6 of EIC Worksheet B on line 2 of this schedule.

Instructions for Worksheet for Earned Income

Step 1

If you are a church employee, determine how much was reported on both line 1z of Form 1040 or 1040-SR and line 5a of federal Schedule SE. Subtract the combined amounts reported on both lines from the amount reported on line 1z of Form 1040 or 1040-SR. Enter the result on Step 1.

If you are a minister, a member of a religious order that has not taken a vow of poverty, or a Christian Science Practitioner, determine the amount reported on both line 1 of Form 1040 or 1040-SR and line 2 of federal Schedule SE. Subtract the combined amounts reported on both lines from the amount reported on line 1z of Form 1040 or 1040-SR. Enter the result on Step 1.

Line 5

You must complete Schedule M1DQC to determine which of your qualifying children are eligible to be claimed as a qualifying older child on line 5. Use the information from that schedule to determine what amount to enter on line 5.

Line 7

You must complete Schedule M1DQC to determine who is a qualifying child for the Minnesota Child Tax Credit. Enter the number of boxes checked from Row 10 of Schedule M1DQC on line 7 of this schedule.

Line 12

If line 10 is less than line 11, skip line 13 and use the amount from line 9 on line 15.

Line 16

If you are a part-year resident, you will determine your credit using your percentage of income taxable to Minnesota.

If your gross income is less than \$14,575, you should have entered zero on line 28 of Schedule M1NR, Nonresidents/Part-Year Residents. To determine this credit, fully complete Schedule M1NR (do not skip lines 16-27) to determine what the amounts would have been. Then, complete the Worksheet for Line 16 below.

Worksheet for Line 16 (for part-year residents whose Minnesota gross income is less than \$14,575

Note: If you are a full-year nonresident, do not use this worksheet. You are not eligible for this credit.

1 Line 15, column B, of Schedule M1NR

2 Line 27, column B, of Schedule M1NR

3 Subtract step 2 from step 1. (If result is zero or less, STOP HERE. You do not qualify for the credit)

4 Line 29 of Schedule M1NR

5 Divide step 3 by step 4 and enter the result as a decimal (carry to five decimal places). If step 3 is more than step 4, enter 1.0. Enter the result on the space provided on line 16 of this schedule

6 Amount from line 15 of Schedule M1CWFC

7 Multiply step 5 by step 6. Enter the result on line 16 of Schedule M1CWFC and on line 2 of Schedule M1REF

Advance Payment for 2025

You may elect to receive advance payment of your 2025 Child Tax Credit by checking the box at the top of Schedule M1CWFC. You must be eligible for a child tax credit in 2024 to receive advance payments for 2025. If you receive advance payments, you may have to repay the advances. See **Reconciliation of advance payments** for more information.

If you elect to receive advance payments you:

- Are eligible to claim a 2025 Minimum Credit (See Tax Year 2025 Minimum Credit for more information)
- Must file a 2025 income tax return even if you are not required to file a Minnesota return
- Must file a 2025 income tax return even if you no longer have qualifying children for the child tax credit

If you elect to receive advance payments of your 2025 child tax credit you must file a 2025 income tax return.

You may elect to receive advance payments if both of these are true:

- You file your original return on or before April 15
- You have qualifying children under the age of 17 at the end of 2024

If you are eligible and elect to receive the advance payments, the payments will begin after July 1. The payments will be made in three equal amounts. For more information about advance payments go to revenue.state.mn.us.

Amending your return

You cannot elect to receive advance payments on an amended return if you did not already elect to receive advance payments on your original return. If you amend your income tax return and there is a change to your child tax credit, you will no longer receive advance payments of your 2025 child tax credit.

Supplemental Nutrition Assistance Program (SNAP) recipients

SNAP benefits or eligibility for benefits may be impacted if you received advance payments of your Child Tax Credit. If you choose to receive the Child Tax Credit with your return during tax filing season, it will not impact your eligibility or benefit amount for SNAP. For more information, contact the SNAP center at the Minnesota Department of Children, Youth, and Families at 1-800-657-3698 or online at dcyf.mn.gov/snap-ctc.

Tax Year 2025 Minimum Credit

If you receive advance payments of your 2025 credit, you may be eligible for the Minimum Credit on your 2025 return. The Minimum Credit is based on 50% of your 2024 child tax credit but reduced if you have fewer qualifying children for the child tax credit in 2025 than you had in 2024. For more information on the Minimum Credit, go to revenue.state.mn.us.

Deposit information

If you want the advance payments for your 2025 Child Tax Credit by direct deposit, provide the bank routing and account information.

The routing number must have nine digits. The account number may contain up to 17 digits, which includes numbers and letters. Leave out any hyphens, spaces, or symbols. If the routing or account number is incorrect or is not accepted by your financial institution, we will send your refund as a paper check. We may also issue your refund by check if we adjusted your return or recaptured part of your refund to pay a debt you owe. You must use an account not associated with any foreign banks.

By completing line 24, you are authorizing us and your financial institution to initiate electronic credit entries and, if necessary, debit entries and adjustments for any credits made in error.

If you do not check the box, or enter bank account information, you will receive advance payments by check.

Reconciliation of advance payments

If you elect to receive advance payments of your 2025 child tax credit, you must file a 2025 Minnesota income tax return and compare the payments you received to your eligible credit. If the total advance payments you received are greater than the total credit you are eligible for, you will have to repay the excess payment amount. The excess will be added to your tax due for the year and will reduce your refund or increase your tax liability.

For example, you may have to repay some or all of your advance payments of your child tax credit on your 2025 income tax return if:

- You have fewer qualifying children on your 2025 return
- You are no longer eligible for the 2025 Minimum Credit
- Your advance payments exceed your 2025 tax refund
- You were a full-year resident in 2024 and became a part-year or non-resident in 2025

For more information on reconciliation of advance payments, go to revenue.state.mn.us.



2024 Schedule M1QPEN, Qualified Public Pension Subtraction

Before you complete this schedule, read the instructions on the next page.

_____ Your First Name and Initial	_____ Last Name	_____ Social Security Number
_____ Your Pension Administrator	_____ Payer TIN (found on federal Form 1099-R)	

You may qualify for this subtraction if all of these are true:

- You receive payments or survivor benefits from a qualified public pension plan
- Your payments are taxable on your federal return
- Your income is below a certain threshold based on your filing status (*see the table in the instructions*)
- Your payments are not based on service for which Social Security benefits were also earned

☐ **Qualified Pension Plan:** Check this box if you are receiving taxable payments from a qualified public pension plan listed in the instructions

Membership Type: Check the boxes that apply to your pension plan membership (*see instructions*):

- ☐ **Basic Member:** You were a basic member of the pension plan
- ☐ **Coordinated Member:** You were a coordinated member of the pension plan
- ☐ **Basic to Coordinated Member Conversion:** You were a basic member of the pension plan who was converted to a coordinated member during your service

Qualified Public Pension Plan

1 Enter your total qualified public pension plan payments included in adjusted gross income 1 ■ _____

2 Enter \$13,170 (\$26,340 if Married Filing Jointly or Qualifying Surviving Spouse) 2 ■ _____

3 Enter the lesser of line 1 or line 2 3 ■ _____

4 Enter your adjusted gross income from line 1 of Form M1 4 ■ _____

5 Enter the amount for your filing status: 5 ■ _____
 Married Filing Jointly or Qualifying Surviving Spouse: \$105,380
 Single or Head of Household: \$82,190
 Married Filing Separately: \$52,690
If line 4 is less than or equal to line 5, skip lines 6 through 9 and enter the amount from line 3 on line 10.

6 Subtract line 5 from line 4 6 ■ _____

7 Divide line 6 by 2,000. Round up to the nearest whole number 7 ■ _____

8 Multiply line 7 by 10% (.1). Enter the result as a decimal 8 ■ _____

9 Multiply line 8 by line 3 9 ■ _____

10 Subtract line 9 from line 3 and enter the result here and on line 29 of Schedule M1M
 (if zero or less, enter 0. You do not qualify for this subtraction) 10 ■ _____



2024 Schedule M1QPEN Instructions

Do I qualify?

You may qualify for this subtraction if all of these are true:

- You receive payments or survivor benefits from a qualified public pension plan
- Your payments are taxable on your federal return
- Your income is below a certain threshold based on your filing status
- Your payments are not based on service for which Social Security benefits were also earned

Qualified pension plan: A public pension that is specifically listed in the table below where contributions were made by a basic member. Check the Qualified Pension Plan box if you received taxable payments from one of the listed pension plans. You are not eligible for the subtraction if all payments were not included in adjusted gross income.

Basic member: An individual who contributed to the pension without contributing to Social Security at the same time. If you contributed to the pension without receiving credit toward Social Security for the same service, check the Basic Member box. If you received survivor benefits based on a pension earned by a basic member, check this box as if you were the basic member. Recipients of the federal Civil Service Retirement System (CSRS) pension are considered basic members for the purposes of this schedule.

Coordinated member: An individual who contributed to a pension and Social Security at the same time. If you contributed to the pension while receiving credit toward Social Security for the same service, check the Coordinated Member box. If you received survivor benefits based on a pension earned by a coordinated member, check this box as if you were the coordinated member. Coordinated members are not eligible for the Qualified Public Pension Subtraction unless they were converted from a basic member to a coordinated member during their service. The coordinated member may be eligible for the Social Security Subtraction (see Schedule M1M, Income Additions and Subtractions). Recipients of the Federal Employees Retirement System (FERS) pension are considered coordinated members for the purposes of this schedule.

Basic to Coordinated Member Conversion: A pension member whose service began as a basic member may have been converted to a coordinated member during their career. The table below lists dates when these conversions occurred based on their pension plan. If you were converted from a basic member to a coordinated member of the pension plan during your service, check the Basic to Coordinated Member Conversion box. If you received survivor benefits based on a pension earned by the converted pension member, check this box as if you were the pension member. Converted members must complete the Worksheet for Line 1, found later in these instructions, when computing the subtraction.

The table below lists each qualified public pension and the date when basic members were converted to coordinated members:

Qualified Public Pension	Basic to Coordinated Member Conversion Date
Public Employee Retirement Association (PERA)	January 1, 1968
Public Employees Police and Fire	All are basic members (no conversion date)
Teachers' Retirement Association (TRA)	January 1, 1960
St. Paul Teachers Retirement Fund	July 1, 1978
State agency law enforcement retirement fund	All are basic members (no conversion date)
Local Government Correctional Service Retirement Plan	April 1, 2004
Legislators plan	January 1, 2000
Federal government retirement plan	January 1, 1984
Plans administered by another state or its political subdivisions or the District of Columbia where payments are based on service for which Social Security was NOT earned.	Contact your pension plan administrator

Note: If your public pension was absorbed by a pension plan administrator listed above, you may still be eligible for the subtraction. Complete Schedule M1QPEN and attach a letter from your current pension plan administrator documenting the name of the old pension administrator, when the new administrator took over your pension plan, whether you contributed to Social Security based on the same service, and when you were converted from a basic member to a coordinated member (if applicable).

Income Limits

If your Adjusted Gross Income (AGI) is greater than the amount below based on your filing status, you do not qualify for this subtraction.

Filing Status	AGI Eligibility Limit
Single	\$101,190
Head of Household	\$101,190
Married Filing Jointly	\$124,380
Qualifying Surviving Spouse	\$124,380
Married Filing Separately	\$71,690

Line Instructions

Line 1 — Qualified Public Pension Plan Payments

Include your total qualified public pension plan payments that were included in adjusted gross income. If your pension was not federally taxable, you do not qualify for the subtraction. If only a portion of your pension was federally taxable, include only the federally taxable portion on line 1. If you receive multiple qualified public pensions, include all taxable qualified public pension payments on line 1. If you are filing by paper and receive multiple qualified public pensions, include a separate statement listing the name of each pension administrator, their payer TIN number (found on Form 1099-R), and the amount of the qualified payments added to line 1 of this schedule.

If you were converted from a basic member to a coordinated member during your service, you must complete the worksheet below.

Worksheet for Line 1

- 1 Enter the number of months you contributed to the qualified public pension plan _____
- 2 Enter the number of months you contributed to **only** the qualified public pension plan and **not** Social Security (see the first table in the instructions for relevant dates) _____
- 3 Divide step 2 by step 1. Enter the result as a decimal (carry to five decimal places). _____
- 4 Enter your federally taxable payments received from the qualified public pension in 2024 _____
- 5 Multiply step 3 by step 4. Include this amount on line 1 of Schedule M1QPEN _____

Note: If you are receiving pension payments as a survivor benefit, complete the worksheet as if you were the member who contributed to the pension.

Line 1 example scenario 1: An employee worked for the federal government as a mechanic for 32 years (384 months), during which they contributed to a federal government retirement plan. In four of those years (48 months), they paid into only their pension as a basic member. In the remaining 28 years (336 months), they paid into both their pension and Social Security as a coordinated member. They received federally taxable pension income of \$10,000 from their qualified retirement plan. They take 48 months of pension payments and divide it by the total 384 months to get 0.125. Then, they multiply this percentage by \$10,000 to get \$1,250. They will use this amount on line 1 of Schedule M1QPEN when computing their subtraction amount.

Line 1 example scenario 2: An employee worked as a corrections officer while contributing to the Local Government Correctional Service Retirement Plan until they retired in 2002. They were a basic member for their entire length of service, retiring before they would have been converted to a coordinated member in 2004. Their spouse worked as a firefighter while contributing to the Public Employees Police and Fire plan until they retired in 2003. They were also a basic member for their entire length of service. Both spouses received taxable payments from their respective qualified public pension plans in 2024. The retired corrections officer received \$50,000 in taxable qualified pension payments, and the firefighter received \$30,000 in taxable qualified pension payments. They will use \$80,000 on line 1 of Schedule M1QPEN when computing their subtraction amount.

Questions?

Forms and information are available on our website at www.revenue.state.mn.us.

If you have questions:

- Visit our website at www.revenue.state.mn.us and enter **Public Pension Subtraction** into the Search box
- Send us an email at individual.incometax@state.mn.us
- Call us at 651-296-3781 or 1-800-652-9094



2024 Schedule M1RENT Instructions

Purpose of this Schedule

Use this schedule to determine the amount of your renter's credit for 2024. If you are claiming the dependent subtraction on line 7 of this schedule, you must also complete Schedule M1DQC, Dependents and Qualifying Children.

What's new?

Beginning with tax year 2024, renters will no longer use Form M1PR to claim a property tax refund for renters. The maximum credit is \$2,640. You may qualify for a refund if your household income is below \$75,390.

Household income for the renter's credit is your adjusted gross income minus subtractions for:

- Those over 65 or disabled.
- Dependents claimed on Schedule M1DQC

If you are a part-year resident, household income only includes adjusted gross income received while a Minnesota resident. If you are married filing separately, your household income includes your spouse's income while you were married and living together.

What if I did not get a CRP (Certificate of Rent Paid) from my property owner or their managing agent by February 1st?

Contact your property owner or the managing agent to request a CRP. If they do not provide a CRP, contact us.

What if my CRP is incorrect?

Request a corrected CRP from your property owner or managing agent. If they do not provide a corrected CRP, contact us.

Am I eligible?

You must be a full year or part year resident to qualify for the renter's credit. You must have lived in a building where either property taxes were payable in 2024 or payments in lieu of property taxes (such as special assessments) were payable in 2024. If you are not sure if either of these apply, contact your building manager or county treasurer's office.

You do not qualify if you were or could be claimed as a dependent. You are a dependent if any of these are true:

- You can be claimed on someone's 2024 income tax return
- You lived with a parent, grandparent, sibling, aunt, or uncle for more than half of the year, and both of these apply:
- You were under age 19 at the end of the year (24, if a full-time student) or any age if totally and permanently disabled during the year
- You did not provide more than 50% of your own support
- You had gross income of less than \$5,050 in 2024 and had more than 50% of your support provided by one of these:
 - A person you lived with for the entire year
 - A parent, grandparent, child, grandchild, aunt, uncle, sibling, niece, or nephew

Mobile Home Homeowners

If you owned a mobile home and paid rent for a lot, use Form M1PR to claim a property tax refund for homeowners. Do not use Schedule M1RENT. If you rented the mobile home and also paid lot rent, you may claim renter's credit using this schedule.

Residents of a nursing home or adult foster care facility

Check the box at the top of this schedule, if the nursing home or adult foster care boxes. If your CRP includes medical assistance and you checked the box at the top of this schedule, you must complete lines 13 through 16 of this schedule to determine the amount of your credit.

Filing Situations

If you	And	Then
Were a nonresident the entire year		You are not eligible for this credit
Were a part year resident of Minnesota		File using your adjusted gross income for the period you lived in Minnesota. If you were married, also include your spouse's income for the period you lived in Minnesota. See instructions for line 4.
Are married and filing a joint return	Lived together the entire year	Include your adjusted gross income from line 1 of Form M1 and all your CRPs.
Are married and filing separately	Lived together the entire year	Only one of you may claim the credit and must use your combined rent amount and combined adjusted gross income.
	Lived separately the entire year	You may each claim a credit using only your rent and your own income.
	Lived together only part of the year	Only one of you may claim the rent for the time you both lived together and you must include the income you both received during the time you lived together.
Divorced or separated during the year	Lived with your spouse for part of the year	Only one of you can claim the rent for the time you were married and living together, and you must include both of your incomes.
Lived with a roommate	Paid rent	Your property owner or managing agent must give each of you a separate CRP showing that you both paid an equal portion of the rent. This is true regardless of the portion you actually paid or the names on the lease. Include only your income when filing for the credit.

Were both a renter and a homeowner during the year	You owned and lived in your home for part of 2024, but not on January 2, 2025	You may only claim the renter's credit.
	You rented during 2024 and then owned and lived in your home on January 2, 2025	You can claim a property tax refund for homeowners using Form MIPR and claim a renter's credit using this schedule and Form M1.
Lived in a nursing home, adult foster care, intermediate care, assisted living, or group home	The property is exempt	You are not eligible for this credit.
	The property is nonexempt	<p>If you paid all of your rent with your own funds, you are eligible for the credit as a renter. If you lived in a nursing home or adult foster care, check the box at the top of Schedule MIRENT.</p> <ul style="list-style-type: none"> • If all of your rent was paid for by Medical Assistance (Medicaid), SSI, MSA, or Minnesota Housing Support, you are not eligible for this credit. • If only part of your rent was paid for by these programs, you may be eligible for a refund. • Check the box at the top of the Schedule MIRENT for nursing home or adult foster care resident. <p>If one spouse lived in a care facility and the other spouse lived elsewhere, but you are filing a joint return, you may only file one Schedule MIRENT. You may only claim the credit for one rental unit using one spouse's CRP and income. Enclose an explanation if line 1 of this schedule is not the same as line 1 of Form M1.</p>
Paid rent for more than one unit for the same months		Use the Worksheet for Multiple CRPs on line 10.
Received a CRP that divided the rent you paid between you and your dependent	Your dependent received a CRP with a portion of the rent for the same rental unit	Include rent amount from your adult dependent's CRP on line 10. Provide an explanation with your return.

Is there a penalty for fraudulently claiming a refund?

Yes. If you file a return that fraudulently claims a credit that results in a refund, you may be assessed a penalty equal to 50% of the portion of the refund attributable to fraud. If a fraudulently claimed credit reduced your tax liability, you may also be assessed a penalty equal to 50% of the unpaid tax.

Line Instructions

Round amounts to the nearest whole dollar.

Line 1

Enter your adjusted gross income from line 1 of Form M1.

Line 2

If your filing status is married filing separately, check the box above line 1 and enter your spouse's adjusted gross income for the time they lived with you on line 2.

Line 4

If you were a part-year resident, enter the amount from line 1 that you received while you were a nonresident of Minnesota.

Line 6 – Subtraction for those born before January 2, 1960, or disabled

You are considered to be disabled if you were certified as disabled by the Social Security Administration on or before December 31, 2024. If you were not certified, you may still qualify as disabled if, during 2024, you were unable to work for at least 12 consecutive months because of a disability, or you are blind. You are considered to be blind if you cannot see better than 20/200 in your better eye with corrective lenses or your field of vision is not more than 20 degrees. This subtraction does not apply to dependents. Do not enter more than \$5,050. The subtraction amount is the same even if you and your spouse are over 65 or disabled. Check the appropriate box under line 6.

Line 7 – Dependent Subtraction

If you claimed dependents on Schedule M1DQC, use the table below to determine the amount to enter on line 7 of this schedule. Use the number of boxes checked on Row 6 of Schedule M1DQC for column one of this table.

If the number of dependents is	Enter on line 7
0	0
1	\$7,070
2	\$13,635
3	\$19,695
4	\$25,250
5 or more	\$30,300

Line 10 – Total rent from CRPs

If you lived in one rental unit during 2024, enter the amount from line 3 of your CRP on line 10.

If you lived in more than one rental unit during 2024, complete the Worksheet for Multiple CRPs to determine the amount to enter on line 10. Do not file a separate Schedule MIRENT for each CRP. You may only use the rent amount for the time you actually lived in a rental unit to determine the credit. If you rented your mobile home and rented a mobile home lot, include both CRPs with your return. Do not enter an amount on line 10 greater than the total amount of rent reported on your CRPs.

If you lived in a nursing facility, your rent amounts are limited to \$630 per month. If you lived in an adult foster care home, your rent amount is limited to \$980 per month.

If you have adult dependents who received a CRP for a portion of the rent you paid, combine the amount on line 3 of their CRP with the amount on line 3 of your CRP. Enter the total on line 10.

You must include copies of your CRP(s) when you file Schedule MIRENT.

Worksheet for Multiple CRPs
1 For each CRP, divide line 3 by the number of months you paid rent for the unit
2 Multiply step 1 by the number of months you lived in the unit
3 Add the results from step 2 for each CRP
4 Combine the total of all rent paid from your CRPs
5 Enter the lesser of step 3 or 4 here and on line 10 of this schedule

Line 12 – Refund amount from table

Use the amounts from lines 9 and 11 to find the amount to enter from the table. If you had an amount for medical assistance or received housing support, continue to line 13 after completing line 12; otherwise, enter the amount from line 12 on Line 4 of Schedule M1REF.



2024 Form M1PR, Homestead Credit Refund

<hr/> Your First Name and Initial		<hr/> Last Name		<hr/> Your Social Security Number		<hr/> Your Date of Birth (MM/DD/YYYY)	
<hr/> If a Joint Return, Spouse's First Name and Initial		<hr/> Spouse's Last Name		<hr/> Spouse's Social Security Number		<hr/> Spouse's Date of Birth	
<hr/> Current Home Address				Check if Address is: New <input type="checkbox"/> Foreign <input type="checkbox"/>			
<hr/> City		<hr/> State		<hr/> ZIP Code		Check if Mobile Home Owner <input type="checkbox"/>	
<hr/> Property ID Number				<hr/> County where property is located			

State Elections Campaign Fund: To grant \$5 to this fund, enter the code for the party of your choice. It will help candidates for state offices pay campaign expenses. This will not increase your tax or reduce your refund.

		Political Party Code Numbers:			
<hr/> Your Code	<hr/> Spouse's Code	Republican 11	Grassroots/Legalize Cannabis 14	Legal Marijuana Now 17	
		Democratic/Farmer-Labor . . . 12	Libertarian 16	General Campaign Fund 99	

1 Federal adjusted gross income (from Line 1 of Form M1, see instructions if you did not file Form M1) **1** ■

2 Nontaxable Social Security and/or Railroad Retirement Board benefits (see instructions) **2** ■

3 Deduction for contributions to a qualified retirement plan on federal Schedule 1 (see instructions) **3** ■

4 Total government assistance payments (see instructions) **4** ■

5 Co-occupant Income (from line 13 of Worksheet 5 - Co-occupant Income. If negative, enter as a negative) **5** ■

6 Additional Nontaxable Income. Add the amounts on column B below (see instructions) **6**

A — Type of Income	B — Income Amount
a1 <hr/>	b1 <hr/>
a2 <hr/>	b2 <hr/>
a3 <hr/>	b3 <hr/>

7 Add lines 1 through 6 **7**

8 Subtraction for 65 or older (born before January 2, 1960) or disabled:
If you (or your spouse if filing a joint return) are age 65 or older or are disabled, enter \$5,050: **8** ■

Check the box if you or your spouse are: ☐ A) 65 or Older ☐ (B) Disabled

9 Dependent Subtraction: Enter your subtraction for dependents (use worksheet in instructions) **9** ■

Number of dependents:

Names and Social Security numbers:

10 Retirement Account Subtraction (see instructions) **10** ■

11 Total other subtractions (see instructions) **11** ■

Subtraction type

12 Add lines 8 through 11 **12**



13

Subtract line 12 from line 7

13

14

Property tax from line 1 of Statement of Property Taxes Payable in **2025**

14

■

15

If claiming the special refund, enter amount from line 13 of Schedule M1PR-SR (see instructions)

15

■

16

Subtract line 15 from line 14 (if result is zero or less, leave blank)

16

17

Homestead Credit Refund (see instructions)

17

18

Add lines 15 and 17.

18

■

19

Nongame Wildlife Fund contribution. Your refund will be reduced by this amount

19

■

20

Your Refund. Subtract line 19 from line 18. Continue to line 21.

20

■

21

Direct deposit of your refund (you must use an account not associated with a foreign bank):

☐ Checking

☐ Savings

Routing Number

Account Number

Taxpayer: I declare that this return is correct and complete to the best of my knowledge and belief.

Your Signature	Spouse's Signature (If Filing Jointly)	Date (MM/DD/YYYY)	Daytime Phone
Paid Preparer's Signature	Date (MM/DD/YYYY)	PTIN or VITA/TCE # (required)	Preparer's Daytime Phone

☐ I authorize the Minnesota Department of Revenue to discuss this tax return with the preparer.

Mail to: Minnesota Property Tax Refund, Mail Station 0020, 600 Robert St. N., St. Paul, MN 55146-0020



2024 Schedule M1PR-SR, Special Refund

Complete Schedule M1PR-SR, *Special Refund*, to calculate your 2024 special refund. To qualify, you must have owned and lived in the homestead reported on Form M1PR both on January 2, 2024, and on January 2, 2025. The instructions for this schedule are in the 2024 Form M1PR instructional booklet.

Your First Name and Initial

Last Name

Your Social Security Number

- 1 Line 1 of Statement of Property Taxes Payable in 2025. If the Statement does not list an amount for new improvements or expired exclusions, skip lines 2 and 3 and enter this amount on line 4. **1** ■ _____
- 2 If the Statement lists an amount for new improvements or expired exclusions, complete and enclose Worksheet 3 from the instructions and enter the percentage from Step 3 here. **2** ■ _____
- 3 Multiply line 1 by the percentage on line 2. **3** _____
- 4 If you did not have new improvements or expired exclusions, enter the amount from line 1.
If you had new improvements or expired exclusions, subtract line 3 from line 1 **4** _____
- 5 From your Statement of Property Taxes Payable in 2025, enter the amount from line 2 (2024 column).
If there is no amount on line 2, see instructions **5** ■ _____
- ☐ Disabled Veterans Homestead Exclusion (*see instructions*)
- 6 Special refund (not your regular refund) from line 20 of your 2023 Form M1PR. **6** ■ _____
- 7 Subtract line 6 from line 5 (*If result is a negative number or more than line 4, STOP HERE; you are not eligible for the special refund*) **7** _____
- 8 Subtract line 7 from line 4 (*if result is less than \$100, STOP HERE; you are not eligible for the special refund*) **8** _____
- 9 Multiply line 7 by 12% (.12) **9** _____
- 10 Amount from line 9 or \$100, whichever is greater. **10** _____
- 11 Subtract line 10 from line 8 (*if result is zero or less, STOP HERE; you are not eligible for this special refund*) . **11** _____
- 12 Multiply line 11 by 60% (.60) **12** _____
- 13 **Special Refund.** Amount from line 12 or \$1,000, whichever is less.
Enter the amount here and on line 15 of this Form M1PR. **13** _____

You must include this schedule with your Form M1PR when you are claiming this special refund.



2024 Schedule M1PR-SR Instructions

Do I qualify?

If you are a homeowner, you may be eligible for a special property tax refund. This refund has no income limit, and the maximum special refund is \$1,000.

You may qualify if all of these are true:

- You owned and occupied your home on January 2, 2024 and January 2, 2025
- Your net property tax on your homestead increased by more than 12% from 2024 to 2025
- The increase was at least \$100.
- If you are otherwise allowed to claim the regular homestead credit refund, unless you were ineligible because your income was too high (see instructions for Form M1PR, Homestead Credit Refund).

The special refund is 60% of the amount of tax paid that exceeds the 12% increase, up to \$1,000.

The special refund does not have an income limit.

If you are filing Form M1PR only for the special refund, complete this schedule and lines 15 and 18-21 of Form M1PR.

Line Instructions

Line 2

If you have new improvements or expired exclusions in the 2025 column of your property tax statement, complete Worksheet 3 in the Form M1PR instructions to determine line 2. You cannot use the increase in your property tax from the value of the new improvements or expired exclusions when computing the special refund. The amount listed on your statement for new improvements/expired exclusions may include construction of a new building, an addition, or an improvement to an existing home.

Line 5

Enter line 2 (2024 column) of your Statement of Property Taxes Payable in 2025. If there is no amount on line 2, use line 5 (2024 column) of the statement. If there is no amount on line 2 or line 5 (or both are zero) **and** you received the Homestead Exclusion for Veterans with a Disability, check the box below line 5 and enter "0" on line 5.

Line 6

Enter the special refund amount from line 20 of your 2023 Form M1PR. If we changed the amount, use the correct amount. Leave line 6 blank if you did not receive a special refund on your 2023 Form M1PR. Do not use the amount of your regular homeowner refund from line 22 of your 2023 Form M1PR.

Special Situations

If you rented out part of your home or used it for business, complete Worksheet 2 in the Form M1PR instructions. Compare the percentages you used for 2023 and 2024, and follow these instructions to determine the amounts to list on the appropriate lines of Schedule M1PR-SR:

- If you used the same percentage for both years:
 - Line 1: Enter step 3 of Worksheet 2
 - Line 5: Enter step 3 of Worksheet 2 of the 2023 Form M1PR instructions
- If in 2024 you used a higher percentage for your home than you did in 2023:
 - Line 1: Multiply line 1 of your 2025 Statement of Property Taxes Payable by the percentage used as your home in 2023 (from step 2 of Worksheet 2 of the 2023 Form M1PR instructions)
 - Line 5: Enter step 3 of Worksheet 2 of the 2023 Form M1PR instructions
- If in 2024 you used a lower percentage for your home than you did in 2023:
 - Line 1: Enter step 3 of Worksheet 2
 - Line 5: Multiply line 2 of your 2025 Statement of Property Taxes Payable by the percentage used for your home in 2024 (from step 2 of Worksheet 2)
 - Line 6: Multiply line 20 of your 2023 return by the percentage used for your home in 2024