



2026 ETP, Employer Transit Pass Credit

For C corporations, S corporations, partnerships, sole proprietors, fiduciaries and tax-exempt nonprofit organizations.

Name of Employer	FEIN	Minnesota Tax ID
NAME OF EMPLOYERXXXXXXXXXXXXXXXXXXXXXXX	123456789	123456789

You must round amounts to nearest whole dollar.

1	Original cost to employer of passes sold or given to employees	1	123456789
2	Total amount you charged employees for passes	2	123456789
3	Subtract line 2 from line 1	3	123456789
4	Multiply line 3 by 30% (0.30). This is the amount of your credit	4	123456789

If you're a: Include credit on:

- C corporation Form M4T, line 20
- S corporation Form M8, line 7*
- Partnership Form M3, line 6*
- Sole proprietor Schedule M1C, line 5
- Fiduciary Form M2, line 23 (the credit cannot exceed Form M2, line 15)
- Tax-exempt organization Form M4NPI, line 4a

*Remaining credit may be passed through to partners and shareholders.

Instructions

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

To qualify:

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

The credit is equal to 30% of the difference between the price you pay for the passes and the price you charge employees. It is not refundable and can only be applied to your current tax liability.

Enclose this schedule when you file your Minnesota return.