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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 285

01/25/2021 Authored by Akland, Gruenhagen, Heinrich, Koznick, Daniels and others  
The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act  
1.2 relating to taxation; individual income; expanding the long-term care insurance  
1.3 credit; amending Minnesota Statutes 2020, section 290.0672, subdivision 2.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. Minnesota Statutes 2020, section 290.0672, subdivision 2, is amended to read:

1.6 Subd. 2. **Credit.** A taxpayer is allowed a credit against the tax imposed by this chapter  
1.7 for long-term care insurance policy premiums paid during the tax year. The credit for each  
1.8 policy equals ~~25 percent~~ the amount of premiums paid to the extent not deducted in  
1.9 determining taxable net income. A taxpayer may claim a credit for only one policy for each  
1.10 qualified beneficiary. A maximum of ~~\$100~~ \$250 applies to each qualified beneficiary. The  
1.11 maximum total credit allowed per year is ~~\$200~~ \$500 for married couples filing joint returns  
1.12 and ~~\$100~~ \$250 for all other filers. For a nonresident or part-year resident, the credit  
1.13 determined under this section must be allocated based on the percentage calculated under  
1.14 section 290.06, subdivision 2c, paragraph (e).

1.15 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
1.16 31, 2020.