

SENATE
STATE OF MINNESOTA
NINETY-FIRST SESSION

S.F. No. 3565

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DATE
02/24/2020

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Introduction and first reading
Referred to Taxes

OFFICIAL STATUS

- 1.1 A bill for an act
- 1.2 relating to taxation; individual income; expanding the student loan credit; amending
- 1.3 Minnesota Statutes 2018, section 290.0682, subdivision 2.
- 1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.5 Section 1. Minnesota Statutes 2018, section 290.0682, subdivision 2, is amended to read:
- 1.6 Subd. 2. **Credit allowed.** (a) An eligible individual is allowed a credit against the tax
- 1.7 due under this chapter.
- 1.8 (b) The credit for an eligible individual equals the least of:
- 1.9 (1) eligible loan payments minus ten percent of an amount equal to adjusted gross income
- 1.10 in excess of \$10,000, but in no case less than zero;
- 1.11 (2) the earned income for the taxable year of the eligible individual, if any;
- 1.12 (3) the sum of:
- 1.13 (i) the interest portion of eligible loan payments made during the taxable year; and
- 1.14 (ii) ten percent of the original loan amount of all qualified education loans of the eligible
- 1.15 individual; or
- 1.16 (4) ~~\$500~~ \$1,000.
- 1.17 (c) For a part-year resident, the credit must be allocated based on the percentage calculated
- 1.18 under section 290.06, subdivision 2c, paragraph (e).
- 1.19 (d) In the case of a married couple, each spouse is eligible for the credit in this section.

- 2.1 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
- 2.2 31, 2019.