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**Senate**

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**State of Minnesota**

**S.F. No. 3572 – Education credit income measurement modification  
(as proposed to be amended by the A-1 amendment)**

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This bill modifies the measure of income used to calculate the refundable credit for K-12 education expenses. Currently, credit equals 75 percent of eligible expenses, up to \$1,000, multiplied by the number of qualifying children in grades K-12 in the family. The credit is phased out by \$1 for each \$4 of household income over \$33,500 for families with one qualifying child, and by \$2 for each \$4 of household income for families with two or more qualifying children. “Household income” is defined as federal adjusted gross income (FAGI) plus nontaxable income. This bill removes household income as the income measure and uses FAGI, and repeals the definition of “household income,” as it is no longer necessary.

Effective beginning in tax year 2022.