

1.1 Senator ..... moves to amend the delete-everything amendment (SCH0670A17)  
1.2 to H.F. No. 670 as follows:

1.3 Page 72, after line 21, insert:

1.4 "ARTICLE 3

1.5 **2023 ADVANCE PAYMENT AND ONE-TIME REFUNDABLE CREDIT**

1.6 Section 1. **2023 ADVANCE PAYMENT AND ONE-TIME REFUNDABLE CREDIT.**

1.7 Subdivision 1. Credit allowed; eligibility. (a) An individual is allowed a credit against  
1.8 the tax imposed under Minnesota Statutes, chapter 290. The credit equals \$205 for an  
1.9 individual who files an income tax return as a single person or as a married person who  
1.10 files a married filing separate income tax return and \$510 for all other income tax filers.

1.11 (b) For an individual, or a married couple filing a joint income tax return, with a  
1.12 dependent, as defined in sections 151 and 152 of the Internal Revenue Code, the credit is  
1.13 increased by \$41 per dependent up to a maximum additional credit of \$123.

1.14 (c) The maximum combined credit under this subdivision is \$328 for an individual who  
1.15 files an income tax return as a single person or as a married individual who files a married  
1.16 filing separate income tax return and \$633 for all other income tax filers.

1.17 (d) The credit is not available to an individual who:

1.18 (1) is not a resident of Minnesota, as defined in Minnesota Statutes, section 290.01,  
1.19 subdivision 7, during any part of 2023;

1.20 (2) is a dependent, as defined in sections 151 and 152 of the Internal Revenue Code, for  
1.21 2023; and

1.22 (3) has adjusted gross income, as defined in Minnesota Statutes, section 290.01,  
1.23 subdivision 21a, for 2023 greater than:

1.24 (i) \$75,000 for an individual who files an income tax return as a single person or as a  
1.25 married person who files a married filing separate income tax return; and

1.26 (ii) \$150,000 for all other income tax filers.

1.27 (e) For an individual who was a Minnesota resident for only part of 2023, or for a married  
1.28 couple filing a joint return where one or both individuals were Minnesota residents for only  
1.29 part of 2023, the credit equals the credit allowed under paragraph (a) times the percentage  
1.30 calculated under Minnesota Statutes, section 290.06, subdivision 2c, paragraph (e).

2.1 (f) If the amount of the credit under this subdivision exceeds the individual's or the  
2.2 married couple's liability for tax under Minnesota Statutes, chapter 290, the commissioner  
2.3 shall refund the excess to the taxpayer.

2.4 (g) The credit applies to taxable years beginning after December 31, 2022, and before  
2.5 January 1, 2024.

2.6 Subd. 2. **Advance payment of credit.** (a) The commissioner of revenue may issue a  
2.7 taxpayer an advance payment of the credit provided in subdivision 1. To be eligible for an  
2.8 advance payment, the commissioner must reasonably believe the taxpayer will be eligible  
2.9 for the credit, and the taxpayer must have filed, before January 1, 2023:

2.10 (1) an individual income tax return for tax year 2021; or

2.11 (2) a property tax refund return under Minnesota Statutes, chapter 290A, based on  
2.12 property taxes payable in 2022 or rent constituting property taxes paid in 2021.

2.13 (b) The commissioner may contract with a third party to implement all or part of the  
2.14 payment process.

2.15 (c) The commissioner must not issue an advance payment to any taxpayer who:

2.16 (1) was not a resident of Minnesota on December 31, 2021;

2.17 (2) was a dependent, as defined in sections 151 and 152 of the Internal Revenue Code,  
2.18 for 2021;

2.19 (3) had adjusted gross income, as defined in Minnesota Statutes, section 290.01,  
2.20 subdivision 21a, for 2021 greater than (i) \$100,000 for married taxpayers filing a joint  
2.21 return, heads of household, and surviving spouses; or (ii) \$50,000 for all other filers; or

2.22 (4) died before January 1, 2023.

2.23 (d) The advance payment under this section shall be paid by the commissioner of revenue  
2.24 based on information available in the commissioner's records, and individuals are not  
2.25 required to file a claim with the commissioner. The decision of the commissioner to not  
2.26 make an advance payment to a taxpayer is not appealable.

2.27 (e) The commissioner of revenue must make a joint advance payment to individuals  
2.28 who filed a joint income tax return for 2021. If individuals who receive a joint advance  
2.29 payment do not file a joint tax return with each other for 2023, each spouse is deemed to  
2.30 have received an advance payment equal to one-half of the joint payment.

3.1 Subd. 3. **Payments to taxpayers who do not receive an advance payment.** (a) A  
3.2 taxpayer may claim any amount of unpaid credit on an individual income tax return for  
3.3 2023 if the taxpayer was eligible for:

3.4 (1) the credit under subdivision 1 and did not receive an advance payment under  
3.5 subdivision 2; or

3.6 (2) the additional credit under subdivision 1, paragraph (a), clause (2), and did not receive  
3.7 an advance payment for the full amount of the credit.

3.8 (b) The credit allowed to a taxpayer under this subdivision is reduced by any advance  
3.9 payment received under subdivision 2. The credit allowed for married taxpayers who file  
3.10 a joint return in 2023 is reduced by any advance payment received under subdivision 2 by  
3.11 either spouse.

3.12 (c) No credit under paragraph (a), clause (2), is allowed unless the TIN of the dependent,  
3.13 as defined in section 7701(a)(41) of the Internal Revenue Code, is included on the tax return  
3.14 that lists the individual as a dependent.

3.15 Subd. 4. **Repayment of advance payment.** (a) An individual or married couple who  
3.16 receives an advance payment under subdivision 2 but who does not meet eligibility for the  
3.17 credit under subdivision 1, paragraph (a), or does not meet eligibility for the amount of the  
3.18 advance payment of the credit allowed under subdivision (1), paragraph (b), must repay the  
3.19 amount of the overpayment to the commissioner of revenue. Repayment is due on April  
3.20 15, 2024.

3.21 (b) All provisions not inconsistent with this section under Minnesota Statutes, chapters  
3.22 270C and 289A, relating to collection, audit, assessment, refunds, penalty, interest,  
3.23 enforcement, collection remedies, appeal, and administration of individual income tax apply  
3.24 to this section.

3.25 (c) The commissioner may issue an order of assessment under Minnesota Statutes,  
3.26 section 270C.33, to recover an advance payment made under subdivision 2 that is issued  
3.27 to a person not eligible for the credit. The assessment must be made within the period for  
3.28 assessing tax for the 2023 individual income tax under Minnesota Statutes, section 289A.38.

3.29 Subd. 5. **Internal Revenue Code.** References to the Internal Revenue Code in this  
3.30 section are to the Internal Revenue Code of 1986, as amended, that is in effect under  
3.31 Minnesota Statutes, section 290.01, for the taxable year to which the reference relates.

3.32 Subd. 6. **Data classification.** Data classified as nonpublic data or private data on  
3.33 individuals, including return information, as defined in Minnesota Statutes, section 270B.01,

4.1 subdivision 3, may be shared or disclosed between the commissioner of revenue and any  
4.2 third-party vendor contracted with under this section, to the extent necessary to administer  
4.3 advance payments under this section.

4.4 Subd. 7. **Advance payment not subject to set off.** The commissioner of revenue must  
4.5 not apply, and must not certify to another agency to apply, an advance payment to any  
4.6 unpaid tax or nontax debt.

4.7 Subd. 8. **Not income.** (a) An advance payment or refund of a credit under this section  
4.8 is not considered income in determining Minnesota income tax, Minnesota income tax  
4.9 credits, the Minnesota property tax refund, or the Minnesota senior citizen property tax  
4.10 deferral.

4.11 (b) Notwithstanding any law to the contrary, the advance payment or credit under this  
4.12 section must not be considered income, assets, or personal property for purposes of  
4.13 determining eligibility or recertifying eligibility for:

4.14 (1) child care assistance programs under Minnesota Statutes, chapter 119B;

4.15 (2) general assistance, Minnesota supplemental aid, and food support under Minnesota  
4.16 Statutes, chapter 256D;

4.17 (3) housing support under Minnesota Statutes, chapter 256I;

4.18 (4) the Minnesota family investment program and diversionary work program under  
4.19 Minnesota Statutes, chapter 256J; and

4.20 (5) economic assistance programs under Minnesota Statutes, chapter 256P.

4.21 (c) The commissioner of human services must not consider an advance payment or credit  
4.22 under this section as income or assets under Minnesota Statutes, section 256B.056,  
4.23 subdivisions 1a, paragraph (a); 3; or 3c, or for persons with eligibility determined under  
4.24 Minnesota Statutes, section 256B.057, subdivisions 3, 3a, or 3b.

4.25 Subd. 9. **Procurement.** The commissioner of revenue is exempt from the requirements  
4.26 of Minnesota Statutes, section 16A.15, subdivision 3; 16B.97; and 16B.98, subdivisions 5,  
4.27 7, and 8; and chapter 16C, and any other state procurement laws and procedures in  
4.28 administering this section.

4.29 Subd. 10. **Appropriation.** The amount necessary to make the advance payments and  
4.30 refunds payable under this section is appropriated to the commissioner of revenue from the  
4.31 general fund.

4.32 **EFFECTIVE DATE.** This section is effective the day following final enactment."

- 5.1 Renumber the articles in sequence and correct the internal references
- 5.2 Amend the title accordingly