

1.1 Senator ..... moves to amend S.F. No. 1754 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. [290.0687] MINNESOTA CHILD CREDIT.

1.4 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have  
1.5 the meanings given:

1.6 (1) "qualifying child" has the meaning given in section 152(c) of the Internal Revenue  
1.7 Code; and

1.8 (2) "young child" means a qualifying child of the taxpayer who has not attained the age  
1.9 of six as of the close of the calendar year in which the taxable year of the taxpayer began.

1.10 (b) The definitions in chapter 290, apply to this section.

1.11 Subd. 2. **Credit allowed.** An individual income taxpayer is allowed a credit against the  
1.12 tax imposed under chapter 290, equal to the sum of:

1.13 (1) \$3,000 for each young child of the taxpayer; and

1.14 (2) \$1,000 for each qualifying child of the taxpayer who attained the age of six but has  
1.15 not attained the age of 18 as of the close of the calendar year in which the taxable year  
1.16 began.

1.17 Subd. 3. **Credit refundable.** (a) If the amount of credit which a claimant is eligible to  
1.18 receive under this section exceeds the claimant's tax liability under this chapter, the  
1.19 commissioner shall refund the excess to the claimant.

1.20 (b) An amount sufficient to pay the refunds required by this section is appropriated to  
1.21 the commissioner from the general fund.

1.22 Subd. 4. **Advance payment of tax credits.** (a) The commissioner of revenue must allow  
1.23 taxpayers to elect to receive six periodic advance payments of the credit under this section.  
1.24 The aggregate amount of advance payments made to a taxpayer during a calendar year must  
1.25 equal the amount of the credit for which the taxpayer would be eligible in the taxable year  
1.26 ending in the calendar year based on the age of the child, disregarding any reduction in the  
1.27 credit based on the taxpayer's adjusted gross income. The commissioner must not distribute  
1.28 advance payments to a taxpayer who does not elect to receive advance payments. The  
1.29 process for applying for and distributing payments must include:

1.30 (1) a process for a taxpayer to elect to receive and cease receiving advance payments;

2.1 (2) a process for distributing advance payments to taxpayers through direct deposit,  
2.2 United States mail, or any other method deemed appropriate by the commissioner; and

2.3 (3) a process for informing taxpayers of the amount of advance payments received in  
2.4 the calendar year.

2.5 (b) The amount of a taxpayer's credit under this section for the taxable year is reduced  
2.6 by the amount of advance payments under this section.

2.7 (c) If a taxpayer's advance payments exceeded the credit the taxpayer was eligible to  
2.8 receive for the taxable year, the taxpayer's liability for tax is increased by the difference  
2.9 between the amount of advance payments received and the credit amount.

2.10 Subd. 5. Tax credit not to be considered income. (a) Notwithstanding any law to the  
2.11 contrary, tax credits under this section must not be considered income, assets, or personal  
2.12 property for purposes of determining eligibility or recertifying eligibility for:

2.13 (1) child care assistance programs under chapter 119B;

2.14 (2) general assistance, Minnesota supplemental aid, and food support under chapter  
2.15 256D;

2.16 (3) housing support under chapter 256I;

2.17 (4) the Minnesota family investment program and diversionary work program under  
2.18 chapter 256J; and

2.19 (5) economic assistance programs under chapter 256P.

2.20 (b) Notwithstanding any law to the contrary, the credit under this section is not income  
2.21 or assets for the purposes of determining eligibility for medical assistance under section  
2.22 256B.056, subdivision 1a, paragraph (a); 3; or 3c; or 256B.057, subdivision 3, 3a, 3b, 4, or  
2.23 9.

2.24 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning  
2.25 after December 31, 2022."

2.26 Amend the title as follows:

2.27 Page 1, line 2, delete "temporary" and delete "young"

2.28 Correct the title numbers accordingly