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## **S.F. No. 4007 – Study of Property Tax Reforms**

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**SF 4007** requires the Department of Revenue to submit a report related to two property tax refund programs: (1) the homestead credit refund, sometimes referred to as the “circuit-breaker,” which is income-based; and (2) the additional refund, or “targeted-refund,” which is based on percentage of property tax increase. The report must include recommendations for simplifying the process for claiming the refunds and for improving program participation. The report must evaluate the following changes to the programs:

- converting the programs to a refundable income tax credit;
- automatically applying the refunds to a taxpayer’s property tax liability; and
- modifying the measure of income used to calculate refunds.

The Department must submit the report to the legislative committees with jurisdiction over taxes and property taxes by January 15, 2025.

Effective the day following final enactment.