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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH  
SESSION

HOUSE FILE No. **477**

February 1, 2007

Authored by Tillberry, Ward, Greiling, Slocum and Gunther

The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act  
1.2 relating to taxes; income; allowing a credit for parents volunteering at child's  
1.3 school or child care; appropriating money; proposing coding for new law in  
1.4 Minnesota Statutes, chapter 290.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. **[290.0678] VOLUNTEER CREDIT.**

1.7 Subdivision 1. **Credit allowed.** (a) An individual is allowed a credit against the tax  
1.8 imposed by this chapter equal to (1) \$10 for each hour for up to 20 hours per month of  
1.9 qualifying volunteer service at the individual's child's school, or child care, plus (2) the cost  
1.10 of a background check required by the school as authorized under section 123B.03. An  
1.11 individual may only claim the credit for qualifying volunteer service certified in writing by  
1.12 the child's instructor and for background checks paid for by the individual. The maximum  
1.13 credit allowed per individual for a taxable year is \$2,400 for qualifying volunteer service  
1.14 for each of the individual's children plus up to \$25 for the cost of a background check.

1.15 (b) For a nonresident or part-year resident, the credit must be allocated based on the  
1.16 percentage calculated under section 290.06, subdivision 2c, paragraph (e).

1.17 Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have  
1.18 the meanings given.

1.19 (b) "Qualifying volunteer service" means direct involvement in classroom or child  
1.20 care educational activities, and does not include conferences or other volunteer activities  
1.21 provided at the school or child care site.

1.22 (c) "School" has the meaning given under section 120A.22, subdivision 4, except  
1.23 that "home-school" means a home-school located in Minnesota.

2.1 (d) "Child care" means a nonresidential child care center or home located in  
2.2 Minnesota and licensed under chapter 245A.

2.3 (e) "Child" means a "qualifying child" as defined in section 32(c) of the Internal  
2.4 Revenue Code.

2.5 Subd. 3. **Limitations.** The maximum credit is reduced by 20 percent of household  
2.6 income, as defined in section 290A.03, subdivision 3, over a threshold. For married  
2.7 couples filing joint returns, the threshold is \$66,000. For all other filers, the threshold is  
2.8 \$33,000. In no case is the credit less than zero.

2.9 Subd. 4. **Credit refundable.** If the amount of credit which the claimant is eligible  
2.10 to receive under this section exceeds the claimant's tax liability under this chapter, the  
2.11 commissioner shall refund the excess to the claimant.

2.12 Subd. 5. **Appropriation.** An amount sufficient to pay the refunds required by this  
2.13 section is appropriated to the commissioner from the general fund.

2.14 **EFFECTIVE DATE.** This section is effective for taxable years beginning after  
2.15 December 31, 2006.