

This Document can be made available
in alternative formats upon request

State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE NO. 747

February 8, 2007

Authored by Simon, Clark, Mariani, Juhnke, Hornstein and others

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 taxation; individual income; creating a citizenship credit; appropriating
1.3 money; proposing coding for new law in Minnesota Statutes, chapter 290.

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

1.5 Section 1. **[290.0678] CITIZENSHIP CREDIT.**

1.6 Subdivision 1. **Credit.** A taxpayer who is not a dependent as defined in sections 151
1.7 and 152 of the Internal Revenue Code is allowed a credit against the tax imposed by this
1.8 chapter in the amount of qualified citizenship expenses incurred for a qualified individual.

1.9 Subd. 2. **Limitations on credit.** The credit is not allowed if the sum of a taxpayer's
1.10 income and taxpayer's spouse's income, as defined in section 290.067, subdivision 2a,
1.11 exceeds 200 percent of the federal poverty level. For a taxpayer who is not a Minnesota
1.12 resident for the entire year, the maximum credit must be allocated using the percentage
1.13 calculated in section 290.06, subdivision 2c, paragraph (e).

1.14 Subd. 3. **Qualified individual.** A "qualified individual" is the taxpayer, the
1.15 taxpayer's spouse, or an individual who qualifies as a dependent of the taxpayer under
1.16 sections 151 and 152 of the Internal Revenue Code. These individuals are only qualified
1.17 individuals from the time the individual submits an I-485 application to register permanent
1.18 residence or at the time the individual enters the United States on an immigrant visa, to the
1.19 time the individual becomes a naturalized United States citizen.

1.20 Subd. 4. **Qualified citizenship expenses.** Qualified citizenship expenses include:

1.21 (1) filing fees, including both application and biometric fingerprint fees, paid to
1.22 the United States Citizenship and Immigration Services in connection with an N-400
1.23 naturalization application for a qualified individual;

2.1 (2) amounts paid for enrollment of a qualified individual over the age of 18 at the
2.2 beginning of the year in an English language class offered by a school district in Minnesota
2.3 or a school that has been approved as a licensed school by the state of Minnesota; and

2.4 (3) any costs for citizenship classes.

2.5 Subd. 5. **Credit to be refundable.** If the amount of credit that the taxpayer is
2.6 eligible to receive under this section exceeds the taxpayer's tax liability under this chapter,
2.7 the commissioner of revenue shall refund the excess to the taxpayer.

2.8 Subd. 6. **Appropriation.** An amount sufficient to pay the refunds required by this
2.9 section is appropriated to the commissioner of revenue from the general fund.

2.10 **EFFECTIVE DATE.** This section is effective for tax years beginning after
2.11 December 31, 2006.