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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE No. 1826

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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; individual income; providing a credit for purchase or
1.3 modification of vehicles to accommodate people with disabilities; proposing
1.4 coding for new law in Minnesota Statutes, chapter 290.

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

1.6 Section 1. **[290.0678] CREDIT FOR VEHICLES MODIFIED FOR PEOPLE**
1.7 **WITH DISABILITIES.**

1.8 (a) An individual is allowed a credit against the tax imposed by this chapter for
1.9 amounts paid during the tax year for the purchase or modification of a motor vehicle for
1.10 use by a qualifying person with disabilities. For purposes of this section, "qualifying
1.11 person" means the taxpayer, the taxpayer's spouse, or the taxpayer's dependent as defined
1.12 in section 152 of the Internal Revenue Code. Amounts paid for purchase or modification
1.13 of a vehicle qualify for the credit only if they qualify for the medical expense deduction
1.14 provided in section 213 of the Internal Revenue Code, without regard to the income
1.15 threshold, and only to the extent the expenses are not reimbursed to the individual by
1.16 a federal, state, or local government program. The credit equals 50 percent of vehicle
1.17 modification or purchase expenses. The maximum credit allowed is \$1,000.

1.18 (b) For a nonresident or part-year resident, the credit determined under this section
1.19 must be allocated based on the percentage calculated under section 290.06, subdivision
1.20 2c, paragraph (e).

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