

# P+P TAX TIP:

## HOMESTEAD CREDIT FOR HOMEOWNERS

### Overview

In March, Minnesota counties distribute final property tax statements to homeowners. These statements are used to prepare the Homestead Credit Refund for Homeowners on Form M1PR. To file the 2023 Homestead Credit for the current tax year, use the final 2024 Property Tax Statement.

### 2024 Property Tax Statement

The tax year 2023 refund for homeowners is based on the final 2024 property tax statement. Don't use a valuation notice, proposed statement, or 2023 statement.

Most counties make statements available online as well as sending them by mail. Each county website is a bit different, but generally you can look up a statement using the property address or the property ID number. The links to Twin Cities metro-area property tax look-up websites are saved on all P+P laptops in the "Computer Links" document.

### Important things to look for on a statement

- **Homestead status:** The property must be classified as residential homestead, including fractional homestead or disabled homestead statuses. The homestead application must be approved by December 31, 2024 to qualify for the 2023 property tax refund.

**NEW!** Minnesota law now allows homeowners who use an ITIN to apply for Residential Homestead status! After the application is approved, these homeowners can receive the Homestead Credit Refund. If you work with an ITIN holder and they do not have homestead status, refer them to their county to complete the application. If time permits, help locate and print application instructions for their county.

- **Delinquent property taxes:** Statements have a checkbox to indicate if any taxes are past due. If a homeowner has delinquent property taxes, they do not qualify for the refund until those taxes are paid.
- **Special property tax refund:** Homeowners who had an increase in their property taxes and lived in the same home on January 2, 2023 and January 2, 2024 may qualify for a "Special Refund" in addition to the regular Homestead Credit. Select yes to the Special Refund question in TaxSlayer to do the eligibility math automatically.

### Special Situations

**Mobile home owners:** Property tax statements for mobile home owners usually come later in the year. These homeowners usually have a CRP for lot rental *and* a property tax statement. They cannot file as a renter with only the lot rental.

**Co-occupant income:** Homeowners must include the income of another person living with them when figuring the homestead credit (with exceptions for dependents, parents, and some others). Use the co-occupant worksheet in TaxSlayer. If the co-occupant income isn't available during the tax appointment provide the taxpayer with a Homeowner + Renter Info handout and print a copy of the worksheet from page 31 of the M1PR Instruction booklet.


## TaxSlayer Data entry

TaxSlayer separates the data entry for the property tax statement into several screens. Read the box descriptions carefully, because not all data from the statement will be entered. Use the sample property tax statement and TaxSlayer entry images in the P+P volunteer tax manual on pages 175-176 to review.

If you get "State Validation Errors" for Form M1PR, return to the Property Tax Statement entries to check your work.

## Online statements

Statements printed from county websites often have a different format than the ones mailed to taxpayers. For example, the online versions of Hennepin County statements do not display a Line 5 amount for the prior year. Use the value on Line 2 as the Line 5 value for the prior year data entry.



### Hennepin County, MN

2024 Property Tax Statement  
**STATE COPY**

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**This form has been approved by the Minnesota Department of Revenue for use when filing for the State of Minnesota M-1PR Property Tax Refund. Read information below on eligibility. File by August 15, 2024.**

<b>Taxpayer or Agent</b>	SAMPLE PERSON 1234 ABC AVE W MPLS MN 55406
<b>Owner</b>	SAMPLE PERSON
<b>Property ID No.</b>	01-011-01-01-0111
<b>Property Address</b>	1234 ABC AVE W

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**Use these amounts when filling out Form M-1PR to see what refunds are available**

<b>Line 1:</b>	\$3,372.37
<b>Line 2:</b>	\$3,400.56
<b>Line 5:</b>	\$3,372.37

**Line 1:** Current year taxes. Enter in the second column information menu in TaxSlayer as Line 1.

**Line 2:** Prior year taxes. Use the Line 2 value as the value for **Line 2 and Line 5** in the first column information menu in TaxSlayer.

**Line 5:** Property taxes after credits. Enter in the second column information menu in TaxSlayer as Line 5.

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**If this box is checked you owe delinquent taxes and may not apply for the Property Tax Refund. Call Hennepin County at (612) 348-3011 for amount due.**

Taxes Payable 2023		Taxes Payable 2024	
HOMESTEAD	Property Class	HOMESTEAD	
0	New Improvements	0	
\$270,000	Estimated Market Value	\$270,000	
\$257,060	Taxable Market Value	\$257,060	

## Additional Resources

- P+P Tax Manual - pages 162-167 and 173-179
- MN Department of Revenue M1PR Instruction Booklet – available from the link in the "Computer Links" document on all P+P computers and on the MNDOR website
- P+P Homeowner + Renter Info handout – available at tax sites and on P+P's website for customers who do not have all the information to file Form M1PR