

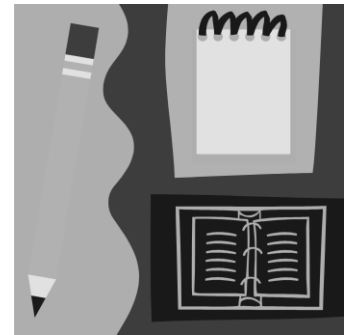


Back to School Tax Reminder: Minnesota Education Credit and Subtraction

Save Your School Supply Receipts for Your State Tax Return!

You might be able to claim a state tax **credit** or **subtraction** for costs that have to do with your child's education. This covers children in kindergarten through high school.

Your credit is limited to 75 percent of your qualifying expenses that you paid during the year for your qualifying child's K-12 education, up to the maximum amounts. The remaining 25 percent of qualifying expenses cannot be used to claim the subtraction. The maximum credit you may claim is based on your household income and the number of qualifying children you have in grades K-12. Starting in tax year 2017, "income" includes all nontaxable income, like cash public assistance and relief.



Income doesn't matter for the subtraction. The subtraction is limited to \$1,625 for each qualifying child in grades K-6 and \$2,500 for each qualifying child in grades 7-12. For children in 6th and 7th grades, use the limit for the child's grade level at the end of the tax year; for children who started college during the tax year, use the 12th grade limit.

To claim the credit or subtraction save all the receipts when you buy your children's school supplies, including pencils, pens, crayons, notebooks, calculators, etc. You can also claim expenses for things like: tutors, academic text books, fees paid to others for transportation, music lessons, after school academic programs and academic summer camps. You can also claim the cost of computer hardware and educational software up to \$200.

To claim the credit, fill out Schedule M1ED with your Minnesota State Tax Form. To take the subtraction, use the worksheet on the back of Form M-1. **Remember** you **MUST** keep the receipts from your purchases to the claim the credit or subtraction. If you are married and filing a separate return, you do **NOT** get the credit.

For more information and a more detailed list of what expenses can be claimed go to the Minnesota Department of Revenue Website www.taxes.state.mn.us and enter the search term "Education Credit and Subtraction."

Find more fact sheets at www.lawhelpmn.org/LASMfactsheets

Find your local legal aid office at www.lawhelpmn.org/resource/legal-aid-offices

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