

Working Family Credit

You may qualify for a state tax credit!



More American Indians now qualify for the Minnesota Working Family Credit due to a 2017 Minnesota law change.

What is the Working Family Credit?

It is a refundable credit for working individuals whose income is below a certain level. This credit is Minnesota's counterpart to the federal Earned Income Tax Credit. For 2017, the maximum Working Family Credit is:

- \$134 for taxpayers with no children
- \$1,070 for families with one qualifying child
- \$2,064 for families with two or more qualifying children

What has changed?

Previously, tribal members who lived and worked on their reservation could not receive the Working Family Credit unless they earned income from non-reservation sources. A 2017 Minnesota law change now allows these individuals to receive the credit even if Minnesota does not tax their income.

How can the Working Family Credit benefit me?

It can reduce your Minnesota tax and may provide you a refund even if you do not owe tax.

Do I qualify for the Working Family Credit?

To qualify, you must file a 2017 Minnesota Income Tax return, qualify for the federal Earned Income Tax Credit, and be a full-year or part-year Minnesota resident. Also, your income from 2017 must be less than the following:

Number of Qualifying Children	Married Filing Joint	Any Other Filing Status
0	\$20,600	\$15,000
1	\$45,100	\$39,600
2 or more	\$50,500	\$44,900

Example. Daryl and Theresa are tribal members who live on the reservation where they are enrolled members. They are married, have two qualifying children, and earn \$30,000 in combined wages working on the reservation.

Under the old law, Daryl and Theresa would not receive a Working Family Credit. Under the new law, they would qualify for a \$2,064 credit if they file a Minnesota return jointly. Since the Working Family Credit is a refundable credit, they would receive a \$2,064 Minnesota tax refund.

To learn more, go to www.revenue.state.mn.us and type **Working Family Credit** in the Search box, or call 651-296-3781 or 1-800-652-9094 (toll-free).

Can I get free tax help?

From February 1 through April 15, you may qualify for free tax preparation for your federal and state income tax returns. After February 1, go to www.revenue.state.mn.us and type **Free Tax Help** in the Search box, or call 651-297-3724 or 1-800-657-3989 (toll-free) to find a location near you.