



SAME DEPARTMENT. NEW LOOK.

# 2016 MINNESOTA INDIVIDUAL INCOME TAX

FORMS AND INSTRUCTIONS

- > FORM M1  
MINNESOTA INCOME TAX RETURN
- > SCHEDULE M1W  
MINNESOTA INCOME TAX WITHHELD
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MARRIAGE CREDIT
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- > SCHEDULE M1M  
INCOME ADDITIONS AND SUBTRACTIONS
- > SCHEDULE M1REF  
REFUNDABLE CREDITS



Tired of filling out paper forms?  
**File electronically!**  
It's easy, safe, and accurate.

# To file electronically, go to **[www.revenue.state.mn.us](http://www.revenue.state.mn.us)**

## Need Help?

Visit our website at

**[www.revenue.state.mn.us](http://www.revenue.state.mn.us)** to:

- File and pay electronically
- Get forms, instructions, and fact sheets
- Get answers to your questions
- Check on your refund
- Look up your Form 1099-G refund information

Or call our automated system at

**651-296-4444 or 1-800-657-3676**

anytime to:

- Check on your refund
- Check on your Form 1099-G refund information

Still have questions? Call

651-296-3781 or 1-800-652-9094

Monday—Friday, 8:00 am to 4:30 pm

Or write to us at:

- **[individual.incometax@state.mn.us](mailto:individual.incometax@state.mn.us)**
- Minnesota Revenue  
Mail Station 5510  
St. Paul, MN 55146-5510

### Free Tax Help Available

Volunteers are available to help seniors, people with low incomes or disabilities, and non-English speakers complete their tax returns. To find a volunteer tax help site, go to **[www.revenue.state.mn.us](http://www.revenue.state.mn.us)** or call 651-297-3724 or 1-800-657-3989.

*We will provide the information in this book in other formats upon request.*

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## What's new for 2016?

This booklet may be outdated at the time you file due to federal and/or state law changes. If you use forms or instructions that are outdated, it will delay your refund.

For up-to-date information, forms, and instructions:

- Go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and type **Income Tax Forms** in the Search box
- Call us at 651-296-3781 or 1-800-652-9094 (toll-free)

### Military Pension and Retirement Pay Subtraction

Certain types of military pensions or other military retirement pay may be subtracted from taxable income. To claim this subtraction, the qualifying income must be included in federal taxable income. The subtraction for tax year 2016 is reported on line 30 of Schedule M1M, *Income Additions and Subtractions*. If this subtraction is claimed, the nonrefundable credit for past military service cannot be claimed.

### Credit for Parents of Stillborn Children

Parents who deliver a stillborn child in Minnesota may receive a refundable credit. The credit is claimed on Schedule M1PSC, *Credit for Parents of Stillborn Children*. To complete this schedule, taxpayers will need a Certificate of Birth Resulting in Stillbirth issued by the Minnesota Department of Health.

### Schedule M1REF, Refundable Credits

Beginning in tax year 2016, Schedule M1REF, *Refundable Credits*, will be used to total individual refundable credits claimed. The amount from line 9 of this schedule will be reported on line 25 of Form M1. Do not enter an amount on lines 5 through 8 of this schedule.

## Avoid Common Errors

- Enter your name and any dependents names as they appear on Social Security cards.
- Double-check bank routing and account numbers used on tax forms.
- Complete each form and carry totals to the correct lines. If you electronically file, the calculations are done for you.
- File your return by April 18, 2017, even if you owe more than you can pay. Pay as much as you can by the due date, and continue to make payments until you are contacted by Department of Revenue Collections. At that point, they can help you set up a payment plan for the remaining balance.
- If you owe, make your payment electronically and pick when you want the payment submitted. For more information about making your payment electronically, visit our website.
- If you are paper filing with a new address, be sure to place an X in the "Place an X if a New Address" box in the header. If you move after filing, contact the Department of Revenue right away. That way anything we send to you will reach you, such as refund checks or requests for more information. You should do this even when requesting a direct deposit
- Do not staple or tape anything to your return. Use a paperclip.

## Where's my refund?

If you are expecting a refund, go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and type **Where's my refund** in the Search box to monitor the status. You can:

- See if we've received your return
- Follow your return through the process
- Understand the steps your return goes through before a refund is sent
- See the actual date your refund was sent

When you use **Where's My Refund**, we ask for the exact amount of your refund in addition to your Social Security number and date of birth.

### What can I do to get my refund faster?

- Avoid common errors (see below)
- Electronically file your return
- Choose direct deposit (use an account you do not plan on closing; the department cannot change the account)
- Complete your return
- Include all documentation

### What happens after I send my return?

We will:

- Receive your return
- Check the return for accuracy
- Process your return
- Send your refund

Each return is different and we process them as quickly as we can, making sure the right refund goes to the right person.

**Don't have a computer?** You can call our automated phone line at 651-296-4444 or 800-657-3676 (toll free) to get the status of your refund.

## How the Department Protects your Information

Protecting your information and identity is a priority of the department. We have partnered with other states, the IRS, financial institutions, and tax preparation software vendors to combat fraud.

For more information about keeping your identity safe, go to:

- [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and type **Protecting Your Identity** in the Search box
- [www.irs.gov](http://www.irs.gov) (Internal Revenue Service (IRS))
- [www.ag.state.mn.us](http://www.ag.state.mn.us) (Minnesota Attorney General's Office)

We will never ask you to provide, update, or verify personal information through unsolicited email or phone calls. Do not respond to such emails or phone calls.

If you are concerned about a potentially fraudulent contact by an individual or organization representing themselves as being from the department, call 651-296-3781 or 1-800-652-9094. An authorized department staff member can determine if the contact you received was legitimate.

# Did you purchase items over the Internet or through the mail this year?

If you purchased taxable items for personal use and did not pay sales tax, you may owe use tax. Generally, the use tax is the same rate as the state sales tax. If you live in a local tax area, include the use tax that is applicable to your local use tax.

## When do I owe use tax?

You may owe use tax if you purchase taxable item(s):

- Over the Internet, by mail order, etc., and the seller doesn't collect Minnesota sales tax from you
- In a state or country that does not collect Minnesota sales tax from you
- From an out-of-state seller who properly collects another state's sales tax at a rate lower than Minnesota's. (In this case, you owe the difference between the two rates.)

Add all of your taxable purchases. If they total more than \$770, file Form UT1, *Individual Use Tax Return*, by April 18 for all taxable items you purchased during the calendar year.

If your total purchases for personal use are less than \$770, you do not have to file and pay use tax.

To file online go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and type **Individual Use Tax** in the Search box. Click on **Individual Use Tax Return Online Filing System**. Follow the prompts to file your return.

Form UT1, *Individual Use Tax Return*, and Fact Sheet 156, *Use Tax for Individuals*, are available on our website or by calling 651-296-6181 or 1-800-657-3777.

## Local Use Taxes

If you buy taxable items for use in the cities and counties listed in Fact Sheet 164, *Local Sales and Use Taxes*, you must also pay local use taxes at the rates listed.

# Information for your Federal Return

## State Refund Information—Form 1040, Line 10

If you received a state income tax refund in 2016 and you itemized deductions on federal Form 1040 in 2015, you may need to report an amount on line 10 of your 2016 Form 1040. See the 1040 instructions for more information. The department does not mail Form 1099-G, *Certain Government Payments*, to most taxpayers.

To find out how much your Minnesota income tax refund was:

- Review your records
- Go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and type **1099-G** in the Search box
- Call 651-296-4444 or 1-800-652-9094

## Deducting Real Estate Taxes—Schedule A, Line 6

You are allowed a tax deduction on federal Schedule A for real estate taxes you paid in 2016 (2015 Form M1PR) if you did not receive a property tax refund for these taxes. If you received a property tax refund, subtract that amount from your property taxes paid when calculating your deduction.

## Deducting Vehicle License Fees—Schedule A, Line 7

Deduct part of your Minnesota vehicle license fee as personal property tax for passenger automobiles, pick-up trucks, and vans on line 7 of federal Schedule A of Form 1040. Other amounts, such as the plate fee and filing fee, are not deductible and cannot be used as an itemized deduction.

Calculate the allowed deduction by subtracting \$35 from your vehicle's registration tax for each vehicle you register.

To find the registration tax:

- Go to [www.mndriveinfo.org](http://www.mndriveinfo.org) and click on "Tax Info"
- Look at the vehicle registration renewal form issued by Driver & Vehicle Services

# Filing Requirements

## Who is required to file?

You are required to file a 2016 Minnesota income tax return if one or more of the following apply:

- You were a resident for the entire year in 2016 and had to file a federal income tax return
- You were a part-year resident or nonresident and meet the requirements below
- You qualify for and want to claim refundable credits
- You had withholding in excess of taxes owed and want a refund

## Minnesota Residents

File a 2016 Minnesota income tax return if you were a Minnesota resident for the whole year and you were required to file a 2016 federal income tax return.

You are a Minnesota resident if either of the following apply:

- Minnesota was your permanent home in 2016
- Minnesota was your home for an indefinite period of time and you maintained an abode in Minnesota

For more information, see Income Tax Fact Sheet #1, *Residency*.

File a Minnesota return even if you are not required to file a federal return to:

- Claim refundable credits (K–12 Education, Working Family, Dependent Care, Parents of Stillborn Children, etc.)
- Get a refund if your employer withheld Minnesota income tax from your wages in 2016

## Part-Year Residents

File a Minnesota income tax return if you moved into or out of Minnesota during 2016 and meet the filing requirements for part-year residents. Complete Schedule M1NR, *Nonresidents/Part-Year Residents*, to determine income received while a Minnesota resident and income received from sources in Minnesota while a nonresident. Your Minnesota tax is based on that income.

## Nonresidents

If you were a resident of another state but lived in Minnesota, file a Minnesota income tax return as a Minnesota resident if both of these conditions applied to you:

- You were in Minnesota for 183 days or more during the tax year
- You or your spouse owned, rented, lived in, or leased an abode (house, townhouse, condominium, apartment, mobile home, or cabin, with cooking and bathing facilities in Minnesota, that could be lived in year-round)

If both conditions apply, you are considered a Minnesota resident for the length of time you maintained an abode in Minnesota.

File a Minnesota income tax return if you meet the filing requirements in the next section.

For more details, see Income Tax Fact Sheet #2, *Part-Year Residents*, and Income Tax Fact Sheet #3, *Nonresidents*.

## Filing Requirements for Part-Year Residents and Nonresidents

- 1 Determine your total income from all sources (including sources not in Minnesota) while a Minnesota resident.
- 2 Determine the total of the following types of income you received while a nonresident of Minnesota:
  - Wages, salaries, fees, commissions, tips or bonuses for work done in Minnesota
  - Gross rents and royalties received from property located in Minnesota
  - Gains from the sale of land or other tangible property in Minnesota
  - Gross winnings from gambling in Minnesota
  - Gains from the sale of a partnership interest, to the extent the partnership had property or sales in Minnesota
  - Gains on the sale of goodwill or income from an agreement not to compete connected with a business operating in Minnesota
  - Minnesota gross income from a business or profession conducted partly or entirely in Minnesota. This is the amount from line 7 of federal Schedule C, line 1 of Schedule C-EZ, or line 9 of Schedule F of Form 1040. Gross income from a partnership, S corporation, or Trust or Estate is the amount on line 19 of Schedule KPI, line 19 of Schedule KS, or line 25 of Schedule KF.
- 3 Add step 1 and step 2. If the total is \$10,350 or more, you must file a Minnesota income tax return and Schedule M1NR.

If the result is less than \$10,350 and you had amounts withheld or paid estimated tax, file a Minnesota income tax return and Schedule M1NR to receive a refund.

Even if only one spouse has Minnesota income and you filed a joint federal return, you must file a joint Minnesota income tax return. Complete Schedule M1NR and include a copy of the schedule when you file your return.

# Filing Requirements (cont.)

## Michigan and North Dakota Residents

Minnesota has reciprocity agreements with Michigan and North Dakota. You are not subject to Minnesota income tax if, in 2016:

- You were a full-year resident of Michigan or North Dakota who returned to your home state at least once a month
- Your only Minnesota income was from the performance of personal services (wages, salaries, tips, commissions, bonuses)

Complete Schedule M1M, *Income Additions and Subtractions*, to file for a refund of withholding if you are a resident of Michigan and North Dakota.

For more information, see Income Tax Fact Sheet #4, *Reciprocity*.

Follow the steps below to complete your Form M1 and Schedule M1M:

- 1 Enter the appropriate amounts from your federal return on lines A–D and on line 1 of Form M1.
- 2 Skip lines 2 and 3 of Form M1.
- 3 Enter the amount from line 1 of Form M1 on line 23 of Schedule M1M and on line 6 of Form M1. Place an X in the box on line 23 of Schedule M1M to indicate the state of which you are a resident.
- 4 Complete the rest of Form M1. In addition to Schedule M1M, you must also complete and enclose Schedule M1W, *Minnesota Income Tax Withheld*, and a copy of your home state tax return.

### Do not complete Schedule M1NR.

If your wages are covered by reciprocity and you do not want your employer to withhold Minnesota tax in the future, file Form MWR, *Reciprocity Exemption/Affidavit of Residency*, each year with your employer.

If you are filing a joint return and only one spouse works in Minnesota under a reciprocity agreement, include both of your names, Social Security numbers, and dates of birth on your return.

If your gross income assignable to Minnesota from sources other than from the performance of personal services covered under reciprocity is \$10,350 or more, you are subject to Minnesota tax on that income. File a Minnesota income tax return and Schedule M1NR.

## How is my information used?

You are not eligible to take the reciprocity subtraction on Schedule M1M.

The information you provide on your tax return is private under state law. We use this information to determine your liability under Minnesota tax laws and for other tax administration purposes. We cannot give this information to others without your consent, except that certain other government entities may have access to this information, if allowed by law. For more information about how your information is used, including a complete list of the entities it may be shared with, go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and type **Use of Information** in the Search box.

### Reminder for Seniors and Disabled Taxpayers:

If you	And you	Then
Were born on or before January 2, 1952	Meet certain income requirements for 2016	You may qualify for an income tax subtraction on Schedule M1R.
Are permanently and totally disabled by the end of 2016	<ul style="list-style-type: none"><li>• Meet certain income requirements for 2016, and</li><li>• Received federally taxable disability income in 2016</li></ul>	

Other benefits you may be eligible for include:

- Homestead Credit Refund for Homeowners and Renters Property Tax Refund (from Minnesota Department of Revenue) Form M1PR.
- Senior Citizens Property Tax Deferral Program. For more information, see Property Tax Fact Sheet 3, *Senior Citizens Property Tax Deferral*.
- Special Homestead Classification: Class 1b (for qualifying blind and disabled property owners). For more information see Property Tax Fact Sheet 18, *Special Homestead Classification: Class 1b*.

For more information on Seniors' Tax issues, see Income Tax Fact Sheet 6, *Senior Tax Issues*, visit our website at [www.revenue.state.mn.us](http://www.revenue.state.mn.us), or call us at 651-296-3781 or 1-800-652-9094.

# Getting Started

## What do I need?

- Your name and address
- Your Social Security number
- Your completed federal return
- Your date of birth

If you do not provide this information, your refund will be delayed, or if you owe tax, your payment may not be processed and you may have to pay a penalty for late payment.

If a paid preparer completed your return, include the federal preparer's ID number (PTIN).

**Although not required on the return**, we also ask for:

- A code number indicating a political party for the State Elections Campaign Fund
- Your phone number in case we have questions about your return
- The phone number of the person you paid to prepare your return

## Name and Address Area

Use all capital letters and black ink. Use your legal name. Do not enter a nickname. If you live outside of the United States, put an X in the oval box to the left of your address. Enter only one address - your home address OR your post office box.

**If you are married and filing separate income tax returns**, enter your spouse's name and Social Security number in the filing status area. Do not enter your spouse's name or Social Security number in the name and address area at the top of your return.

## Federal Filing Status

Use the same filing status to file your Minnesota return that you used to file your federal return. Put an X in the oval box for your filing status.

## State Elections Campaign Fund

If you want \$5 to go to help candidates for state office pay campaign expenses, choose the code number for your party. If you choose the general campaign fund, the \$5 will be distributed among candidates of all major parties listed. If you are filing a joint return, your spouse may also designate a party. Designating \$5 **will not** reduce your refund.

## Important Tips

**When you fill out your form, print your numbers like this:**

1 2 3 4 5 6 7 8 9 0

Do not put a slash through the "0" (0) or "7" (7).

**Use whole dollars.** Round the dollar amounts on your Form M1 and schedules to the nearest dollar. For example: 129.49 becomes 129, and 129.50 becomes 130.

**Leave lines and unused boxes blank** if they do not apply to you or if the amount is zero.

**Reporting a negative amount.** If your federal adjusted gross income on line D or the amounts on line 1, 4, or 12b are less than zero, put an X in the oval box provided next to the line. If you do not do this, the amount will be read by our scanners as a positive amount. **Do not** use parentheses or a minus sign to indicate a negative amount.

▼ If a negative number, place an X in oval box.

X    ,  12     .  00

**Do not write extra numbers, symbols, or notes** on your return, such as cents, dashes, decimal points, or dollar signs. Enclose any explanations on a separate sheet, unless you are instructed to write explanations on your return.

**Do not staple or tape any enclosures to your return.** If you want to ensure your papers stay together, use a paperclip.

**Reminder:** Review your return before signing. You are legally responsible for all information on your return, even if you paid someone to prepare it for you.

**M1. MINNESOTA REVENUE 2016 Individual Income Tax** 201611

Leave unused boxes blank. Do not use staples on anything you submit.

Your First Name and Initial Last Name Your Social Security Number  
If a Joint Return, Spouse's First Name and Initial Spouse's Last Name Spouse's Social Security Number  
Current Home Address (Street, Apartment Number, Route) Your Date of Birth  
City State Zip Code Spouse's Date of Birth

**Filing Status** (place an X in one oval box):  Single  Married filing jointly  Married filing separate: Enter spouse's name and Social Security number here  Head of household  Qualifying widow(er)

**State Elections Campaign Fund**  
If you want \$5 to go to help candidates for state office pay campaign expenses, you may each enter the code number for the party of your choice. This will not increase your tax or reduce your refund.  
Political party and code number:  
Republican ..... 11 Grassroots-Legalize Cannabis 14 Legal Marijuana Now ..... 17  
Democratic/Farmer-Labor 22 Green ..... 15 General Campaign ..... 19  
Independence ..... 33 Libertarian ..... 36

**From Your Federal Return** (for line references see instructions), enter the amount of:  
A Wages, salaries, tips, etc.: B IRA, Pensions and annuities: C Unemployment: D Federal adjusted gross income:

1	Federal taxable income (from line 43 of federal Form 1040, line 27 of Form 1040A or line 6 of Form 1040EZ)	1	<input type="text"/>
2	State income tax or sales tax addition. If you itemized deductions on federal Form 1040, complete the worksheet in the instructions	2	<input type="text"/>
3	Other additions to income, including disallowed itemized deductions, personal exemptions, non-Minnesota bond interest and domestic production activities deduction (see instructions; enclose Schedule M1M)	3	<input type="text"/>
4	Add lines 1 through 3 (if a negative number, place an X in the oval box)	4	<input type="text"/>
5	State income tax refund from line 10 of federal Form 1040	5	<input type="text"/>
6	Other subtractions, such as net interest or mutual fund dividends from U.S. bonds or K-12 education expenses (see instructions; enclose Schedule M1M)	6	<input type="text"/>
7	Total subtractions. Add lines 5 and 6	7	<input type="text"/>
8	Minnesota taxable income. Subtract line 7 from line 4. If zero or less, leave blank	8	<input type="text"/>
9	Tax from the table in the M1 instructions	9	<input type="text"/>
10	Alternative minimum tax (enclose Schedule M1MT)	10	<input type="text"/>
11	Add lines 9 and 10	11	<input type="text"/>
12	Full-year residents: Enter the amount from line 11 on line 12. Skip lines 12a and 12b. Part-year residents and nonresidents: From Schedule MINR, enter the tax from line 27 on line 12. From line 23 on line 12a, and from line 24 on line 12b (enclose Schedule MINR)	12	<input type="text"/>
13	Tax on lump-sum distribution (enclose Schedule M1LS)	13	<input type="text"/>
14	Tax before credits. Add lines 12 and 13	14	<input type="text"/>

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# Filing Instructions

## When do I file and pay?

Your 2016 Minnesota income tax return should be postmarked, brought to, or electronically filed with the Department of Revenue by April 18, 2017. Your tax payment is due in full by April 18, 2017, even if you file your return later. If you file your tax return according to a fiscal year, your tax payment and return are due the 15th day of the fourth month after the end of your fiscal year.

## How do I pay my tax if I file after April 18?

If you are unable to complete and file your return by the due date, you may avoid a late payment penalty and interest by paying your tax by April 18. Estimate your total tax and pay the amount you owe electronically, by check, credit, or debit card. If you pay by check, you must send your tax payment with a completed voucher from our website. To avoid a late filing penalty, file your return by October 16, 2017. See page 16 for payment options.

## Do I have to sign and date my return?

Yes. An unsigned paper return is not considered valid. If you are married and filing a joint return, both spouses must sign. You may be subject to interest and penalties if you fail to sign. If you paid someone to prepare your return, that person must also sign and provide their federal preparer ID number.

## Do I have to file electronically?

No. If you do not want your preparer to file your return electronically, check the appropriate box at the bottom of the return. Preparers who filed more than 10 Minnesota returns last year are required to electronically file all Minnesota returns, unless you indicate otherwise.

## How do I assemble my return?

Organize Form M1, its schedules, and other documentation in the following order:

- 1 Form M1, including page 2 if it is not printed on the back of your Form M1
- 2 Schedule M1W (**Do not submit W-2, 1099 or W-2G forms with your return.**)
- 3 Schedules KPI, KS, and/or KF you may have received
- 4 Minnesota schedules used to complete your return, according to the sequence number printed at the top of each
- 5 A complete copy of your federal return and schedules

If you do not enclose the required documentation, the department may send your return back to you. Make copies of all your forms and schedules. Keep the copies and your W-2 forms with your tax records at least through 2021.

You will be charged a fee for copies of your forms from the department.

Also, if you claimed the K-12 Education Subtraction or Credit or Dependent Care Credit keep your original receipts and all other documentation to prove your qualifying expenses. Keep this documentation with your tax records.

## Where do I file paper returns?

If you are filing a paper return, read page 7. **If you do not follow the instructions on that page, your return may be delayed.** Send your Minnesota income tax return including all completed Minnesota schedules, and your federal return and schedules in the printed envelope included in this booklet. If you don't have the printed envelope, mail your forms to:

Minnesota Individual Income Tax  
Mail Station 0010  
St. Paul, MN 55145-0010

## What do I include when I mail my return?

Include your Form M1, all the Minnesota schedules you are required to complete, and a complete copy of your 2016 federal return and all schedules.



# Line Instructions

## Reminder:

- If a line does not apply to you or if the amount is zero, leave the box blank.
- Round dollar amounts on your return to the nearest whole dollar.
- Drop amounts less than 50 cents and increase amounts 50 cents or more to the next dollar.

## Federal Return Information

### Lines A–D

#### Line A—Federal Wages, Salaries, Tips, etc.

Enter your wages, salaries, tips, commissions, bonuses, etc. you received in 2016 from:

- Line 7 of federal Form 1040
- Line 7 of Form 1040A
- Line 1 of Form 1040EZ
- Line 8 of Form 1040NR
- Line 3 of Form 1040NR-EZ

#### Line B—Taxable IRA Distributions, Pensions and Annuities

Enter the total of your taxable IRA distributions, pensions, and annuities you received in 2016:

- Add lines 15b and 16b of federal Form 1040
- Add lines 11b and 12b of Form 1040A
- Add lines 16b and 17b of Form 1040NR

#### Line C—Unemployment Compensation

Enter the unemployment compensation you received in 2016 that is included on:

- Line 19 of federal Form 1040
- Line 13 of Form 1040A
- Line 3 of Form 1040EZ
- Line 20 of Form 1040NR

#### Line D—Federal Adjusted Gross Income

Enter your 2016 federal adjusted gross income from:

- Line 37 of federal Form 1040
- Line 21 of Form 1040A
- Line 4 of Form 1040EZ
- Line 36 of Form 1040NR
- Line 10 of Form 1040NR-EZ

If your federal adjusted gross income is less than zero, put an X in the oval box next to line D to indicate it is a negative number.

## Minnesota Income

### Lines 1–4

#### Line 1—Federal Taxable Income

Enter your federal taxable income from:

- Line 43 of federal Form 1040
- Line 27 of Form 1040A
- Line 6 of Form 1040EZ
- Line 41 of Form 1040NR
- Line 14 of Form 1040NR-EZ

If your federal taxable income is less than zero, enter the actual number and place an X in the oval box next to line 1 to indicate it is a negative number.

## Line 2—State Income Tax or Sales Tax Addition

Minnesota does not allow a deduction for state income tax or sales tax. If you itemized deductions on your 2016 federal Form 1040, add back any amounts you deducted on lines 5 and 8 of federal Schedule A for income tax or sales tax. Complete the Worksheet for Line 2.

If you filed federal Form 1040A or 1040EZ, or did not itemize deductions on Form 1040, skip this line.

### Worksheet for Line 2

If you itemized deductions, follow the steps below to determine line 2.

- 1 Amount from line 29 of your federal Schedule A . . . . . \_\_\_\_\_
- 2 If you are not a dependent, use the table below to find the amount for this step.  
**Dependents:** Enter the standard deduction from your federal return . . . . . \_\_\_\_\_
- 3 Subtract step 2 from step 1 (if result is zero or less, enter 0) . . . . . \_\_\_\_\_
- 4 State income or sales tax from line 5 of federal Schedule A and any additional state income tax you may have included on line 8 (other taxes) of Schedule A . . . . . \_\_\_\_\_
- 5 Enter the amount from step 3 or step 4, *whichever is less*, on line 2 of Form M1.

**Married Couples Filing Separate Returns:** Each spouse must complete a separate worksheet. If step 4 is less than step 3 for *either* spouse, *each* spouse must enter the step 4 amount of their own worksheet on line 2 of their Form M1.

### Table for Step 2 of Worksheet for Line 2

Check the boxes that apply to you and your spouse. If you are married filing separately, check boxes only for your own status, unless your spouse has no gross income and cannot be claimed as a dependent by another person.

**You:** 65 or older  blind  **Your Spouse:** 65 or older  blind

Find your filing status below and the number of boxes you checked above (from 0-4) and enter the appropriate dollar amount in step 2 of the worksheet:

Filing status	Boxes Checked Above	Dollar amount for Step 2
single:	0	\$ 6,300
	1	7,850
	2	9,400
married	0	\$ 12,600
filing joint, or	1	13,850
qualifying	2	15,100
widow(er):	3	16,350
	4	17,600
married	0	\$ 6,300
filing	1	7,550
separate:	2	8,800
	3	10,050
	4	11,300
head of	0	\$ 9,300
household:	1	10,850
	2	12,400

# Line Instructions (cont.)

**Nonresident Aliens:** Enter on line 2 the amount of state income tax from line 1 of your federal Schedule A (1040NR) or the state income tax amount included on line 11 of Form 1040NR-EZ.

## Line 3—Other Additions (Schedule M1M)

Complete Schedule M1M, *Income Additions and Subtractions*, if any of the following apply. If in 2016 you:

- Had an adjusted gross income more than \$184,850 (\$92,425 if married filing separately) and itemized deductions on Schedule A
- Had an adjusted gross income that exceeds the Minnesota thresholds to phase out personal exemptions (\$277,300 for married filing jointly; \$231,050 for head of household; \$184,850 for single; and \$138,650 for married filing separately)
- Received interest from municipal bonds of another state or its governmental units
- Received federally tax-exempt interest dividends from a mutual fund investing in bonds of another state or its local governmental units
- Claimed the bonus depreciation allowance for qualified property on your federal return
- Had state income tax passed through to you as a partner of a partnership, a shareholder of an S corporation, or as a beneficiary of a trust
- Claimed the federal deduction for domestic production activities
- Deducted expenses or interest on your federal Form 1040 that are attributable to income not taxed by Minnesota
- Deducted certain federal fines or fees and penalties as a trade or business expense
- Claimed a suspended loss from 2001 through 2005 or 2008 through 2015 from bonus depreciation on your federal return
- Received a capital gain from a lump-sum distribution from a qualified retirement plan
- Elected in 2008 or 2009 a 3-, 4-, or 5-year net operating loss carryback under the

federal Worker, Homeownership, and Business Assistance Act of 2009

You may have received this income as an individual, a partner of a partnership, a shareholder of an S corporation, or a beneficiary of a trust.

## Minnesota Subtractions Lines 5–7

You may reduce your taxable income if you qualify for a subtraction.

### Line 5—State Income Tax Refund

Enter your state income tax refund from:

- Line 10 of federal Form 1040
- Line 11 of Form 1040NR
- Line 4 of Form 1040NR-EZ

If you filed federal Form 1040A or 1040EZ, skip this line.

### Line 6—Other Subtractions (Schedule M1M)

Complete Schedule M1M, *Income Additions and Subtractions*, if any of the following apply. If in 2016 you:

- Received interest from a federal government source
- Purchased educational material or services for your qualifying child's K–12 education

**Reminder: Partners, Shareholders, and Beneficiaries.** If you are a partner of a partnership, a shareholder of an S corporation, or a beneficiary of a trust, report on line 7 of Schedule M1M state income tax passed through to you by the entity, as reported on Schedule KPI, KS, or KE. Do not include in line 2 of Form M1.

- Did not itemize deductions on your federal return and your charitable contributions were more than \$500
- Reported 80 percent of bonus depreciation as an addition to income in a year 2011 through 2015 or received a federal bonus depreciation subtraction in 2015 from an estate or trust
- Reported 80 percent of federal section 179 expensing as an addition to income in a year 2011 through 2015
- Were born before January 2, 1952 or are permanently and totally disabled and you received federally taxable disability income, and you qualify under Schedule M1R income limits (see Schedule M1R—*Income Qualifications* below)

## Schedule M1R—Income Qualifications

If you (or your spouse if filing a joint return) were born before January 2, 1952, or were permanently and totally disabled, use the table below to see if you are eligible for the subtraction.

### Complete Schedule M1R and Schedule M1M:

If you are:	And your adjusted gross income* is less than:	And your Railroad Ret. Board benefits and nontaxable Social Security are less than:
Married, filing a joint return, and both spouses are 65 or older or disabled	\$42,000	\$12,000
Married, filing a joint return, and one spouse is 65 or older or disabled	\$38,500	\$12,000
Married, filing a separate return, lived apart from your spouse for all of 2016, and are 65 or older or disabled	\$21,000	\$ 6,000
Filing single, head of household, or qualifying widow(er) and are 65 or older or disabled	\$33,700	\$ 9,600

\* *Adjusted gross income is federal adjusted gross income (see instructions for M1R line 9a) plus any lump-sum distributions reported on federal Form 4972 less any taxable Railroad Retirement Board benefits (see instructions for M1R line 9).*

# Line Instructions (cont.)

- Received benefits from the Railroad Retirement Board, such as unemployment, sick pay, or retirement benefits
- Were a resident of Michigan or North Dakota and you received wages covered by reciprocity from which Minnesota income tax was withheld (see page 6)
- Worked and lived on the Indian reservation of which you are an enrolled member
- Received federal active duty military pay while a Minnesota resident
- Are a member of the Minnesota National Guard or Reserves who received pay for training or certain types of active service
- Received active duty military pay while a resident of another state and you are required to file a Minnesota return
- Incurred certain costs when donating a human organ
- Paid income taxes to a subnational level of a foreign country (equivalent of a state of the United States) other than Canada
- Received a military pension or other military retirement pay
- Were insolvent and received a gain from the sale of your farm property that is included in line 37 of Form 1040
- Received a post service education award for service in an AmeriCorps National Service program
- Claimed the Minnesota subtraction allowed for the net operating loss claimed under the Worker, Homeownership, and Business Assistance Act of 2009
- Reported a prior year addback for reacquisition of business indebtedness income
- Had railroad maintenance expenses not allowed as a federal deduction
- Were subject to the federal itemized deduction phaseout and your itemized deductions were less than your allowable standard deduction

**Reminder:** If you complete Schedule M1M, include the schedule when you file your Minnesota income tax return.

## Tax Before Credits Lines 9–14

### Line 9—Tax From Table

Turn to the tax table on pages 23 through 29. Using the amount on line 8, find the tax amount in the column under your filing status. Enter the amount of tax from the table on line 9.

### Line 10—Alternative Minimum Tax (Schedule M1MT)

You may be required to pay Minnesota alternative minimum tax even if you were not required to pay federal alternative minimum tax.

If you had large deductions, such as gambling losses, mortgage interest, or K-12 education expenses, when you filed your federal or state return, or if you were required to pay federal alternative minimum tax, complete Schedule M1MT, *Alternative Minimum Tax*.

Before you complete Schedule M1MT, you must complete Part I of federal Form 6251, even if you were not required to file Form 6251 with your federal return.

Complete the following steps to determine if you are required to pay Minnesota alternative minimum tax:

- 1 Enter the amount of personal exemptions from line 42 of federal Form 1040 or line 26 of Form 1040A.
- 2 Enter the total of the following items:
  - Accelerated depreciation
  - Exercise of incentive stock options
  - Tax-exempt interest or dividends from Minnesota private activity bonds not included on lines 3 and 4 of Schedule M1M
  - K-12 education expenses from line 17 of Schedule M1M
  - Amortization of pollution-control facilities
  - Intangible drilling costs
  - Depletion
  - Reserves for losses on bad debts of financial institutions
  - Circulation and research and experimental expenditures

- Mining exploration and development costs
  - Installment sales of property
  - Tax sheltered farm loss
  - Passive activity loss
  - Income from long-term contracts for the manufacture, installation, or construction of property to be completed after 2016
  - Gains excluded under IRC section 1202
  - Preferences and adjustments from an electing large partnership (from the AMT adjustment boxes from your Schedule K-1 of federal Form 1065-B)
- 3 Add step 1, step 2, and line 40 of Form 1040.
  - 4 Subtract lines 4, 14, and 20 of federal Schedule A (1040) from step 3.
  - 5 Complete Schedule M1MT if step 4 is more than:
    - **\$62,628** if you are married and filing a joint return or filing as a qualifying widow(er)
    - **\$31,309** if you are married and filing separate returns
    - **\$47,346** if you are single
    - **\$46,125** if you are filing as head of household

On your Schedule M1MT, if line 27 is more than line 28, **you must pay Minnesota alternative minimum tax**. Complete and include Schedule M1MT and Form 6251 when you file your Minnesota income tax return.

### Line 12—Part-Year Residents and Nonresidents (Schedule M1NR)

Your tax is determined by the percentage of your income that is assignable to Minnesota. Complete Schedule M1NR to determine your Minnesota tax.

See page 5 to determine if you were a resident, part-year resident, or nonresident.

If you complete Schedule M1NR, enter the amounts from lines 23 and 24 of Schedule M1NR on lines 12a and 12b of your Minnesota income tax return. Include Schedule M1NR when you file Form M1.

# Line Instructions (cont.)

## Line 13—Tax on Lump-Sum Distribution (Schedule M1LS)

You must file Schedule M1LS, *Tax on Lump-Sum Distribution*, if all of the following conditions apply:

- You received lump-sum distribution from a pension, profit-sharing, or stock bonus plan in 2016
- You were a Minnesota resident when you received any portion of the lump-sum distribution
- You filed federal Form 4972

If you complete Schedule M1LS, include the schedule and Form 4972 when you file your Minnesota income tax return.

## Credits Against Tax

### Line 16—Marriage Credit (Schedule M1MA)

To qualify for the marriage credit, you must meet all of the following requirements:

- You are filing a joint return
- Both you and your spouse have taxable earned income, taxable pension, or taxable Social Security income
- Your joint taxable income on line 8 of your Form M1 is at least \$37,000
- The earned income of the lesser-earning spouse is at least \$23,000

If you qualify, complete Schedule M1MA, *Marriage Credit*, to determine your credit.

### Line 17—Credit for Taxes Paid to Another State (Schedule M1CR)

If you were a Minnesota resident for all or part of 2016 and you paid income tax both to Minnesota and to another state on the same income, you may be able to reduce your tax. A Canadian province or territory and the District of Columbia are considered a state for purposes of this credit.

If you were a resident of another state, but are required to file a 2016 Minnesota income tax return as a Minnesota resident, you may be eligible for this credit. To be eligible, you must have paid 2016 state tax on the same income to both Minnesota and the state of which you were a resident. You must get a statement from the other state's tax department stating ineligibility to receive a credit on that state's return for income tax paid to Minnesota. Include this statement with your Form M1.

If you claimed a federal foreign tax credit and you included taxes paid to a Canadian province or territory, you cannot use these same taxes paid to determine your Minnesota credit.

If you qualify, complete Schedule M1CR, *Credit for Income Tax Paid to Another State*, and include the schedule with Form M1.

#### If you Worked in Michigan or North Dakota:

If you were a full- or part-year resident of Minnesota and had 2016 state income tax withheld by Michigan or North Dakota from personal service income (such as wages, salaries, tips, commissions, bonuses) you received from working in one of those states, do not file Schedule M1CR. Instead, file that state's income tax return to get a refund of the tax withheld for the period of time you were a Minnesota resident.

To get the other state's income tax form, call that department or go to their website:

- Michigan Department of Treasury, 517-373-3200, [www.michigan.gov/treasury](http://www.michigan.gov/treasury)
- North Dakota Office of State Tax Commissioner, 701-328-1243, [www.nd.gov/tax](http://www.nd.gov/tax)

### Line 18—Other Nonrefundable Credits (Schedule M1C)

Complete Schedule M1C, *Other Nonrefundable Credits*, if any of the following apply. If in 2016 you:

- Paid premiums in 2016 for a qualified long-term care insurance policy for which you did not receive a federal tax benefit
- Are a veteran who has separated from service and served in the military for at least 20 years, has a 100 percent service related disability, or were honorably discharged, and receive a military pension or other retirement pay for your service in the military
- Received a Schedule KPI, KS, or KF reporting a credit for increasing research activities
- Purchased transit passes to resell or give to your employees
- Paid Minnesota alternative minimum tax in prior years and are not required to pay it in 2016
- Invested in a qualified business in East Grand Forks, Breckenridge, Dilworth,

Moorhead, or Ortonville, and the business has been certified as qualified for the SEED Capital Investment Program

Report the total of all credits from Schedule M1C on line 18 of Form M1. Include any schedules you completed when filing your return.

### Line 21—Nongame Wildlife Fund

You can help preserve Minnesota's nongame wildlife, such as bald eagles and loons, by donating to the Nongame Wildlife Fund. To donate, enter the amount on line 21. This amount will decrease your refund or increase the amount you owe.

To make a contribution directly to the Nongame Wildlife Fund, go to [www.dnr.state.mn.us/eco/nongame/checkoff.html](http://www.dnr.state.mn.us/eco/nongame/checkoff.html) or send a check payable to:

**DNR Nongame Wildlife Fund**  
500 Lafayette Road, Box 25  
St. Paul, MN 55155

## Total Payments

### Line 23—Minnesota Income Tax Withheld (Schedule M1W)

If you received W-2, 1099, or W-2G forms, or Schedules KPI, KS, or KF showing Minnesota income tax was withheld for you for 2016, you must complete Schedule M1W, *Minnesota Income Tax Withheld*.

Include the schedule when you file your Minnesota income tax return. If the schedule is not enclosed, processing of your return will be delayed and your withholding amount may be disallowed.

**Do not send in your W-2, 1099, or W-2G forms.** Keep your W-2, 1099, and W-2G forms with your tax records and have them available if requested by the department.

### Line 24—Minnesota Estimated Tax and Extension Payments

Only three types of payments can be included on line 24. They are:

- Your total 2016 Minnesota estimated tax payments made in 2016 and 2017
- The portion of your 2015 Minnesota income tax refund designated on your 2015 Minnesota income tax return to be applied to 2016 estimated tax
- Any state income tax payment made by the regular due date when you are filing after the due date

Contact the department if you are uncertain of the amounts paid.

# Qualifying K-12 Education Expenses

## Reminders:

- Save your itemized cash register receipts, invoices, and other documentation with your tax records. We may ask to review them.
- The total of your subtraction and credit cannot be more than your actual allowable expenses.
- Do not use the same expenses to claim both the credit and the subtraction.

**If you qualify for the education credit**—enter qualifying expenses on the appropriate line of your Schedule M1ED and enter expenses that qualify only for the subtraction on line 17 of Schedule M1M.

**If you do not qualify for the education credit**—enter all qualifying expenses, up to the maximum amount allowed, on line 17 of Schedule M1M.

If you have any of the following types of educational expenses, include them on the lines indicated.	Qualifies for:	
	Credit	Subtraction
Include only as a subtraction on line 17 of Schedule M1M: Private school tuition ..... Tuition for college courses that are used to satisfy high school graduation requirements .....		X X
Include on line 7 of Schedule M1ED or line 17 of Schedule M1M: Fees for after-school enrichment programs, such as science exploration and study habits courses (by qualified instructor*) ..... Tuition for summer camps that are primarily academic in focus, such as language or fine arts camps. .... Instructor fees for driver's education course if the school offers a class as part of the curriculum .....	X X X	X X X
Include on line 8 of Schedule M1ED or line 17 of Schedule M1M: Tutoring* ..... Music lessons* .....	X X	X X
Include on line 9 of Schedule M1ED or line 17 of Schedule M1M: Purchases of required educational material (textbooks, paper, pencils, notebooks, rulers, etc.) for use during the regular public, private, or home school day .....	X	X
Include on line 10 of Schedule M1ED or line 17 of Schedule M1M: Purchase or rental of musical instruments used during the regular school day .....	X	X
Include on line 11 of Schedule M1ED or line 17 of Schedule M1M: Fees paid to others for transportation to/from school or for field trips during the regular school day, if the school is located in Minnesota, Iowa, North Dakota, South Dakota, or Wisconsin .....	X	X
Include on line 14 of Schedule M1ED or line 17 of Schedule M1M: Home computer hardware and educational software ..... <i>Up to \$200 can be used to qualify for the credit and another \$200 for the subtraction.</i>	X	X

## Expenses That Do Not Qualify for Either the K-12 Education Credit or Subtraction

- Costs to drive your child to/from school, tutoring, enrichment programs, or camps that are not part of the regular school day
- Travel expenses, lodging, and meals for overnight class trips
- Fees for materials and textbooks purchased for use religious teachings
- Sport camps or lessons
- Books and materials used for tutoring, enrichment programs, academic camps, or after-school activities
- Tuition and expenses for preschool or post-high school classes
- Costs of school lunches
- Costs of uniforms used for school, band, or sports
- Monthly Internet fees
- Non-educational software

\*A qualified instructor is a person who is not the child's sibling, parent, or grandparent, and meets one of the following requirements:

1. Is a Minnesota licensed teacher or is directly supervised by a Minnesota licensed teacher
2. Has passed a teacher competency test
3. Teaches in an accredited private school
4. Has a baccalaureate (B.A.) degree
5. Is a member of the Minnesota Music Teachers Association

# Line Instructions (cont.)

## Refundable Credits

Refundable credits may allow you to receive a refund even if you do not have a tax liability. Married persons filing separate returns cannot claim these credits.

### Line 25—Refundable Credits (Schedule M1REF)

Complete Schedule M1REF, *Refundable Credits*, if you qualify for any of the following:

- Child and Dependent Care Credit
- Minnesota Working Family Credit
- K-12 Education Credit
- Credit for Parents of Stillborn Children

If you qualify for one or more of these credits, include the credit schedule you used to determine your credit and Schedule M1REF with your Minnesota income tax return.

### Child and Dependent Care Credit (Schedule M1CD)

To qualify for the Child and Dependent Care Credit, your household income—federal adjusted gross income plus most nontaxable income—must be \$39,510 or less, and one of the following conditions must apply:

- You paid someone (other than your dependent child or stepchild younger than age 19) to care for a qualifying person while you (and your spouse if filing a joint return) were working or looking for work. A qualifying person and qualified expenses match the federal credit for child and dependent care expenses
- You were an operator of a licensed family daycare home caring for your own dependent child who had not reached the age of six by the end of the year
- You are married and filing a joint return, your child was born in 2016, and you did not participate in a pre-tax dependent care assistance program

If one of the above conditions applies to you, complete Schedule M1CD, *Child and Dependent Care Credit*, and Schedule M1REF and include these schedules with your Minnesota income tax return. Enter the number of qualifying persons in the box provided on line 1 of Schedule M1REF.

### Minnesota Working Family Credit (Schedule M1WFC)

If you qualify for the federal earned income credit, you may also qualify for the Minnesota Working Family Credit.

Use Schedule M1WFC, *Working Family Credit*, and the WFC table on pages 19–22 to determine your Minnesota credit.

Part-year residents may qualify for this credit based on the percentage of income taxable to Minnesota.

If you qualify for the credit, complete Schedule M1WFC and Schedule M1REF and include these schedules with your Minnesota income tax return. Enter the number of your qualifying children in the box provided on line 2 of Schedule M1REF.

### K-12 Education Credit (Schedule M1ED)

You may receive a credit if you paid education-related expenses in 2016 for a qualifying child in grades kindergarten through 12 (K–12). See qualifying expenses on page 13.

To qualify, your household income—which is your federal adjusted gross income plus most nontaxable income—must be under the limit based on the number of qualifying children you have in grades K–12. A qualifying child is the same as for the federal earned income credit.

Enter the number of qualifying children in the box provided on line 3 of Schedule M1REF.

If your total number of qualifying children is:	Your household income limit is:
1 or 2	\$37,500
3	\$39,500
4	\$41,500
5	\$43,500
6 or more	*

\* More than 6 children: \$43,500 plus \$2,000 for each additional qualifying child.

If you qualify for the credit, complete Schedule M1ED, *K-12 Education Credit*, and Schedule M1REF and include these schedules with your Minnesota income tax return.

### Credit for Parents of Stillborn Children (Schedule M1PSC)

You may qualify for the Credit for Parents of Stillborn Children if in 2016 you:

- Experienced a stillbirth
- Received a Certificate of Birth Resulting in Stillbirth from the Minnesota Department of Health, Office of Vital Records
- Would have claimed the child as a dependent if the child had been born alive

You will need to enter the document control number, and state file number from the Certificate of Birth Resulting in Stillbirth you received from the Minnesota Department of Health.

The state file number is the number printed in the upper right area inside the margin of the Certificate of Birth Resulting in Stillbirth.

The document control number is the number printed in the lower left corner under the barcode on the Certificate of Birth Resulting in Stillbirth.

If you qualify for the credit, complete Schedule M1PSC, *Credit for Parents of Stillborn Children*, and Schedule M1REF and include these schedules with your Minnesota income tax return.

### Line 26—Business and Investment Credits (Schedule M1B)

Complete Schedule M1B, *Business and Investment Credits*, if you qualify for any of the following credits as a sole proprietor, a partner of a partnership, shareholder of an S corporation, or beneficiary of a trust:

- Angel Investment Tax Credit (certified by the Department of Employment and Economic Development)
- Enterprise Zone Credit (certified by the Department of Employment and Economic Development)
- Historic Structure Rehabilitation Credit (certified by the State Historic Preservation Office)
- Greater Minnesota Internship Credit (certified by the Office of Higher Education or an eligible institution)

For more information, see the instructions for Schedule M1B.

# Line Instructions (cont.)

## Refund or Amount Due

### Line 28—Your Refund

If line 27 is more than line 22, subtract line 22 from line 27, then subtract the amount, if any, on line 31. This is your 2016 Minnesota income tax refund. If the result is zero, you must still file your return.

Of the amount on line 28, you can:

- Have the entire refund deposited directly into a checking or savings account (see the line 29 instructions)
- Receive the entire refund in the mail as a paper check (skip lines 29, 30, 32, and 33)
- Apply all or a portion of your refund toward your 2017 estimated taxes. The remaining balance, if any, may be directly deposited into your checking or savings account, or mailed to you

The department will deduct any amount you owe for Minnesota or federal debts, criminal fines, or a debt to a federal, state, or county agency, district court, qualifying hospital, or public library. If you participate in the Senior Citizens Property Tax Deferral Program, your refund will be applied to your deferred property tax total. Your Social Security number will be used to identify you as the correct debtor. If your debt is less than your refund, you'll receive the difference.

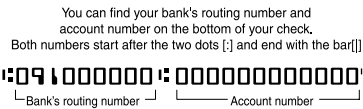
Generally, you must file your 2016 return no later than 3 1/2 years from the original due date or your right to receive the refund lapses.

### Line 29—Direct Deposit of Refund

**Direct deposit is the safest, fastest, and easiest way to get your tax refund.**

If you want the refund on line 28 to be directly deposited into your checking or savings account, enter the requested information on line 29.

**Note:** You must use an account not associated with any foreign banks.



The **routing number** must have nine digits.

The **account number** may contain up to 17 digits (both numbers and letters). If your account number is fewer than 17 digits, enter the number starting with the first box on the left—leave out any hyphens, spaces, or symbols—and leave any unused boxes blank.

If the routing or account number is incorrect or is not accepted by your financial institution, your refund will be sent to you in the form of a paper check. Your refund may also be issued as a paper check if a portion was recaptured to pay a debt you owe or an adjustment was made to your return.

By completing line 29, you are authorizing the department and your financial institution to initiate electronic credit entries, and, if necessary, debit entries and adjustments for any credits made in error.

### Line 30—Amount You Owe

If line 22 is more than line 27, you owe Minnesota income tax for 2016. Read the instructions for line 31 to determine if you must file Schedule M15, *Underpayment of Estimated Income Tax*.

Subtract line 27 from line 22, and add the amount, if any, from line 31. Enter the result on line 30. This is the Minnesota income tax you must pay. Pay your tax using one of the methods described in *Payment Options* on page 16.

If you are filing your return after April 18, 2017, a late payment penalty, a late filing penalty, and interest may be due (see page 16). If you file a paper return and you include penalty and interest with your check

payment, enclose a separate statement showing how you arrived at the penalty and interest. Do not include the late-filing or late-payment penalty or interest on line 30.

### Line 31—Penalty for Underpayment of 2016 Estimated Tax (Schedule M15)

You may owe a penalty if:

- Line 20 is more than line 27 and the difference is \$500 or more
- You did not make a required estimated tax payment on time. This is true even if you have a refund

Complete Schedule M15 to determine if you owe a penalty. Enter the penalty, if any, on line 31 of Form M1. Also, subtract the penalty amount from line 28 or add it to line 30 of Form M1. Include Schedule M15 with your return.

To avoid this penalty next year, you may want to make larger 2017 estimated tax payments or ask your employer to increase your withholding.

### Lines 32 and 33—2017 Estimated Tax

If you are paying 2017 estimated tax, you may apply all or part of your 2016 refund to your 2017 estimated tax.

On line 32, enter the portion of line 28 you want refunded to you. On line 33, enter the amount from line 28 you want applied to your 2017 estimated tax. The total of lines 32 and 33 must equal line 28.

For more information, read *Should I make estimated payments?* on page 16.



# Payment Options

## Can I pay electronically?

To pay electronically:

- Go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us), and click **Make a Payment** and use our e-Services Payment System
- Call 1-800-570-3329 to pay by phone

Follow the prompts for 'individuals' to make your payment. You cannot use a foreign bank account. Save the confirmation number and date stamp from your payment.

## Can I pay by credit or debit card?

To make a payment with a card:

- Go to [www.payMNtax.com](http://www.payMNtax.com)
- Call 1-855-9-IPAY-MN (1-855-947-2966) Monday – Friday from 7:00 a.m. to 7:00 p.m.)

Credit card payments are processed by Value Payment Systems LLC, which charges a convenience fee for this service. For help with your credit card payment, call 1-888-877-0450. Select option 1 (live operator) Monday – Friday from 7:00 a.m. to 7:00 p.m.

## Can I pay by check or money order?

Go to our website at [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and choose **Make a Payment** and then **Pay with a Check** and click on **e-Services Payment Voucher System** to create a voucher. Print the voucher and mail with a check made payable to Minnesota Revenue.

If you are filing a paper return, send the voucher and your check *separately* from your return to ensure that your payment is properly credited to your account. Your check authorizes us to make a one-time electronic fund transfer from your account. **You will not receive your canceled check.**

## What if I can't pay the full amount?

If you owe taxes, pay as much as you can when you file your tax return. If you cannot pay in full by the filing due date, make monthly payments using a payment voucher until you receive a bill.

After you get the bill, you can request a payment plan by calling 651-556-3003 or 1-800-657-3909 or at [www.revenue.state.mn.us](http://www.revenue.state.mn.us).

There is a \$50 nonrefundable fee to set up a payment plan.

Find additional payment plan information at [www.revenue.state.mn.us](http://www.revenue.state.mn.us).

## Should I make estimated payments?

Make estimated payments if any of the following apply:

- You expect to owe \$500 or more in Minnesota tax for 2017
- Minnesota tax wasn't withheld from your earnings
- Your income includes pensions, commissions, dividends or other sources not subject to withholding

Once you choose to apply all or part of your 2016 refund to your 2017 estimated tax, it cannot be changed.

To determine how much you owe, subtract your withholding and tax credits from the tax on your earnings.

See *Individual Estimated Tax Payments Instructions* on our website for details on how to estimate and pay your tax.

To pay electronically:

- Go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us), and choose **Make a Payment** from the e-Services menu
- Call 1-800-570-3329 to pay by phone

You can schedule all four payments at one time. Do not use a foreign bank account.

If you pay by check, send your payment with a payment voucher. Go to our website at [www.revenue.state.mn.us](http://www.revenue.state.mn.us), choose **Make a Payment** and **Pay with a Check** and click on **e-Services Payment Voucher System** to create a payment voucher.

Send your voucher and check to the address provided on the voucher. You may print multiple vouchers for estimated payments.

## Penalties and Interest

### Is there a penalty for filing late?

There is no late filing penalty if your return is filed within six months of the due date, which is October 16 for most individuals. **If your return is not filed within six months, a 5 percent late filing penalty will be assessed on the unpaid tax.**

Most individuals must pay by April 18, even if you filed an extension for your federal return. If you cannot pay the full amount due, file your return and pay as much as you can by the due date to reduce your penalty.

## Is there a penalty for paying late?

We will charge a 4 percent late payment penalty of the unpaid amount due if the tax you owe is not paid by the due date.

We will charge an additional 5 percent penalty on the unpaid tax if you pay your tax 181 days or more after filing your return.

Use the worksheet on page 17 to determine penalties you owe if you file or pay late.

## Are there other penalties?

We will charge a fraud penalty equal to 50 percent of a fraudulently claimed refund if you claim a refund you do not qualify for.

Civil and criminal penalties can be charged for:

- Failing to include all taxable income
- Errors due to intentionally disregarding the income tax laws
- Filing a frivolous return
- Knowingly or willfully failing to file a Minnesota return
- Evading tax
- Filing a false or fraudulent return

## How is interest on late payments calculated?

Interest will be charged on any unpaid tax and penalty after April 18, 2017. The interest rate is determined each year. The interest rate for 2017 is 4 percent. Use the worksheet on page 17 to calculate interest you owe.

## Separation of Liability

You may be eligible for the Separation of Liability Program if you filed a joint return, are no longer married, and you still owe part of the joint liability.

For information, write to:

Minnesota Revenue  
Attn: Separation of Liability Program  
Individual Income Tax Division  
Mail Station 7701  
St. Paul, MN 55146-7701



# Other Information

## Filing on Behalf of a Deceased Person

For more information, see Income Tax Fact Sheet #9, *Filing on Behalf of a Deceased Taxpayer*.

If a person died before filing a 2016 tax return and had income that meets the minimum filing requirement for 2016, the spouse or personal representative must file a Minnesota income tax return for the deceased person. The return must have the same filing status that was used to file the decedent's federal return.

To file a Minnesota income tax return for a deceased person, enter the decedent's name and your name on the return and print "DECD" and the date of death after the decedent's last name.

## Claiming a Refund on Behalf of a Deceased Person

If you are the decedent's spouse and you are using the joint filing method, the department will send you the refund.

If you are the personal representative, you must include a copy of the court document appointing you as personal representative with the decedent's return. You will receive the decedent's refund on behalf of the estate.

If no personal representative has been appointed for the decedent and there is no spouse, complete Form M23, *Claim for a Refund for a Deceased Taxpayer*, and include it with the decedent's Minnesota income tax return.

## Amending your Return/Reporting Federal Changes

You have 3 ½ years from the return due date to amend an original return to claim a refund. Use Minnesota Form M1X.

You have 180 days from receiving notification of the change to amend your Minnesota return if:

- The Internal Revenue Service (IRS) changes your federal return
- You amend your federal return and it affects your Minnesota return

If the IRS changes your return and the changes do NOT affect your Minnesota return you have 180 days to send a letter of explanation to the department.

You will be assessed a 10 percent penalty on any additional tax and the department will have 6 additional years to audit your return if you fail to report federal changes within 180 days.

Send your letter and a complete copy of your federal amended return or the correction notice you received from the IRS to:

Minnesota Revenue  
Mail Station 7703  
St. Paul, MN 55146-7703

## Power of Attorney

The department cannot share your private information without your permission. To give us permission to talk to an attorney, accountant, tax return preparer, or any

other person, sign Form REV-184, *Power of Attorney*. The person you appoint will be able to perform any acts you can perform when dealing with the department if given permission. You can also limit the representative's authority to specific powers, such as representing you during the audit process.

## Taxpayer Rights Advocate

If you have tax problems and have not been able to resolve them through normal channels, you may contact the Taxpayer Rights Advocate.

Write to:

Minnesota Revenue  
Taxpayer Rights Advocate  
P. O. Box 7335  
St. Paul, MN 55107-7335

Call: 651-556-6013 or 855-452-0767

Email: dor.tra@state.mn.us

## Worksheet to Determine Penalty and Interest

1. Tax not paid by April 18, 2017. . . . . \_\_\_\_\_
2. Late payment penalty\* Multiply step 1 by 4% (.04) . . . . . \_\_\_\_\_
3. Late filing penalty. If you are filing your return after October 16, 2017, multiply step 1 by 5% (.05) . . . . . \_\_\_\_\_
4. Extended delinquency. If your tax is not paid within 180 days after filing your return, multiply step 1 by 5% (.05) . . . . . \_\_\_\_\_
5. Add steps 1 through 4. . . . . \_\_\_\_\_
6. Number of days the tax is late \*\* . . . . . \_\_\_\_\_
7. Enter the applicable interest rate.  
For 2017, the rate is 4% (.04). . . . . \_\_\_\_\_
8. Multiply step 6 by step 7. . . . . \_\_\_\_\_
9. Divide step 8 by 365 (carry to five decimal places) . . . . . \_\_\_\_\_
10. Interest. Multiply step 5 by step 9 . . . . . \_\_\_\_\_
11. Total payment amount. Add step 5 and step 10 . . . . . \_\_\_\_\_

\*If you are filing your return after April 18, 2017, and paid at least 90% of your total tax by the due date, you will not be charged the late payment penalty if you file your return and pay any remaining tax by October 16, 2017.

\*\*If the days fall in more than one calendar year, determine steps 6 through 10 separately for each year.

# Military Personnel

## Am I a Minnesota resident?

If you are a resident when you enlist, you remain a Minnesota resident until you establish domicile somewhere else. Do not complete Schedule M1NR, *Nonresidents and Part-year Residents*, unless you (or your spouse) are a part-year resident of Minnesota or you (or your spouse) are a nonresident.

**Military personnel who are part-year residents or nonresidents:** When determining if you are required to file a Minnesota return using the steps on page 5, do not include:

- Active duty military pay for service outside Minnesota in step 1
- Active duty military pay for service in Minnesota in step 2

**Resident military spouses:** If you are the spouse of an active duty military member who is stationed outside of Minnesota, all income you earned in another state is assignable to Minnesota.

**Nonresident military spouses:** You may be exempt from Minnesota tax on personal service income from services performed in Minnesota if you meet all of the following requirements:

- The servicemember was present in Minnesota in compliance with military orders
- The servicemember was domiciled in a state other than Minnesota
- The spouse was in Minnesota solely to be with the servicemember
- The spouse had the same state of residency or domicile as the servicemember

## Subtractions

Minnesota residents who are in the military can take a subtraction for military pay if included in federal taxable income, including Active Guard Reserve (AGR) Program pay earned under Title 32. Use Schedule M1M to claim these subtractions.

Civilian employees of the military or state military employees cannot take this subtraction regardless of where this income was earned.

If you had nonmilitary income taxed by another state while you were a Minnesota resident, you may qualify for a credit for taxes paid to another state (see Schedule M1CR, *Credit for Income Tax Paid to Another State*).

## Military Pensions

Certain types of military pensions or other military retirement pay may be subtracted from taxable income. To claim this subtraction, the qualifying income must be included in federal taxable income. The subtraction for tax year 2016 is reported on line 30 of Schedule M1M, *Income Additions and Subtractions*. If this subtraction is claimed, the nonrefundable credit for past military service cannot be claimed.

## Extensions

If you are active duty military in a presidentially designated combat zone or contingency operation, you may file and pay your Minnesota income taxes up to 180 days after the last day you are in the combat zone or the last day of any continuous hospitalization for injuries sustained while serving in the combat zone. When you file your Minnesota income tax return, enclose a separate sheet stating that you were serving in a combat zone.

If you are stationed outside the United States but not involved in combat zone operations, you have until October 15 to file your return but must pay any tax owed by April 15.

For additional military information go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us) or see Income Tax Fact Sheet #5, *Military Personnel - Residency* and Fact Sheet #5a, *Military Personnel - Subtractions, Credits, and Extensions*.

## Did you serve in a Combat Zone at any time during 2016?

You are eligible for a credit of \$120 for each month you served in a combat zone or hazardous duty area if Minnesota is your state of legal residence (domicile). You can claim this credit for months served in years 2014, 2015, and 2016. Complete Form M99, *Credit for Military Service in a Combat Zone*, and mail it to the department with the required information listed on Form M99.

To download Form M99, go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us).

# Minnesota Working Family Credit (WFC) Table. This is not a tax table.

If line 1 or line 3 of Schedule M1WFC is:	Single, head of household or qualifying widow(er) and you have:			Married filing jointly and you have:			Single, head of household or qualifying widow(er) and you have:			Married filing jointly and you have:		
	at least	but less than	your credit is	no children	one child	two children	no children	one child	two children	no children	one child	two children
1	100		1	5	6	6	1	5	6	6	1	5
100	200		3	14	17	17	3	14	17	17	3	14
200	300		5	23	28	28	5	23	28	28	5	23
300	400		7	33	39	39	7	33	39	39	7	33
400	500		9	42	50	50	9	42	50	50	9	42
500	600		12	51	61	61	12	51	61	61	12	51
600	700		14	61	72	72	14	61	72	72	14	61
700	800		16	70	83	83	16	70	83	83	16	70
800	900		18	79	94	94	18	79	94	94	18	79
900	1,000		20	89	105	105	20	89	105	105	20	89
1,000	1,100		22	98	116	116	22	98	116	116	22	98
1,100	1,200		24	108	127	127	24	108	127	127	24	108
1,200	1,300		26	117	138	138	26	117	138	138	26	117
1,300	1,400		28	126	149	149	28	126	149	149	28	126
1,400	1,500		30	136	160	160	30	136	160	160	30	136
1,500	1,600		33	145	171	171	33	145	171	171	33	145
1,600	1,700		35	154	182	182	35	154	182	182	35	154
1,700	1,800		37	164	193	193	37	164	193	193	37	164
1,800	1,900		39	173	204	204	39	173	204	204	39	173
1,900	2,000		41	182	215	215	41	182	215	215	41	182
2,000	2,100		43	192	226	226	43	192	226	226	43	192
2,100	2,200		45	201	237	237	45	201	237	237	45	201
2,200	2,300		47	210	248	248	47	210	248	248	47	210
2,300	2,400		49	220	259	259	49	220	259	259	49	220
2,400	2,500		51	229	270	270	51	229	270	270	51	229
2,500	2,600		54	238	281	281	54	238	281	281	54	238
2,600	2,700		56	248	292	292	56	248	292	292	56	248
2,700	2,800		58	257	303	303	58	257	303	303	58	257
2,800	2,900		60	266	314	314	60	266	314	314	60	266
2,900	3,000		62	276	325	325	62	276	325	325	62	276
3,000	3,100		64	285	336	336	64	285	336	336	64	285
3,100	3,200		66	295	347	347	66	295	347	347	66	295
3,200	3,300		68	304	358	358	68	304	358	358	68	304
3,300	3,400		70	313	369	369	70	313	369	369	70	313
3,400	3,500		72	323	380	380	72	323	380	380	72	323
3,500	3,600		75	332	391	391	75	332	391	391	75	332
3,600	3,700		77	341	402	402	77	341	402	402	77	341
3,700	3,800		79	351	413	413	79	351	413	413	79	351
3,800	3,900		81	360	424	424	81	360	424	424	81	360
3,900	4,000		83	369	435	435	83	369	435	435	83	369
4,000	4,100		85	379	446	446	85	379	446	446	85	379
4,100	4,200		87	388	457	457	87	388	457	457	87	388
4,200	4,300		89	397	468	468	89	397	468	468	89	397
4,300	4,400		91	407	479	479	91	407	479	479	91	407
4,400	4,500		93	416	490	490	93	416	490	490	93	416

Minnesota Working Family Credit (WFC) Table. This is not a tax table.

Table with 8 columns: If line 1 or line 3 of Schedule M1WFC is: at least, but less than, Single, head of household or qualifying widow(er) and you have:, Married filing jointly and you have:, no children, one child, two children, your credit is.

Table with 8 columns: If line 1 or line 3 of Schedule M1WFC is: at least, but less than, Single, head of household or qualifying widow(er) and you have:, Married filing jointly and you have:, no children, one child, two children, your credit is.

Table with 8 columns: If line 1 or line 3 of Schedule M1WFC is: at least, but less than, Single, head of household or qualifying widow(er) and you have:, Married filing jointly and you have:, no children, one child, two children, your credit is.

Main data table (left side) containing numerical values for the first two columns of each row across all 52 rows.

Main data table (middle section) containing numerical values for the third and fourth columns of each row across all 52 rows.

Main data table (right side) containing numerical values for the fifth, sixth, seventh, and eighth columns of each row across all 52 rows.

# Minnesota Working Family Credit (WFC) Table. This is not a tax table.

If line 1 or line 3 of Schedule M1WFC is:	Single, head of household or qualifying widow(er) and you have:			Married filing jointly and you have:			Single, head of household or qualifying widow(er) and you have:			Married filing jointly and you have:			
	at least	but less than	your credit is	no children	one child	two children	no children	one child	two children	no children	one child	two children	
													your credit is
27,000	27,100	0	734	1,895	0	1,061	2,047	0	1,061	2,047	0	526	1,520
27,100	27,200	0	728	1,884	0	1,061	2,047	0	791	1,996	0	520	1,509
27,200	27,300	0	722	1,873	0	1,056	2,047	0	785	1,985	0	514	1,499
27,300	27,400	0	716	1,862	0	1,050	2,047	0	779	1,975	0	508	1,488
27,400	27,500	0	710	1,851	0	1,044	2,047	0	773	1,964	0	502	1,477
27,500	27,600	0	704	1,840	0	1,038	2,047	0	767	1,953	0	496	1,466
27,600	27,700	0	698	1,830	0	1,032	2,047	0	761	1,942	0	490	1,455
27,700	27,800	0	692	1,819	0	1,026	2,047	0	755	1,931	0	484	1,444
27,800	27,900	0	686	1,808	0	1,020	2,047	0	749	1,921	0	478	1,434
27,900	28,000	0	680	1,797	0	1,014	2,047	0	743	1,910	0	472	1,423
28,000	28,100	0	674	1,786	0	1,008	2,047	0	737	1,899	0	466	1,412
28,100	28,200	0	668	1,776	0	1,002	2,047	0	731	1,888	0	460	1,401
28,200	28,300	0	662	1,765	0	996	2,047	0	725	1,877	0	454	1,390
28,300	28,400	0	656	1,754	0	990	2,047	0	719	1,866	0	448	1,380
28,400	28,500	0	650	1,743	0	984	2,047	0	713	1,856	0	442	1,369
28,500	28,600	0	644	1,732	0	978	2,047	0	707	1,845	0	436	1,358
28,600	28,700	0	638	1,721	0	972	2,047	0	701	1,834	0	430	1,347
28,700	28,800	0	632	1,711	0	966	2,047	0	695	1,823	0	424	1,336
28,800	28,900	0	626	1,700	0	959	2,047	0	689	1,812	0	418	1,325
28,900	29,000	0	620	1,689	0	953	2,047	0	683	1,801	0	412	1,315
29,000	29,100	0	614	1,678	0	947	2,047	0	677	1,791	0	406	1,304
29,100	29,200	0	608	1,667	0	941	2,047	0	671	1,780	0	400	1,293
29,200	29,300	0	602	1,656	0	935	2,047	0	665	1,769	0	394	1,282
29,300	29,400	0	596	1,646	0	929	2,047	0	658	1,758	0	388	1,271
29,400	29,500	0	590	1,635	0	923	2,047	0	652	1,747	0	382	1,260
29,500	29,600	0	584	1,624	0	917	2,047	0	646	1,737	0	376	1,250
29,600	29,700	0	578	1,613	0	911	2,047	0	640	1,726	0	370	1,239
29,700	29,800	0	572	1,602	0	905	2,047	0	634	1,715	0	364	1,228
29,800	29,900	0	566	1,592	0	899	2,047	0	628	1,704	0	357	1,217
29,900	30,000	0	560	1,581	0	893	2,047	0	622	1,693	0	351	1,206
30,000	30,100	0	554	1,570	0	887	2,047	0	616	1,682	0	345	1,196
30,100	30,200	0	548	1,559	0	881	2,047	0	610	1,672	0	339	1,185
30,200	30,300	0	542	1,548	0	875	2,047	0	604	1,661	0	333	1,174
30,300	30,400	0	536	1,537	0	869	2,047	0	598	1,650	0	327	1,163
30,400	30,500	0	530	1,527	0	863	2,047	0	592	1,639	0	321	1,152
30,500	30,600	0	524	1,516	0	857	2,047	0	586	1,628	0	315	1,141
30,600	30,700	0	518	1,505	0	851	2,047	0	580	1,618	0	309	1,131
30,700	30,800	0	512	1,494	0	845	2,047	0	574	1,607	0	303	1,120
30,800	30,900	0	506	1,483	0	839	2,047	0	568	1,596	0	297	1,109
30,900	31,000	0	500	1,473	0	833	2,047	0	562	1,585	0	291	1,098
31,000	31,100	0	494	1,462	0	827	2,047	0	556	1,574	0	285	1,087
31,100	31,200	0	488	1,451	0	821	2,047	0	550	1,563	0	279	1,077
31,200	31,300	0	481	1,440	0	815	2,047	0	544	1,553	0	273	1,066
31,300	31,400	0	475	1,429	0	809	2,029	0	538	1,542	0	267	1,055
31,400	31,500	0	469	1,418	0	803	2,018	0	532	1,531	0	261	1,044



# 2016 Tax Tables

If line 8, Form M1 is:		and you are:				If line 8, Form M1 is:		and you are:				If line 8, Form M1 is:		and you are:			
at least	but less than	single	married filing jointly or qualifying widow(er)	married filing separately	head of household	at least	but less than	single	married filing jointly or qualifying widow(er)	married filing separately	head of household	at least	but less than	single	married filing jointly or qualifying widow(er)	married filing separately	head of household
		the tax to enter on line 9 is:						the tax to enter on line 9 is:						the tax to enter on line 9 is:			
0	20	0	0	0	0	4,900	5,000	265	265	265	265	9,900	10,000	532	532	532	532
20	100	3	3	3	3	5,000	5,100	270	270	270	270	10,000	10,100	538	538	538	538
100	200	8	8	8	8	5,100	5,200	276	276	276	276	10,100	10,200	543	543	543	543
200	300	13	13	13	13	5,200	5,300	281	281	281	281	10,200	10,300	548	548	548	548
300	400	19	19	19	19	5,300	5,400	286	286	286	286	10,300	10,400	554	554	554	554
400	500	24	24	24	24	5,400	5,500	292	292	292	292	10,400	10,500	559	559	559	559
500	600	29	29	29	29	5,500	5,600	297	297	297	297	10,500	10,600	564	564	564	564
600	700	35	35	35	35	5,600	5,700	302	302	302	302	10,600	10,700	570	570	570	570
700	800	40	40	40	40	5,700	5,800	308	308	308	308	10,700	10,800	575	575	575	575
800	900	45	45	45	45	5,800	5,900	313	313	313	313	10,800	10,900	580	580	580	580
900	1,000	51	51	51	51	5,900	6,000	318	318	318	318	10,900	11,000	586	586	586	586
1,000	1,100	56	56	56	56	6,000	6,100	324	324	324	324	11,000	11,100	591	591	591	591
1,100	1,200	62	62	62	62	6,100	6,200	329	329	329	329	11,100	11,200	597	597	597	597
1,200	1,300	67	67	67	67	6,200	6,300	334	334	334	334	11,200	11,300	602	602	602	602
1,300	1,400	72	72	72	72	6,300	6,400	340	340	340	340	11,300	11,400	607	607	607	607
1,400	1,500	78	78	78	78	6,400	6,500	345	345	345	345	11,400	11,500	613	613	613	613
1,500	1,600	83	83	83	83	6,500	6,600	350	350	350	350	11,500	11,600	618	618	618	618
1,600	1,700	88	88	88	88	6,600	6,700	356	356	356	356	11,600	11,700	623	623	623	623
1,700	1,800	94	94	94	94	6,700	6,800	361	361	361	361	11,700	11,800	629	629	629	629
1,800	1,900	99	99	99	99	6,800	6,900	366	366	366	366	11,800	11,900	634	634	634	634
1,900	2,000	104	104	104	104	6,900	7,000	372	372	372	372	11,900	12,000	639	639	639	639
2,000	2,100	110	110	110	110	7,000	7,100	377	377	377	377	12,000	12,100	645	645	645	645
2,100	2,200	115	115	115	115	7,100	7,200	383	383	383	383	12,100	12,200	650	650	650	650
2,200	2,300	120	120	120	120	7,200	7,300	388	388	388	388	12,200	12,300	655	655	655	655
2,300	2,400	126	126	126	126	7,300	7,400	393	393	393	393	12,300	12,400	661	661	661	661
2,400	2,500	131	131	131	131	7,400	7,500	399	399	399	399	12,400	12,500	666	666	666	666
2,500	2,600	136	136	136	136	7,500	7,600	404	404	404	404	12,500	12,600	671	671	671	671
2,600	2,700	142	142	142	142	7,600	7,700	409	409	409	409	12,600	12,700	677	677	677	677
2,700	2,800	147	147	147	147	7,700	7,800	415	415	415	415	12,700	12,800	682	682	682	682
2,800	2,900	152	152	152	152	7,800	7,900	420	420	420	420	12,800	12,900	687	687	687	687
2,900	3,000	158	158	158	158	7,900	8,000	425	425	425	425	12,900	13,000	693	693	693	693
3,000	3,100	163	163	163	163	8,000	8,100	431	431	431	431	13,000	13,100	698	698	698	698
3,100	3,200	169	169	169	169	8,100	8,200	436	436	436	436	13,100	13,200	704	704	704	704
3,200	3,300	174	174	174	174	8,200	8,300	441	441	441	441	13,200	13,300	709	709	709	709
3,300	3,400	179	179	179	179	8,300	8,400	447	447	447	447	13,300	13,400	714	714	714	714
3,400	3,500	185	185	185	185	8,400	8,500	452	452	452	452	13,400	13,500	720	720	720	720
3,500	3,600	190	190	190	190	8,500	8,600	457	457	457	457	13,500	13,600	725	725	725	725
3,600	3,700	195	195	195	195	8,600	8,700	463	463	463	463	13,600	13,700	730	730	730	730
3,700	3,800	201	201	201	201	8,700	8,800	468	468	468	468	13,700	13,800	736	736	736	736
3,800	3,900	206	206	206	206	8,800	8,900	473	473	473	473	13,800	13,900	741	741	741	741
3,900	4,000	211	211	211	211	8,900	9,000	479	479	479	479	13,900	14,000	746	746	746	746
4,000	4,100	217	217	217	217	9,000	9,100	484	484	484	484	14,000	14,100	752	752	752	752
4,100	4,200	222	222	222	222	9,100	9,200	490	490	490	490	14,100	14,200	757	757	757	757
4,200	4,300	227	227	227	227	9,200	9,300	495	495	495	495	14,200	14,300	762	762	762	762
4,300	4,400	233	233	233	233	9,300	9,400	500	500	500	500	14,300	14,400	768	768	768	768
4,400	4,500	238	238	238	238	9,400	9,500	506	506	506	506	14,400	14,500	773	773	773	773
4,500	4,600	243	243	243	243	9,500	9,600	511	511	511	511	14,500	14,600	778	778	778	778
4,600	4,700	249	249	249	249	9,600	9,700	516	516	516	516	14,600	14,700	784	784	784	784
4,700	4,800	254	254	254	254	9,700	9,800	522	522	522	522	14,700	14,800	789	789	789	789
4,800	4,900	259	259	259	259	9,800	9,900	527	527	527	527	14,800	14,900	794	794	794	794













# Tax Rate Schedules

The following schedules show the tax rates that apply to given income ranges for each filing status. You must use these schedules if line 8 of Form M1 is \$90,000 or more. Follow the steps for your filing status to determine the tax amount to enter on line 9 of Form M1.

If line 8 of Form M1 is less than \$90,000, you must use the tax table on pages 23 through 28.

## Single

If line 8 of Form M1 is:		Enter on line 9 of your Form M1:		of the amount over—
over—	but not over—			
\$ 0	\$25,180	-----	5.35%	\$ 0
25,180	82,740	1,347.13 +	7.05%	25,180
82,740	155,650	5,405.11 +	7.85%	82,740
155,650	-----	11,128.55 +	9.85%	155,650

## Married, filing jointly or qualifying widow(er)

If line 8 of Form M1 is:		Enter on line 9 of your Form M1:		of the amount over—
over—	but not over—			
\$ 0	\$36,820	-----	5.35%	\$ 0
36,820	146,270	1,969.87 +	7.05%	36,820
146,270	259,420	9,686.10 +	7.85%	146,270
259,420	-----	18,568.38 +	9.85%	259,420

## Married, filing separately

If line 8 of Form M1 is:		Enter on line 9 of your Form M1:		of the amount over—
over—	but not over—			
\$ 0	\$18,410	-----	5.35%	\$ 0
18,410	73,140	984.94 +	7.05%	18,410
73,140	129,710	4,843.41 +	7.85%	73,140
129,710	-----	9,284.16 +	9.85%	129,710

## Head of household

If line 8 of Form M1 is:		Enter on line 9 of your Form M1:		of the amount over—
over—	but not over—			
\$ 0	\$31,010	-----	5.35%	\$ 0
31,010	124,600	1,659.04 +	7.05%	31,010
124,600	207,540	8,257.14 +	7.85%	124,600
207,540	-----	14,767.93 +	9.85%	207,540

## DO YOU NEED 2016 FORMS?

Download the forms you need at [www.revenue.state.mn.us](http://www.revenue.state.mn.us). Or, if you prefer, call 651-296-3781 or 1-800-652-9094 or use this order form. You'll receive two copies and instructions of each form you order.

- M1, Minnesota income tax return and instructions
- M15, To determine penalty for underpaying estimated tax
- M23, Claim for a refund for a deceased taxpayer
- M99, Credit for military service in a combat zone
- M1B, Business and investment credits
- M1C, Other nonrefundable credits
- M1CD, Child and dependent care credit
- M1CR, Credit for income tax paid to another state
- M1ED, K-12 education credit
- M1LS, For recipients of lump-sum distributions from pension, profit-sharing or stock bonus plans
- M1LTI, Credit for long-term care insurance premiums paid
- M1M, Additions to and subtractions from taxable income
- M1MA, Marriage Credit
- M1MT, Alternative minimum tax
- M1MTC, Alternative minimum tax credit
- M1NC, Federal Conformity
- M1NR, For nonresidents and part-year residents
- M1PR, Homestead Credit Refund (for Homeowners) and Renter's Property Tax Refund
- M1PRX, Amended Homestead Credit Refund (for Homeowners) and Renter's Property Tax Refund
- M1PSC, Credit for Parents of Stillborn Children
- M1R, Subtraction for persons age 65 or older or for the permanently and totally disabled
- M1REF, Refundable Credits
- M1W, For reporting Minnesota income tax withheld
- M1WFC, Minnesota working family credit
- M1X, Minnesota amended income tax return (for 2016)
- MWR, Application for exemption from Minnesota income tax withholding for Michigan and North Dakota residents
- UT1, Individual Use Tax Return

Income tax fact sheets that are available only from our website include:

- |  |  |
|--|--|
| #1 Residency   | #8 Education expenses                        |
| #2 Part-year residents   | #9 Deceased persons                          |
| #3 Nonresidents  | #12 Past-due returns                         |
| #4 Reciprocity   | #13 US government interest                   |
| #5 Military personnel -Residency                               | #16 Aliens                                   |
| #5a Military personnel - Subtractions, Credits, and Extensions | #24 Credit for Parents of Stillborn Children |
| #6 Seniors   |  |

Complete and send to: Minnesota Tax Forms, Mail Station 1421, St. Paul, MN 55146-1421. Do not use the envelope in this booklet. (*Type or print carefully—this is your mailing label.*)

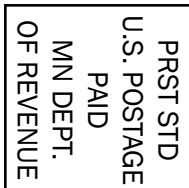
Your name \_\_\_\_\_

Street address \_\_\_\_\_

City \_\_\_\_\_

State \_\_\_\_\_

Zip code \_\_\_\_\_



## Expecting a refund? Find out where it is!

Go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and type **Where's My Refund** in the Search box to monitor the status of your refund.

With this system, you can:

- See if we've received your return
- Follow your return through the process
- Understand the steps your return goes through before a refund is sent
- See the actual date your refund was sent