



2019 Schedule M1MTC, Alternative Minimum Tax Credit

Your First Name and Initial

Last Name

Social Security Number

Read the instructions on the back before you complete this schedule.

Round amounts to nearest whole dollar.

Part 1

- 1 2018 federal adjusted gross income (from line 7 of your 2018 federal Form 1040) **1** _____
- 2 2018 federally exempt interest and dividends (see instructions) **2** _____
- 3 Domestic production activities deduction and depletion (add the domestic production activities deduction included on line 14 of 2018 Schedule M1M and line 7 of 2018 Schedule M1MT) **3** _____
- 4 Expenses deducted on your federal return attributable to income not taxed by Minnesota (from line 6 of 2018 Schedule M1M) **4** _____
- 5 Add lines 1 through 4 **5** _____
- 6 Medical and dental expense deduction (from line 9 of 2018 Schedule M1MT) **6** _____
- 7 Investment interest expense (from line 10 of 2018 Schedule M1MT) **7** _____
- 8 Charitable contributions (from line 11 of 2018 Schedule M1MT) **8** _____
- 9 Casualty and theft losses (from line 12 of 2018 Schedule M1MT) **9** _____
- 10 Impairment-related work expenses of a person with a disability (from line 13 of 2018 Schedule M1MT) **10** _____
- 11 State income tax refund (from line 14 of 2018 Schedule M1MT) **11** _____
- 12 Net interest or mutual fund dividends from U.S. bonds (from line 16 of 2018 Schedule M1MT) **12** _____
- 13 Other subtractions (see instructions) **13** _____
- 14 Exemption (from line 25 of 2018 Schedule M1MT) **14** _____
- 15 Add lines 6 through 14 **15** _____
- 16 Subtract line 15 from line 5 (if zero or less, enter 0) **16** _____
- 17 Multiply line 16 by 6.75% (.0675) **17** _____
- 18 Your 2018 alternative minimum tax (from line 27 of 2018 Schedule M1MT) **18** _____
- 19 Your 2018 regular income tax (from line 28 of 2018 Schedule M1MT) **19** _____
- 20 Subtract line 19 from line 18 (if zero or less, enter 0) **20** _____
- 21 Subtract line 17 from line 18 (if zero or less, enter 0) **21** _____
- 22 Compare line 21 and line 20.
Residents: Enter the smaller of the two amounts.
Nonresidents and part-year residents: Multiply the smaller amount by line 26 of 2018 Schedule M1NR **22** _____
- 23 Amount from line 29 of 2018 Schedule M1MTC **23** _____
- 24 Alternative minimum tax credit available for 2019. Add lines 22 and 23 **24** _____

Part 2

- 25 Regular tax for 2019 (see instructions) **25** _____
- 26 Alternative minimum tax for 2019 (see instructions) **26** _____
- 27 Subtract line 26 from line 25 (if zero or less, enter 0) **27** _____
- 28 Amount from line 24 or line 27, whichever is less. (Read instructions for 2019 Schedule M1MT.) Also enter this amount on line 13 of Schedule M1C **28** _____

Part 3 (see instructions)

- 29 Subtract line 28 from line 24 **29** _____

You must include this schedule, Schedule M1MT, and Schedule M1C when you file your 2019 Form M1.

2019 Schedule M1MTC Instructions

If you did not pay the Minnesota alternative minimum tax in prior years, you are not eligible for this credit.

Should I file Schedule M1MTC?

If you paid Minnesota alternative minimum tax (AMT) in prior years, but are not required to pay it in 2019, you may qualify for a nonrefundable credit for 2019 or later years by completing Schedule M1MTC. File the schedule with your 2019 Form M1.

You may be eligible for this credit if either of the following apply:

- Line 27 is more than line 28 on your 2018 Schedule M1MT, *Alternative Minimum Tax*, and the liability is at least partly due to timing items
- You have an amount on line 29 of your 2018 Schedule M1MTC

If you paid AMT in one or more years from 1989 through 2018, but did not complete a Schedule M1MTC, complete this schedule to determine any carryover.

Timing and Exclusion Items

The Minnesota AMT is attributable to two types of adjustments and preferences: timing items and exclusion items.

Generally, **timing items** do not cause a permanent difference in taxable income over time. The minimum tax credit is only generated by the AMT attributable to timing adjustments and preferences, such as accelerated depreciation, intangible drilling costs preference, exercise of incentive stock options, etc.

Exclusion items, such as personal exemptions or any itemized deduction not allowed for AMT purposes (such as gambling losses, home mortgage interest, or taxes) do cause a permanent difference in taxable income. The minimum tax credit is **not** generated by the AMT attributable to exclusion items.

Line Instructions

Part 1 determines the minimum tax credit generated by Minnesota AMT paid for 2018. Part 2 calculates how much, if any, of that credit can be used in 2019. Part 3 determines any minimum tax credit you can carry forward.

You will not be able to complete Parts 2 and 3 until you determine your 2019 tax liability. Complete 2019 Schedule M1MT before completing this schedule.

Round amounts to the nearest whole dollar.

Part 1

If line 2h, lines 2k through 2t, and line 3 of your 2018 federal Form 6251 are blank, skip lines 1–23 of this schedule, and start with line 24.

Line 2

Enter the total amount of:

- Federally exempt interest and dividends from obligations of other states from lines 1 and 2 of your 2018 Schedule M1M, *Income Additions and Subtractions*
- Tax-exempt interest from Minnesota private activity bonds issued after August 7, **1986**, included on line 2g of your 2018 federal Form 6251

Line 4

If you deducted interest or other expenses on your 2018 federal return which were attributable to income not taxed by Minnesota, enter the amount from line 6 of your 2018 Schedule M1M.

Line 13

Enter the amount from line 18 (other subtractions) of your 2018 Schedule M1MT. However, do not include any net operating loss subtraction you may have included on line 18 of your 2018 Schedule M1MT.

Part 2

Lines 25–28

If you are **not** subject to Minnesota AMT for 2019, you may be eligible for the credit in 2019. However, you must complete and file the 2019 Schedule M1MT to determine the credit.

If you are subject to Minnesota AMT for 2019, skip Part 2. You may not take the credit in 2019.

Line 25

Full-year residents: Enter the amount from line 28 of 2019 Schedule M1MT.

Part-year residents and nonresidents: Multiply line 28 of 2019 Schedule M1MT by line 24 of 2019 Schedule M1NR, *Nonresidents/Part-Year Residents*.

All taxpayers: Reduce the result from above by lines 16 through 18 of Form M1 and lines 1 through 9 of Schedule M1C, *Other Nonrefundable Credits*.

Continued

2019 Schedule M1MTC Instructions, continued

Line 26

Full-year residents: Enter the amount from line 27 of 2019 Schedule M1MT.

Part-year residents and nonresidents: Multiply line 27 of 2019 Schedule M1MT by line 24 of 2019 Schedule M1NR.

This line cannot be less than zero.

All taxpayers: Reduce the result from above by lines 16, 17, and 18 of Form M1, and lines 1 through 12 of Schedule M1C.

Line 28

Enter the amount from line 24 or line 27, whichever is less. Also enter this amount on line 13 of Schedule M1C.

This is your 2019 Minnesota AMT credit.

Part 3

Line 29

If you were subject to Minnesota AMT for 2019 and did not have to complete Part 2, enter the amount from line 24.

You may carry forward any unused portion of your minimum tax credit. If you have a carryforward, include Schedule M1MTC when you file your 2019 Form M1, even if you could not use any of the credit for 2019.

Save copies of the schedule until you have claimed the entire credit. The 2020 Schedule M1MTC will have a line for this amount.